

Compliance Alert
Indirect Administrative Support
April 2017

When completing your 2017 fiscal year annual financial report, please keep in mind that CPB's Office of the Inspector General has begun to review calculations of indirect administrative support costs pursuant to Section 2.7 of the Financial Reporting Guidelines. Under Section 2.7.3, stations may calculate these costs using the: Basic Method, Other Sponsored Activities Rate, Facilities, Administrative Cost Rate or another grantee developed method approved by CPB. If not calculated correctly, non-federal financial support may be overstated and subject your station to a penalty under the CSG Non-compliance Policy.

The following indirect costs may not be included when calculating total net direct expenses, or station salaries and wages for direct activities.

- General and administrative;
- Fundraising;
- Membership development; and
- Grant solicitation.

CPB will address this topic at the [PMBA Conference](#) in May 2017. Please forward questions to: csg@cpb.org.