

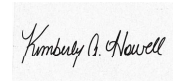


Office of the Inspector General

June 20, 2024

To: Jackie J. Livesay, Deputy General Counsel and Vice President, Compliance  
Kathy Merritt, Senior Vice President, Radio, Journalism and CSG Services

From: Kimberly A. Howell, Inspector General

 Digitally signed by  
Kimberly Howell  
Date: 2024.06.20  
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Subject: Evaluation of KUCO-FM, the University of Central Oklahoma, Compliance with  
Selected Communications Act and General Provisions Transparency Requirements,  
Report No. ECR2408-2411

We have completed an unannounced evaluation of compliance with selected requirements of the 2024 Corporation for Public Broadcasting (CPB) Community Service Grant (CSG) awarded to KUCO-FM, licensed to the University of Central Oklahoma, Edmund, Oklahoma. Our specific objectives were to verify compliance with 11 requirements of the Communications Act of 1934, as amended (Act) for open and closed meetings and open financial records, as well as the CSG General Provisions and Eligibility Criteria (General Provisions) for transparency as presented in Exhibit A. Background information on the station and CSG program can be found in Exhibit B.

Based on our review of KUCO-FM's website on March 14, 2024, and the station's response to our preliminary observations, we found the station was compliant with five of the five applicable requirements. The remaining six requirements were not applicable because there were no open or closed meetings of the governing board or board committees during the past 12 months involving public broadcasting business and as a division of a governmental entity the station was not required to have a Community Advisory Board. The station's response to the draft report is presented in Exhibit D.

We initiated this evaluation to address station accountability as identified in our Annual Plan. We conducted our evaluation in accordance with the Council of the Inspectors General on Integrity and Efficiency *Quality Standards for Inspection and Evaluation*. Our scope and methodology are discussed in Exhibit C.

cc: Laura Ross, Chair, CPB Board of Directors  
Elizabeth Sembler, CPB Board of Directors, Audit and Finance Committee  
U.S. Senate Committee on Homeland Security and Governmental Affairs  
U.S. House of Representatives Committee on Oversight and Accountability  
U.S. Senate Committee on Commerce, Science and Transportation  
U.S. House of Representatives Energy and Commerce Committee  
U.S. Senate Committee on Appropriations  
U.S. Senate Labor-HHS-Education Appropriations Subcommittee  
U.S. House of Representatives Committee on Appropriations  
U.S. House of Representatives Labor-HHS-Education Appropriations Subcommittee

**Exhibit A**

**Summary of KUCO-FM Website Review  
as of March 14, 2024**

| <b>Requirements</b>  | <b>Met</b> | <b>Not Met</b> |
|--|------------|----------------|
| 1) Seven-day advance notice of governing body meeting:   | <b>N/A</b> |                |
| a) available on website  |            |                |
| b) available by other means  |            |                |
| 2) Seven-day advance notice of board committee meetings:   | <b>N/A</b> |                |
| a) available on website  |            |                |
| b) available by other means  |            |                |
| 3) Seven-day advance notice of CAB meetings:   | <b>N/A</b> |                |
| a) available on website  |            |                |
| b) available by other means  |            |                |
| 4) If closed meetings were held, was documentation prepared explaining the basis for closing meeting in accordance with the Act:   | <b>N/A</b> |                |
| a) available on website  |            |                |
| b) available at central office   |            |                |
| 5) If closed meeting documentation was prepared, was it available within 10-days of the closed meeting   | <b>N/A</b> |                |
| 6) Most recent AFR or FSR available on website   | <b>X</b>   |                |
| 7) Most recent audited financial statements on website   | <b>X</b>   |                |
| 8) Senior/executive management information on website  | <b>X</b>   |                |
| 9) Governing body members on website   | <b>X</b>   |                |
| 10) CAB members on website   | <b>N/A</b> |                |
| 11) Grantee's annual report on local content and services included in the grantee's current 2023 SAS on its content and services that serve local needs; and analysis about the reach and impact of the local services in its community. |            |                |
| a) available on website  |            |                |
| b) available at central office   | <b>X</b>   |                |

## **Background**

KUCO-FM, formerly known as KCSC-FM, is operated by the University of Central Oklahoma. The station began transmitting in 1966 and relies upon individual memberships, program underwriting, University appropriations, and CPB grants as its major sources of revenue.

KCSC Classical Radio Foundation was created on August 8, 2001 as a charitable organization to support and promote classical music radio in Oklahoma. The foundation operates primarily on financial contributions from the general public.

### ***CPB's Community Service Grant Program***

The Act provides that specific percentages of the appropriated funds CPB receives annually from the United States Treasury must be allocated and distributed to licensees and permittees of public TV and radio stations. Each year CPB awards CSG grants to public TV and radio stations based in part on the amount of Non-Federal Financial Support (revenues) claimed by all stations on their Annual Financial Report (AFR) or Financial Summary Report (FSR) submitted to CPB. The CSG calculation process starts with separate amounts appropriated for the TV and radio CSG pools, adjusted by base grants and supplemental grants. The funds that remain are called Incentive Grant Pools; one is for TV and the other for radio.

In addition to the annual filing of the station's AFR(s) or FSR for radio and/or television, the chief executive of the station and a licensee official certify to CPB the station's compliance with Act requirements and selected general provisions requirements in the legal agreement awarding the station CSG funds. These certifications specifically address open and closed meetings; open financial records; Community Advisory Board; CPB Employment Statistical Report; and donor information requirements under Section IV Communications Act Compliance of the agreement. Station officials responsible for closed meetings and the CPB Employment Statistical Report requirements are identified in the grant agreement. Additionally, the certification also addresses Website Postings Required under Section V. Selected General Provisions Requirements of the agreement.

### **Scope and Methodology**

We performed an evaluation of KUCO-FM's compliance with selected CSG provisions of the Act, grant certification, and General Provisions transparency requirements. Our specific objectives were to verify compliance with selected Communications Act requirements for open meetings and open financial records, as well as 2024 Radio Community Service Grants General Provisions and Eligibility Criteria for transparency. The scope of the examination included reviews of the information posted on the station's website as of March 14, 2024 and information retained at the station's central office.

We reviewed corporate policies, records, and documents supporting the station's compliance with the Act requirements to provide advance notice of public meetings, closed meeting disclosures, and make financial information available to the public. We also reviewed the station's website and policies to determine its compliance with CPB's transparency requirements.

Our fieldwork was conducted from March 14, 2024, through May 7, 2024 and our evaluation was performed in accordance with the Council of the Inspectors General on Integrity and Efficiency *Quality Standards for Inspection and Evaluation*.



June 6, 2024

William J. Richardson III  
Deputy Inspector General  
Office of the Inspector General  
Corporation for Public Broadcasting  
401 Ninth Street, NW Washington, DC 20004-2129

Dear Mr. Richardson,

Thank you for providing the draft evaluation report of KUCO-FM's compliance with the Communications Act and General Provisions transparency requirements. I have reviewed the draft report thoroughly and appreciate the detailed evaluation conducted by your team.

KUCO is committed to maintaining high standards of transparency and compliance with all CPB regulations and guidelines. We value the thorough review process and the validation of our compliance efforts. KUCO recognizes the importance of continuous improvement and will uphold these standards moving forward.

Should there be any recommendations for further improvement or update in compliance requirements, your guidance is welcome to ensure KUCO continues to meet and exceed CPB's expectations.

I am available to discuss any part of this report further and look forward to the formal exit conference to conclude this evaluation. Please let me know the date and time that would be convenient for this meeting.

Sincerely,  


Jeff Hagy  
General Manager, KUCO