

Alaska Public Broadcasting Commission OPERATING POLICY #09-001

SUBJECT: LICENSEE INELIGIBILITY

I. BACKGROUND:

At the June 15, 2009 meeting, the Commission discussed aspects of licensee ineligibility; in particular, what issue or combination of issues would trigger a licensee being declared ineligible for funding. Discussion centered around three areas: timeliness of required reporting, degree of non-compliance, and Executive Director (ED) authority to exercise judgment, discretion when appropriate.

As a result of that discussion, the Commission recommended that these topics and questions be further explored by the APBC Policy Committee in order to 1) establish a clear set of parameters for declaring a licensee ineligible, 2) determine consequences for ineligible licensees, and 3) determine steps by which a licensee regains eligibility.

The APBC Policy Committee reviewed and discussed these topics on August 21, 2009.

II. POLICY

BE IT RESOLVED, that the Alaska Public Broadcasting Commission adopts as policy the following rules of procedure for licensees to establish eligibility and corresponding consequences for non-compliance.

A – Annual Eligibility

1. Annually declaring licensee eligibility status.

- a. The APBC will declare a licensee ineligible for grant funding if the applicant has not met all eligibility criteria and reporting requirements as of the deadline for submitting the annual station survey documents.

2. Consequences for ineligible licensees.

- a. All projected licensee grant amounts are determined per the established funding formula. (Grant amounts may be projected using licensee's prior year financial information if current data is not available. Grant amounts will be projected for all licensees whether they are deemed eligible or ineligible at time grant calculations are conducted.)

- b. Ineligible licensees will not be awarded a grant and therefore no grant agreement will be executed by the Department of Administration.
- c. A daily reduction (1/365th per day) is assessed to the grant amount. This reduction is effective the day following the deadline for submitting all required materials and continues until licensee satisfies requirements and is declared eligible.

3. Reestablishing licensee eligibility.

- a. Licensee must satisfy all reporting and eligibility requirements.
- b. The ED in consultation with the Co-Chairs will determine if/when eligibility is satisfied. Decision does not require special meeting or have to wait until next quarterly meeting. Full Commission will be notified of the determination at the time that it is made.
- c. The prorated grant amount will be transmitted to DOA for drafting of the grant agreement.
- d. If the late financial data used in the funding formula calculation results in a higher grant amount than determined previously, then the licensee forfeits the increase as a result of having been declared ineligible. If the projected grant amount is too high based upon the late arriving financial data, the overage is backed out of the grant amount and allocated to the Discretionary Fund.
- e. The total prorated grant reduction (1/365th per day) is also allocated to the Discretionary Fund. Licensees whose grants are reduced due to ineligibility are not eligible to recoup these reductions back through the Discretionary Fund for operating; however, they may be eligible to receive discretionary funds for emergency and/or special projects.

B. Maintaining Eligibility throughout Fiscal Year

1. Declaring a licensee ineligible within a fiscal year.

- a. The APBC will declare a licensee ineligible if the grantee falls out of compliance with quarterly eligibility and reporting requirements.

2. Consequences for grantee being out of compliance within the fiscal year.

- a. Grant payments by the Department of Administration will be placed on hold until grantee is deemed eligible by the Commission.

3. Reestablishing licensee eligibility within fiscal year.

- a. Licensee satisfies all quarterly reporting and eligibility requirements.
- b. The ED in consultation with the Commission will determine if/when eligibility is satisfied. Determinations will occur during regularly scheduled quarterly Commission meetings.

PASSED and **APPROVED** by the Alaska Public Broadcasting Commission, this 17th day of March, 2016.

Lisa Vaught, Co-Chair

Michelle O'Brien, Co-Chair