



Corporation
for Public
Broadcasting

Office of the Inspector General

August 30, 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

Subject: Evaluation of KEYA-FM, Compliance with Selected Communications Act and General Provisions Transparency Requirements, Report No. ECR2413-2414

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 KEYA-FM, licensed to KEYA, Inc, Belcourt, North Dakota. 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 KEYA-FM's website on June 7, 2024, and subsequent information provided by station management, we found the station was fully compliant with five of the eight applicable requirements.

Specifically, we found that KEYA-FM:

- was not compliant with posting its most recent audited financial statements (AFS) on the station's website;
- was not compliant with posting the most recent CPB Annual Financial Report (AFR) on the station's website; and
- did not provide seven-day advance notice for open public meetings for one of four of its governing body meetings.

In response to our Preliminary Observations, issued on June 21, 2024, the station took immediate corrective actions to comply with CPB requirements.

We recommend that CPB require KEYA-FM to identify the corrective actions and controls it will implement to ensure future compliance with:

- 1) Act requirements for open financial records (posting current AFS and AFR reports to the website); and
- 2) General Provisions and Eligibility requirements to provide seven days advance notice for upcoming governing board meetings.

In response to the draft report KEYA-FM's management acknowledged that current financial information was not posted to their website or the proxy website and identified corrective actions it will take going forward. Further, they acknowledged that they provided on air seven-day advance notice of Board of Directors and Community Advisory Board (CAB) meetings on air, however one of the announcements was announced 6 days prior to the meeting. KEYA-FM management has updated the website to include scheduled Board and CAB meetings. Based on KEYA's response to the draft report and our confirmation of corrective actions taken by the station, we consider recommendations one and two resolved but open pending CPB's final management decision to accept KEYA-FM's corrective actions. 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*. We have summarized our KEYA-FM website review on Exhibit A, provided background on KEYA-FM, and the CSG program on Exhibit B, and provided our evaluation scope and methodology in Exhibit C.

cc: Laura Ross, Chair, CPB Board of Directors

Elizabeth Sembler, Chair, Audit and Finance Committee, CPB Board of Directors

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 Committee on Labor-HHS-Education Subcommittee

U.S. House of Representatives Committee on Appropriations

U.S. House of Representative Labor-HHS-Education Appropriations Subcommittee

FINDINGS AND RECOMMENDATIONS

I. ACT COMPLIANCE

Our evaluation found that KEYA-FM was not compliant with Act requirements for making open financial records available to the public and providing the public with seven-days advance notice of open meetings as discussed below.

Open Financial Records (Two Requirements)

The station did not comply with the open financial records requirements because it did not post its current AFS and AFR on its own KEYA website or its proxy website maintained on the Native Public Media (NPM) website. The FY 2022 AFS and AFR were posted to the NPM website.

[CPB's 2024 Radio and Community Service Grants General Provisions and Eligibility Criteria](#) require the following open financial records requirements (Section 2).

C. Open Financial Records: The Act requires station to make available to the public their annual financial and audit reports and related financial information they are required to provide to CPB (47 U.S.C. § 396(k)(5) and § 396(l)(3)(b)). CPB also requires that Grantee post the following documents on its station website:

1. its most recent audited financial statement, or un-audited financial statement if permitted; and
2. its most recent AFR or FSR (whichever is applicable).

The Act also provides:

Funds may not be distributed pursuant to this subsection to any public telecommunications entity that does not maintain for public examination copies of the annual financial and audit reports, or other information regarding finances, submitted to the Corporation pursuant to subsection (l)(3)(B).

Section 396. [47 U.S.C. 396] (k)(5)

After receiving our Preliminary Observations dated June 21, 2024, the station's General Manager immediately posted the AFR and AFS to the station's proxy website, which we subsequently verified.

The station was not compliant with Act open financial records requirement on the date of our review and may be subject to penalties under CPB's Non-Compliance Policy.

Recommendation:

- 1) We recommend that CPB management require KEYA-FM to identify the corrective actions and controls it will implement to ensure future compliance with Act requirements for open financial records, both the AFR and AFS.

KEYA-FM Response

In response to the draft report KEYA-FM's management acknowledged that current financial information was not posted to their website or the proxy website. They have made changes to their website and made arrangements to have postings updated when requested.

OIG Review and Comment

Based on KEYA-FM's response to the draft report we consider recommendation one resolved but open pending CPB's management decision accepting the station's corrective actions to ensure future compliance.

II. GENERAL PROVISION REQUIREMENTS

Open Meetings Requirements

The station did not fully comply with the open meetings requirements because it did not provide seven-days advance public notice for one of its governing body meetings. For one of the four board meetings held in 2023 and 2024, six days advance notice was provided. The Act provides that meetings of Grantee's governing body, its committees and any advisory body (CAB) must be open to the public (47 U.S.C. Section 396 (k)(4)). In addition, CPB requires the Grantee to give at least seven-days advance notice of meetings.

[CPB's 2024 Radio and Community Service Grants General Provisions and Eligibility Criteria](#) include the following open meeting requirements (Section 2).

A. Open Meetings: Meetings of Grantee's governing body, its committees and CAB must be open to the public (47 U.S.C. § 396(k)(4)). In addition, CPB requires Grantee to give at least seven days advance notice of meetings, including the time and place, by:

1. posting notice on the station website;
2. broadcasting notice on-air between 6 a.m. and 11 p.m., as shown by the station's log;
3. placing notice in the "Legal Notices" section of a local newspaper in general circulation in the station's primary coverage area; or
4. giving notice through a recorded announcement accessible on the station's phone system.

The station was not fully compliant with General Provisions open meeting requirements on the date of our review and may be subject to penalties under CPB's Non-Compliance Policy.

The Act also provides:

Funds may not be distributed pursuant to this subsection to the Public Broadcasting Service or National Public Radio (or any successor organization), or to the licensee or permittee of any public broadcast station, unless the governing body of any such organization, holds open meetings preceded by reasonable notice to the public.

Section 396. [47 U.S.C. 396] (k)(4)

In response to the Preliminary Observations the station took corrective action to post upcoming board meetings to the station's website, which we subsequently verified

Recommendation:

- 2) We recommend that CPB management require KEYA-FM to identify the corrective actions and controls it will implement to ensure future compliance with Act and CPB requirements for open meetings.

KEYA-FM Response

In response to the draft report KEYA-FM's management acknowledged that they provided on air seven-day advance notice of Board of Directors and Community Advisory Board (CAB) meetings on air, however one of the announcements was announced six days prior to the meeting. In addition to broadcasting Board and CAB meetings, KEYA-FM management has updated the website to include scheduled Board meetings.

OIG Review and Comment

Based on KEYA-FM's response to the draft report, we consider recommendation two resolved but open pending CPB's management decision accepting the station's corrective actions to ensure future compliance.

Exhibit A

**Summary of KEYA-FM Website Review
as of June 7, 2024**

Requirements	Met	Not Met
1) Seven-day advance notice of governing body meeting:		
a) available on website		
b) available by other means		X
2) Seven-day advance notice of board committee meetings:	N/A	
a) available on website		
b) available by other means		
3) Seven-day advance notice of CAB meetings:		
a) available on website		
b) available by other means	X	
4) If closed meetings were held, was documentation prepared explaining the basis for closing meeting in accordance with the Act:	N/A	
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	N/A	
6) Most recent AFR or FSR available on website		X
7) Most recent audited financial statements on website		X
8) Senior/executive management information on website	X	
9) Governing body members on website	X	
10) CAB members on website	X	
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) on website		
b) at central office	X	

Background

In July 1974, the Federal Communications Commission gave authorization to the Belcourt School District to operate a non-commercial, educational broadcast station in Belcourt, located on the Turtle Mountain Chippewa Reservation in Belcourt, North Dakota. KEYA-FM, also known as “The Voice of the Turtle Mountains,” has been serving the Turtle Mountains since 1975.

CPB’s Community Service Grant Program

The Communications Act of 1934 (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 AFR or FSR submitted to CPB. After funds are designated as either TV or radio funds, they are placed in the appropriate CSG grant pool for distribution to eligible stations. TV funds can be distributed only to TV stations and radio funds must go to radio stations.

In addition to the annual filing of the station’s AFR 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 Communications 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.

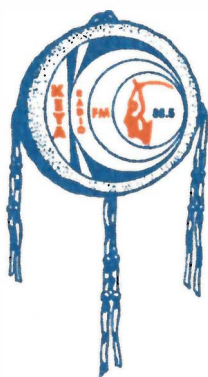
Scope and Methodology

We performed an evaluation of KEYA-FM's compliance with selected provisions of the Act and grant certification requirements. Our specific objectives were to verify compliance with selected Act requirements for open and closed meetings and open financial records, as well as 2024 Radio Community Service Grants General Provisions and Eligibility Criteria for transparency.

The scope of the evaluation included reviews of the information posted on the station's website as of June 7, 2024, as well as information provided in response to our Preliminary Observations issued on June 21, 2024.

We reviewed documents supporting the station's compliance with the Act requirements to provide advance notice of public meetings, notice of closed meeting reasons, and make financial information available to the public. We also reviewed the station's website and processes to determine its compliance with CPB's transparency requirements for eligibility. We informed station management of our evaluation on June 21, 2024, and we requested additional information to support the station's compliance, including information on whether the public was notified timely of meetings for committees of the Board of Directors and whether closed meetings occurred for the Board of Directors and its committees or the Community Advisory Board. We also reviewed CPB's Integrated Station Information System (ISIS) to determine if the evaluated information made available to the public was the most recent information submitted to CPB. In addition, we verified with station management that board and management listings posted to its website were current.

Our fieldwork was conducted from June 2024 through July 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*.



K.E.Y.A. - FM PUBLIC BROADCASTING

THE VOICE OF THE TURTLE MOUNTAINS

TURTLE MOUNTAIN CHIPPEWA RESERVATION

Box 190 • Belcourt, North Dakota 58316 • Ph. 701/477-5686 • Fax 477-3252

Website • <http://keya.utma.com/885> Email • keya@utma.com

William J. Richardson III
Deputy Inspector General
Office of Inspector General
Corporation for Public Broadcasting

August 22, 2024

FM RADIO
STEREO
88.5

Dear Mr. Richardson,

NEWS

This letter is in response to the email I received from you regarding the Evaluation of KEYA-FM radios compliance with selected Communications Act and General Provisions transparency requirements.

SPORTS

Our annual audit was just filed with CPB on May 1, 2024. We use Native Public Media to post KEYA's requirements. We were in the process of updating our information, and getting ready to send the FY23 AFR, and AFS updates for posting to the Native Public Media. It just was not done as soon as it should've been. Since we used Native public media's site for posting, I assumed that posting the transparency requirements to the Native Public media site fulfilled the transparency posting requirement.

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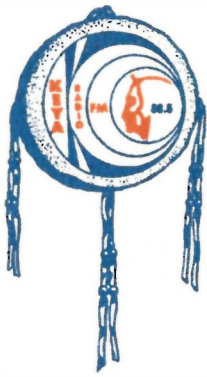
HIGH SCHOOL
BROADCAST

We had a total of 3 Board of Director meetings, and 1 CAB meeting held in the last fiscal year. I did provide copies of our announcements that we ran on-air for those meetings during FY23. We do give an advance notice of all of KEYA's Board of Director and CAB meetings through public service announcements broadcast on KEYA from 6am to 1am daily with our highest listenership being from 6am to 12noon. Although one of the announcements was one day short of the 7-day requirement, the announcements are still read an average of 10 to 12 times per day (2 or more times per hour). We also did get some information on our website updated, regarding scheduled meeting dates including a link to Native Public Media's page where our AFR and AFS are posted. Our website has been redesigned, and is fairly new since our old website was dumped by the host site.

LOCAL
RADIO
DRAMA

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We have a very small staff, and do not have anyone on staff who is able to make regular updates to our website, and haven't had any one available to update our website. Again, I assumed that posting the transparency requirements to the Native Public media site fulfilled the transparency posting requirement. We have since made arrangements for updates to be made when we request them. As a result, many changes were made to our website, and our website transparency requirements were updated.

NEWS

We have not had a closed meeting for over 20 years, so we included this line in our station information document for FY23 that was sent to Native Public Media and posted to Native Public Media's site: ***There were No Closed meetings of the KEYA*

SPORTS

*Board of Directors held in 2023, 2022, 2021, 2020, and 2019**** We have sent updated information for our FY2023 CPB Annual Financial report, and FY2023 Audited Financial Statements to Native Public Media, and it is posted to Native Public media's site. We have reviewed and updated the senior/executive management information included in the station information document for FY23 that was sent to Native Public Media and posted to Native Public Media's site.

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We have reviewed and updated the members of KEYA's Governing Board information included in the station information document for FY23 that was sent to Native Public Media and posted to Native Public Media's site. We have reviewed and updated the members of KEYA's CAB information included in the station information document for FY23 that was sent to Native Public Media and posted to Native Public Media's site. We have sent updated information for our FY2023 Local Content and Service Report to Native Public Media, and it is posted on Native Public media's site.

HIGH SCHOOL
BROADCAST

LOCAL
RADIO
DRAMA

Since the Covid pandemic, and the collapse of our broadcast tower, which greatly affected our staff, we have been trying to get everything back on track. We have always strived to be compliant with the transparency requirements, and other deadlines. We have sent up a reminder calendar outlining the yearly updates that need to be made to ensure that all information is updated immediately so this does

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not happen again. We are asking for a favorable outcome in this matter. Our station is located in a small, rural, economically depressed area, making our local fundraising a difficult task. While we receive good support from our individual listeners and business underwriting, the amount of funding we receive is limited due to our economic conditions and we rely on CPB funding to sustain our broadcast service. Thank you for your consideration.

NEWS

Sincerely,

SPORTS


Kimberly Thomas

General Manager, KEYA Public Radio

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