



April 2021

Frequently Asked Questions American Rescue Plan Act Stabilization Grant Funds Provided to Community Service Grant Recipients by the Corporation for Public Broadcasting

CPB distributed American Rescue Plan Act Stabilization Grants (hereinafter “American Rescue Act Stabilization Grants” or “Stabilization Grants”) to eligible Community Service Grant (CSG) recipients (Grantees) in April 2021. The grants were funded under Public Law 117-2, American Rescue Plan Act of 2021¹ as signed by the President on March 11, 2021 to prevent, prepare for, and respond to the coronavirus. It authorized CPB to distribute \$175 million in fiscal stabilization grants to public telecommunications entities² to maintain their programming and services.

Q: What expenditures can be made with American Rescue Act Stabilization Grant funds?

A: Congress directed that the funds be used to maintain programming and services and to preserve the ability of small and rural public media stations to respond to the pandemic’s impact by providing essential information, educational content, and services to the American people. These funds are provided to ensure that stations’ current services are sustained, despite the COVID-related decline in non-federal revenues. The grant funds are not intended to cover costs of new technology initiatives like a station’s transition to ATSC 3. However, if a station needs to make an urgent equipment replacement and does so with equipment that is ATSC 3-ready, it would be an appropriate use of these stabilization funds. Unauthorized grant expenditures shall be repaid by Grantee to CPB immediately upon CPB’s request.

Q: Are these funds meant for station use only?

A: Yes. The station’s licensee may not impound or otherwise withhold or restrict the station’s use of these funds. These funds may not be used to supplant funds or reduce budgets for other support already being provided to the station(s) by licensee. The funds cannot offset a licensee’s overhead or cover other expenses not directly related to the operation of the station, unless such overhead and expenses are enumerated in Section 4, Operational Requirements, in the 2021 television and radio CSG General Provisions and Eligibility Criteria.

Q: Are there other restrictions on spending these funds?

A: Grantee’s use of American Rescue Act Stabilization Grant funds is restricted regarding the entertainment of government officials and influencing legislation in the same manner that CSG funds are restricted under the 2021 CSG General Provisions and Eligibility Criteria (Section 11 television and Section 13 radio), and as required by the Communications Act. See Grantee’s American Rescue Plan Act Stabilization Grant award offer for more details.

¹ American Rescue Plan Legislative Text: Subtitle F — Corporation for Public Broadcasting SEC. 7601. SUPPORT FOR THE CORPORATION FOR PUBLIC BROADCASTING

² The term public telecommunications entities referred to in Section 397 of the Communications Act of 1934 (47 U.S.C. 397) “means any enterprise which—(A) is a public broadcast station or a noncommercial telecommunications entity; and (B) disseminates public telecommunications services to the public.” The term “noncommercial telecommunications entity” means any enterprise which—(A) is owned and operated by a State, a political or special purpose subdivision of a State, a public agency, or a nonprofit private foundation, corporation, or association; and (B) has been organized primarily for the purpose of disseminating audio or video noncommercial educational and cultural programs to the public by means other than a primary television or radio broadcast station, including, but not limited to, coaxial cable, optical fiber, broadcast translators, cassettes, discs, microwave, or laser transmission through the atmosphere.

- Q: Do these funds have a single audit requirement for federal funds?**
A: No. There is no single audit requirement for these funds, and there is no CFDA number for them. Grantees should report them as funds received from CPB in their station's annual financial reports (see last question below) and in station's audited (or unaudited, as allowed) financial statements that are submitted to CPB. Grantees must follow GAAP in preparing those financial statements.
- Q: Is discrete accounting required for the American Rescue Act Stabilization Grant funds?**
A: Yes. Use of these funds is subject to possible audit by CPB's Office of Inspector General and by the U.S. Government Accountability Office. Accordingly, Grantees must use discrete accounting to track revenues and expenses made from them. In specific, a grantee's accounting system must be able to generate a report showing the American Rescue Act Stabilization Grant revenues, and how those funds were expended, using unique accounting codes. Those accounts may not include other revenues or expenses. Joint licensees must be able to distinguish between radio and television American Rescue Act Stabilization Grant funds for proper reporting.
- Q: Are there record retention requirements associated with this grant?**
A: Because use of the funds is subject to audit, Grantees must retain all records related to the use of these funds for no less than three years after expenditures are made. Grantees may need to retain some documentation for longer periods of time if necessary, to demonstrate its compliance with this agreement. CPB may disallow any expenditures Grantees cannot support with appropriate documentation.
- Q: What is the spending period for the American Rescue Act Stabilization Grant funds?**
A: These funds have no expenditure period.
- Q: Are these Community Service Grant (CSG) funds?**
A: No. The American Rescue Act Stabilization Grants are not CSG funds and no amendment to Grantees' CSG agreement is necessary. Nonetheless, a Grantee's CSG eligibility is important. When a Grantee is no longer an eligible participant in the CSG grant program, CPB may require it to return unused American Rescue Act Stabilization Grant funds.
- Q: Will Grantees receive a separate grant agreement to sign?**
A: Yes. Each Grantee will receive an American Rescue Act Stabilization Grant award offer from CPB in DocuSign sent by email to its head of grantee, as listed in its Security Groups in CPB's Integrated Station Information System. Once a signatory, who is authorized to accept grants on behalf of the station, completes and returns the document, a single grant payment will be processed by CPB. Before signing the award offer, Grantees should ensure the EFT information in their Grantee Profile is updated.
- Q: When will my station receive a grant payment?**
A: After a Grantee signs and returns its grant offer, it will receive notification from CPB when the EFT has been made. Grantees may add two email addresses in CPB's Integrated Station Information System to receive this notification. (See Grantee Profile/Organization Contact Details/E-mail address for Electronic Delivery of Remittance Advices.)
- Q: How should stations report these funds on their annual financial reports to CPB?**
A: Annual Financial Report (AFR) filers must report the funds as revenue from CPB in the appropriate year's AFR on Schedule A – Source of Income, Line 2.B-CPB - *all other funds from CPB (e.g. DDF, RTL, Programming Grants)*. The funds must also be reported as expenses (if

spent) on Schedule E – Expenses & Investment in Capital, Lines 1-7 as “Other CPB funds” with the total automatically reported in Line 8.C.

Financial Summary Report (FSR) filers must report the funds as the revenue from CPB in the appropriate year’s FSR in Part 1 - Revenue and Support, Line 2- *Corporation for Public Broadcasting (CPB)*. They will also record the funds expended in Part 2 – Expenses, Lines 18-24 as “Other CPB Funds” with the total automatically reported in Line 25.C.

Q: How was my grant award calculated?

A: Of the \$175 million appropriated, \$100 million was calculated using the CARES Act formula that was developed in April 2020 to distribute stabilization grants that prioritized funding to small, rural and/or minority stations. The remaining \$75 million was calculated according to the respective television and radio CSG formulas, which also considers stations’ service to rural communities, as well as the number of transmitters needed to cover large geographic areas, and the amount raised in non-federal financial support (NFFS).

Of the \$100 million that was used to calculate the first part of the awards, \$50 million each was allocated to the television and radio pools. Of the remaining \$75 million, \$37.5 million each was allocated to the radio and television pools. The two calculations were then added together for a total grant award.

Television Formula (CARES Act Formula + CSG Formula = Total Grant Award)

CARES Act Formula

This portion was calculated using the formula CPB created to distribute Stabilization Grants funded with CARES Act funds in 2020. Under the American Rescue Plan Act, the available pool of funds (\$50 million) was 33 percent larger than the CARES Act television pool and, accordingly, each award increased by 33 percent.

- Each of 158 grantees received \$266,667, including grantees in CPB-designated multi-provider markets.
- Of these, 98 received an additional amount of \$80,272 for a total award of \$346,939. These grantees are small³ and/or rural⁴ and one is a Minority Audience Service Station.⁵

CSG Formula

Based on the formula CPB uses to calculate television CSG awards, the pool of \$37.5 million was distributed in proportion to the fiscal year (FY) 2021 television CSG awards that CPB made to each grantee. For example, if a station received an FY 2021 television CSG award that was 0.2 percent of the total television CSGs awarded, this portion was 0.2 percent of the available \$37.5 million.

Radio Formula (CARES Act Formula + CSG Formula = Total Grant Award)

CARES Act Formula

³ Small television CSG grantees have a total direct revenue of ≤ \$5 million.

⁴ Rural television CSG grantees have a coverage area population that is greater than 19 percent rural (U.S. Census national rural average is 19 percent.)

⁵ A Minority Audience Service Station is licensed to a designated Historically Black College or University or to a Native American Tribe or related entity. See Part IV, definition V, 2021 [television](#) CSG General Provisions and Eligibility Criteria.

This portion was calculated using the formula CPB created to distribute Stabilization Grants funded with CARES Act funds in 2020. Under the American Rescue Plan Act, the available pool of funds (\$50 million) was 33 percent larger than the CARES Act radio pool and, accordingly, each award was increased by 33 percent.

- Each of 395 grantees received \$100,000.
- Of these, 207 small⁶, rural⁷, and/or minority⁸ grantees received an additional amount of \$49,515 for a total award of \$149,515.

CSG Formula

Based on the formula CPB uses to calculate radio CSG awards, the pool of \$37.5 million was distributed in proportion to the fiscal year (FY) 2021 radio CSG awards that CPB made to each grantee. For example, if a station received an FY 2021 radio CSG award that was 0.2 percent of the total radio CSGs awarded, this portion was 0.2 percent of the available \$37.5 million.

If you have other questions, please send them to csg@cpb.org.

⁶ Small radio grantees have total direct revenue \leq \$500,000.

⁷ Rural radio grantees have a coverage area population density of \leq 40 people per square kilometer.

⁸ Small, rural and minority grantees have total direct revenue \leq \$5 million. A Minority Audience Service Station provides significant service to a minority group through diverse programming and is licensed to a designated Historically Black College or University or to a Native American Tribe or related entity. See Part II, definition HH, 2021 [radio](#) CSG General Provisions and Eligibility Criteria.