

PROGRAM 1 – ALASKA PUBLIC BROADCASTING COMMISSION GRANTS DEPARTMENT OF ADMINISTRATION

I. PROGRAM OBJECTIVES

The primary objective of the Alaska Public Broadcasting Commission's Operating and Capital Grants Program is the encouragement and support of non-commercial public broadcasting in Alaska. This objective is accomplished through the award of operating and capital grants in support of the delivery of noncommercial programs intended for a general audience by locally controlled non-profit broadcast stations or telecommunications entities.

II. PROGRAM PROCEDURES

The staff of the Commission prepares application forms for both capital and operating grants to be distributed to stations on an annual basis. The staff then evaluates station applications for establishing eligibility and makes funding recommendations for Commission action. The grants are awarded by the Commission and allocated to grantees using a funding formula. Staff monitors expenditures of all grantees to assure that funds are used as agreed.

On behalf of the stations, staff presents annual funding requests to the Commission for approval before submitting to the DOA during each fiscal year budget cycle.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED AND UNALLOWED -

- 1. Compliance Requirement:** The Commission makes grants of funds and property to non-profit corporations, which use the funds or property to establish and operate public broadcasting stations.

Suggested Audit Procedure: Test expenditures to determine that funds were used for the establishment or operation of a public broadcast station.

B. ELIGIBILITY -

- 1. Compliance Requirement:** The Corporation is qualified to receive funds and properties from the Commission, to establish and operate public broadcasting facilities in this state, if the corporation is organized as a non-profit organization under AS 10.20 and is qualified as tax exempt by the United States Internal Revenue Service and meets all other eligibility requirements outlined by the Commission.

Suggested Audit Procedure: The auditor is not expected to verify eligibility. The Commission establishes grantee eligibility on an annual basis per the requirements outlined in the Eligibility Criteria.

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C. MATCHING, LEVEL OF EFFORT AND/OR EARMARKING REQUIREMENTS -

Per the Commission eligibility criteria, there are matching and level of effort requirements. Local fund raising efforts are encouraged and matched per the Commission funding formula. All station budgets will typically identify any leveraged funds.

D. REPORTING REQUIREMENTS -

1. **Compliance Requirement:** Qualified corporations are required to submit monthly and/or quarterly progress reports as specified in the Entitlement Agreement.

Suggested Audit Procedures:

- a) Examine copies of reports to determine completeness and timeliness of submission.
- b) Trace data in selected reports to underlying documentation.

2. **Compliance Requirement:** Operating and capital funds are to be accounted for separately.

Suggested Audit Procedure: Determine that the grantee has provided separate accounting reports for operating and capital grant awards.

E. SPECIAL TESTS AND PROVISIONS -

1. **Compliance Requirement:** Grantees are required to adhere to all Commission grantee eligibility requirements on an annual basis. The grantees are subject to verification of eligibility criteria by the Commission at any time.