



March 19, 2024

By email (galaniz@kdna.org)

Mr. Gilbert Alaniz
Vice President, Eastern Region
Northwest Communities' Education Center
PO Box 800
Granger, WA 98932

RE: Evaluation of KDNA-FM, Northwest Communities' Education Center, Compliance with Selected Communications Act, and General Provisions Diversity and Transparency Requirements (Report No. ECR2301-2316)

Dear Mr. Alaniz,

The evaluation referenced above concluded that KDNA-FM ("KDNA") was compliant with three of eleven select requirements in the Communications Act of 1932, 47 U.S.C. §§ 396, *et seq.* ("Communications Act") and in the General Provisions and Eligibility Criteria (General Provisions) governing the 2023 community service grant ("CSG") awarded it by the Corporation for Public Broadcasting (CPB).

The specific findings and CPB's determinations for KDNA follow.

I. Meetings

The Communications Act requires stations to provide the public with reasonable advance notice of their open meetings which include, but are not limited to open governing body meetings, open governing body committee meetings, and community advisory board ("CAB") meetings (collectively "open meeting(s)"). One method stations may employ to satisfy that requirement is by providing at least seven-days' advance notice, including the time and place of the meeting by posting notice on the station's website.¹ If a meeting is closed, the Communications Act requires stations to document and make available to the public the specific reason(s) for closing a meeting within a reasonable time after the meeting. CPB also requires that the written statement be made available for inspection, either at the station's central office or posted on the station's website, within 10 days after each closed meeting.²

The evaluation found that KDNA did not provide adequate notice for four of five open meetings of its governing body and that KDNA did not provide adequate notice for one of its three open CAB meetings.

¹ Additional methods for providing notice may be found in the Compliance Booklet, Section 1.E. Notice of Open Meetings.

² Compliance Booklet, Section 2.C. Closed Meeting Documentation.

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Concerning closed meetings, KDNA indicated it held two closed CAB meetings and provided the auditors with documentation for one of those meetings. The evaluation found the documentation was insufficient because it lacked the reason(s) why the meeting was closed. In addition, the evaluation found that a third closed CAB meeting was referenced in the April 2022 CAB minutes which was not supported by any closed meeting documentation.

The report recommended that CPB require KDNA identify the corrective actions and controls it will implement to ensure compliance with Communications Act requirements for open and closed meetings. Considering KDNA's swift action to update the advance meeting notices on its website, the station's commitment to compliance detailed in its correspondence,³ and the penalty assessed below, we will not require additional documentation.

Action: No further action is required of KDNA.

II. Posting Current Financial Information

The Communications Act requires stations to make available to the public their annual financial and audit reports they are required to provide to CPB.⁴ CPB also requires that each CSG recipient post its most recent annual financial report ("AFR") and audited financial statement on its website.

The evaluation found that KDNA had not posted its most recent audited financial statement and AFR, although it promptly updated its website to include these. The report recommended that CPB require KDNA to identify the controls it will adopt to avoid this error in the future.

Considering KDNA's swift action to correct the issue, the station's commitment to compliance detailed in its correspondence,⁵ and the penalty assessed below, we will not require additional documentation.

Action: No further action is required of KDNA.

III. Diversity Statement

The fiscal year 2023 General Provisions required stations to maintain a Diversity Statement and the evaluation found that KDNA was generally compliant with the requirements but did not address two points. KDNA corrected these issues and listed the controls it created for maintaining compliance with the provision in its correspondence.⁶ The report recommended that CPB require KDNA to identify the corrective actions it will implement to ensure future compliance.

CPB undertook a review of the Diversity Statement requirements and in October 2023, revised them effective fiscal year 2024. With the changes, stations are required to adopt a Community Representation Statement that must be posted on the station's website or made available at its central office. The revisions also require stations to document how they include their communities in station employment, station governance, and community advisory boards (if required), and how they provide educational, informational, and cultural content that meets the needs of the communities

³ Exhibits D and E of the evaluation report.

⁴ General Provisions, Section 2 (C), Open Financial Records.

⁵ Exhibits D and E of the evaluation report.

⁶ Exhibits D and E of the evaluation report.

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they serve.⁷ Because of this review and the revisions to these requirements, CPB will not require any corrective actions of KDNA or assess a penalty for non-compliance.

Action: No further action is required of KDNA.

IV. Posting Local Content and Service Report

CPB requires stations to post their Local Content and Service Report (“LCSR”) on the station website or make it available at the station’s central office.⁸ The report found that KDNA did not make the LCSR available using either method, and it recommended that CPB require KDNA to identify the controls it will implement to avoid this error in the future.

KDNA posted its LCSR on its website before the evaluation’s completion but did not identify the controls it will implement to avoid this error in the future.⁹ Therefore, CPB will require KDNA to provide this documentation to CPB and it will assess the non-compliance penalty below.

Action: KDNA must provide CPB with the controls it will implement to make its LCSR available to the public, within 45 days of the date of this correspondence.

V. CSG Non-compliance Policy

CPB adopted the CSG Non-compliance Policy to encourage grantees to comply with the applicable provisions governing their CSG and the Communications Act. Stations are subject to a penalty of \$5,000 for failure to comply with a category in the Communications Act and a penalty of \$1,000 for failure to comply with a category in the General Provisions.

In 2010, the OIG found KDNA noncompliant with the Communications Act requirements for open and closed meetings and the open financial records requirements.¹⁰ Based on the current and past non-compliance of the same categories, and considering the station’s response to the evaluation and the potential impact of the penalties on the station’s operations, we will assess a reduced penalty of \$2,500 for each category of non-compliance. In addition, we will assess a reduced penalty of \$500 for its non-compliance with the General Provisions, i.e., making the LCSR available for public inspection.

Action: Within 45 days of the date of this correspondence, KDNA must provide the \$5,500 in penalties to CPB for its non-compliance with the Communications Act and the General Provisions, by forwarding a check payable to CPB to Nick Stromann, Vice President, Controller, Corporation for Public Broadcasting, 401 Ninth Street N.W., Washington, D.C. 20004-2129, and send the LCSR documentation to the Director of Radio CSG Policy and Administration, at csg@cpb.org.

⁷ Additional requirements are detailed in the FY 2024 Radio CSG General Provisions, Section 8, Community Representation Statement.

⁸ General Provisions, Section 9 (C), Documents for Public Inspection: At Central Office or on Station Website.

⁹ Exhibits D and E of the evaluation report.

¹⁰ Report number ASR911-1002, March 31, 2010.

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If you wish CPB to consider additional information relating to this matter, please provide the same in writing within 30 days of the date of this letter. Otherwise, CPB will consider these determinations final, and KDNA must comply with the actions set forth above. CPB reserves the right to take any other action it deems appropriate until these issues are resolved to CPB's satisfaction.

Kind regards,

Jackie J. Livesay

Jackie J. Livesay
Deputy General Counsel & Vice President, Compliance

CC: VIA ELECTRONIC MAIL

Greg Ma, Licensee Official, KDNA-FM (gjm98119@gmail.com)
Rogelio Riojas, Head of Grantee, KDNA-FM (rogelioriojas@seamarchc.org)
Elizabeth Torres, KDNA-FM (etorres@kdna.org)
Michael Levy, Executive Vice President & Chief Operating Officer, CPB
Evan Slavitt, Senior Vice President & General Counsel, CPB
William P. Tayman, Jr., Chief Financial Officer & Treasurer, CPB
Kimberly Howell, Inspector General, CPB
William J. Richardson, III, Senior Director & Deputy Inspector General, CPB
Kathy Merritt, Senior Vice President, Radio, Journalism & CSG Services, CPB
Katherine Arno, Vice President, Community Service Grants and Station Initiatives, CPB
Nick Stromann, Vice President, Controller, CPB
Andrew Charnik, Director, Radio CSG Policy & Administration, CPB
Forrest Lillibrige, Director, Grants Administration, CPB