

### Performance Audit

# Pittsburgh Community Television (PCTV)

Report by the Office of City Controller

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## CITY OF PITTSBURGH OFFICE OF THE CITY CONTROLLER

Controller Michael E. Lamb

June 28, 2021

The Honorable William Peduto, Mayor of Pittsburgh and Members of Pittsburgh City Council

Dear Mayor Peduto and Members of City Council:

The Office of the City Controller is pleased to present this performance audit of **Pittsburgh Community Television (PCTV)**'s operations conducted pursuant to the Controller's powers under Section 404(b) of the Pittsburgh Home Rule Charter.

This audit reviews PCTV's policies, procedures, and practices, along with the various programming offered to the public. Also examined is the Department of Innovation and Performance's oversight of PCTV's contract. Our procedures were conducted in accordance with applicable government auditing standards and are limited to our objectives, scope, and methodology sections of this report.

#### **EXECUTIVE SUMMARY**

Public access television started in Pittsburgh in 1981 and is one of the oldest public access media organizations in the country. By 1986, PCTV took over operations as an independent non-profit public organization that provides access to media broadcasting to members of the community. PCTV gives the community the ability to produce their own programming, not only to households throughout the Pittsburgh region, but also worldwide via internet streaming platforms.

PCTV's studios and offices are located on Pittsburgh's North Side at 1300 Western Avenue which houses two television studios, a classroom, an edit lab, a server/master control room, various offices, a prep room (green room), and an equipment room. In addition to the television studios, PCTV has portable cameras and editing computers available for community use. Before the public can use either the equipment or studios, they must be trained. Classes that

teach the required skills are available at PCTV for a fee. PCTV is managed by a Board of Directors ranging from three to fifteen members.

Local franchising authorities (LFAs), mostly local governments, allow cable companies access to public property such as telephone poles and underground areas in exchange for financial and community benefits for the LFA, such as a small percentage of revenue, assurance of adequate service quality, and support for access channels. Support for access channels, popularly called PEG channels (Public, Educational, and Governmental) are elective benefits the LFA can negotiate for with cable companies. In the City of Pittsburgh, Verizon and Comcast are required to contribute to both a government access channel (City Channel) and to a public access channel (PCTV).

PCTV is supported by more than just PEG channel grants. From 2015 through 2019, other sources of revenue were between 12.1% and 15% of PCTV's overall budget. These other sources of income include foundation grants, special project income (income from PCTV hiring out its television production services, in-house production services, income from additional services such as DVD and tape duplication of PCTV programming), producer enrollment fees, production services or class fees, fundraising/special events, rental income from facilities rental, underwriting/sponsorship income, and in-kind donations. The auditors reported performance information on PCTV's equipment and facility usage found in their 2015-2019 annual reports.

In the five-year period examined, enrollment and class fee income ranged from 15% in 2017 to 28% in 2018 as part of PCTV's income from other sources. While increasing rates on community producers may seem attractive, it is hoped that alternative funding sources can be identified.

Our findings and recommendations are discussed in detail beginning on page 5. We believe our four recommendations will improve operation efficiency.

We would like to thank the PCTV staff for their cooperation and assistance during this audit.

Sincerely,

Michael E. Lamb City Controller

Michael Jamel

#### **INTRODUCTION**

This performance audit of the Pittsburgh Community Television (PCTV)'s operations was conducted pursuant to section 404(c) of the Pittsburgh Home Rule Charter. This audit reviews PCTV's policies, procedures, and practices, along with the various programming offered to the public. Also examined is the Department of Innovation and Performance's oversight of PCTV's contract. This is the City Controller's Office first performance audit of PCTV.

PCTV is a local, non-profit public media organization that provides access to media broadcasting to members of the community. PCTV gives the community the ability to produce their own programming, not only to households throughout the Pittsburgh region, but also worldwide via internet streaming platforms. PCTV's training and production tools allow individuals to broadcast their thoughts, ideas, and creativity around the world. PCTV has been in existence since 1986, making it one of the oldest public access media organizations in the country.

#### **OVERVIEW**

Terrestrial television, also known as broadcast television or analog television, is a type of broadcasting transmitted by radio waves. The television signal is sent from a terrestrial transmitter to TV receivers with an antenna. Terrestrial television broadcasts on channels with frequencies between 52 and 600 MHz in the VHF and UHF bands. Reception was generally limited to approximately 50 miles. The British Broadcasting Corporation began broadcasting television signals in 1929, but the picture quality was very poor. It was not until various technological advances were made after World War II that television began to become popular. Locally, WDTV-3, later becoming KDKA, began airing television programs in 1949, the first in the area.

Cable television began in the 1950s and depended on radio frequencies transmitted via coaxial cables or more recently fiber-optic cables. To receive cable television at a given location, cable distribution lines must be installed on local utility poles or underground utility lines. Local governments negotiate right-of-way use of public property and in exchange, cable operators will often be required to provide assurances regarding service quality and network build-out, support for institutional networks and access channels, and a small percentage of revenue generated by the cable operator. As a result, local governments can capture revenue and services from the cable companies, including the possibility of community access cable channels.

The first community access cable channel was broadcast in 1968 in Dale City, Virginia, by George Stoney, a documentary filmmaker. Mr. Stoney became interested in the possibilities this new media presented and helped to start the Alternate Media Center at New York University. This program trained many students who then went on to establish community access centers in their own areas throughout the country.

As more cable companies began to seek local franchises, local franchising authorities (LFAs), mostly local governments, began to require these cable companies to set aside public, educational and government (PEG) access channels. PEG channels were codified by the FCC (Federal Communications Commission) and mandated under the Cable Communications Act of 1984, which is itself codified under 47 USC § 531. PEG channels consist of the following types:

- 1) Public access television Non-commercial television where individuals or nonprofit organizations can produce television programming at minimal or no cost.
- 2) Educational access television Channels reserved for educational purposes, either to enhance school curriculum or the airing of student-produced shows.
- 3) Government/Municipal access television Governmental entities can televise public affairs programming alongside meetings and hearings.
- 4) Leased access These channels are leased by entities and is most similar to commercial television.

The type of channel supported is left to the discretion of the LFA. In the City of Pittsburgh, cable companies are required to contribute to both a government access channel (City Channel) and to a public access channel (PCTV). The City Channel is under the umbrella of the Department of Innovation & Performance (I&P) which manages the channel itself and enforces the franchise agreements with the city's cable companies, Comcast and Verizon. As the government access channel, City Channel broadcasts Council meetings, public hearings, and announcements of interest to the community. The use of City Channel is restricted to City of Pittsburgh's elected officials and the City's departments and agencies.

Public access television started in Pittsburgh in 1981. By 1986, PCTV took over operations as an independent non-profit organization. PCTV's studios and offices are located on Pittsburgh's North Side at 1300 Western Avenue which houses two television studios, a classroom, an edit lab, a server/master control room, various offices, a prep room (green room), and an equipment room. In addition to the television studios, PCTV has portable cameras and editing computers available for community use. Before the public can use either the equipment or studios, they must be trained. Classes that teach the required skills are available at PCTV. The hours of operation are Monday through Friday 9am-8pm and two Saturdays every month. An appointment must be scheduled to complete a media program production by contacting PCTV at 412-322-7570. PCTV is staffed with 8 people, an Executive Director, an Assistant Director/Programming Director, a Director of Community Relations, a Director of Community Production, an Administration Manager, two Production Technicians, and an Instructor.

PCTV has served thousands of Pittsburgh residents and non-profits. Public access media provides the community it serves the ability to use media production tools and the resources to broadcast their thoughts, ideas, and creativity to households throughout Pittsburgh and the world. PCTV operates 24 hours per day, 7 days per week on various platforms: Comcast channel 21 and Verizon channel 47 in the City of Pittsburgh, on PCTV's website, Facebook Live, and the following streaming services: Apple TV, Roku, Fire TV, and YouTube.

#### **OBJECTIVES**

- 1. To assess PCTV's policies, procedures, and practices
- 2. To examine the progress the City and PCTV have made with previous Controller's Office 2019 fiscal audit recommendations
- 3. To examine training, community participation and future direction
- 4. To report PCTV's funding sources
- 5. To examine the contracts the City has with PCTV and to analyze the compliance with the terms of these contracts
- 6. To investigate PCTV's compliance with making Board of Directors appointments
- 7. To make recommendations for improvement

#### **SCOPE**

The scope of this performance audit is January 1, 2013 to June 30, 2020.

#### **METHODOLOGY**

Auditors interviewed administrators of PCTV and toured the facilities located on Pittsburgh's North Side and continued to consult with them throughout the audit process.

Auditors reviewed and compared independent audits of PCTV from 2016-2018 by Tyler Collier Associates, LLC; PCTV budgets from 2016 to 2018; PCTV's capital plans from 2013 to 2019; and PCTV's annual reports for the years 2015-2019.

The City of Pittsburgh's Department of Innovation & Performance director was contacted for updates as to the status of recommendations from Controller's Office fiscal audits entitled <a href="Department of Innovation & Performance Verizon Franchise Trust Fund (VFTF)">Department of Innovation & Performance Comcast Franchise Trust Fund (CFTF)</a>.

Auditors researched the history of PEG channels and the ongoing challenges from the FCC.

The PCTV handbook was reviewed to learn about the requirements to become a community producer, costs of the training for city and Allegheny County residents.

The auditors researched the requirements and responsibilities of community producers in other metropolitan areas and compared them to the existing practices of PCTV.

Auditors reviewed the Cable Franchise Agreements between the City of Pittsburgh, Verizon and Comcast, and the Agreement for Services between the City of Pittsburgh and Pittsburgh Community Television, Inc.

#### FINDINGS AND RECOMMENDATIONS

#### **Previous Fiscal Audit Recommendations**

The Controller's Office completed a fiscal audit of the *Department of Innovation & Performance's Comcast Franchise Trust Fund* in October 2019. In Resolution 432 of 2010 and 639 of 2013, the City established the trust fund and the PEG grant payment schedule. I&P has used these resolutions as policy in the administration of the fund. However, it was noted in this Controller's audit that not having policies and procedures in writing weakened internal controls, which increased potential risk.

The following italicized paragraphs are from the 2019 City Controller's Fiscal Audit and I&P's original responses to the recommendations. The updates are I&P's response as to the 2020 status of each recommendation.

#### Written Policies

**Recommendation**: Develop written policies and procedures to include duties and responsibilities for administration of the fund, thereby ensuring consistency in the processing of PEG Grant funds.

**Auditee's Response**: Accept. I&P will develop written policies and procedures to include duties and responsibilities for administration of the fund, thereby ensuring consistency in the processing of PEG Grant funds.

**Update**: Response from I&P indicates that recommendation has not yet been implemented. The agreement with PCTV has recently been extended for another year pending the negotiation of the new franchise agreement. The franchise agreements with Verizon and Comcast have been extended until March 31, 2021, in order to provide a negotiating period.

#### **PEG Grants Documentation**

This audit also found that I&P was unable to provide documentation from Comcast supporting the basis of computation of annual PEG grants. This documentation is required to accompany all payments to PCTV, and according to PCTV, this documentation has been missing for some time. In 2018, the City entered into an agreement with MuniServices, a Fresno-based company which partners with local governments to boost revenue. This contract provided for the provision of audit services to examine applicable franchise and telecommunications Public Right of Way agreements. MuniServices received a contingency fee of 28% of all new revenue collected as a result of the audits. MuniServices found that between January 1, 2013 through December 31, 2017 the City was underpaid \$97,837 due to Comcast's incorrect internal calculations. The City did receive this money in 2019, a net amount of \$70,442.64. The lack of transparency and good stewardship in this respect can put the operations of City Channel and PCTV in jeopardy.

**Recommendation**: The Department must issue and retain supporting documentation supporting the basis of computation of annual PEG Grants, which is required to accompany payments to PCTV as cited in the Comcast Franchise Agreement and the PCTV Agreement.

Auditee's Response: Accept. I&P will issue and retain supporting documentation showing the basis of computation for Annal PEG Grants to ensure amounts received/issued were properly derived with contractual obligations of said agreements.

**Update**: Response from I&P indicates that recommendation has not yet been implemented. The agreement with PCTV has recently been extended for another year pending the negotiation of the new franchise agreement. The franchise agreements with Verizon and Comcast have been extended until March 31, 2021, in order to provide a negotiating period. PCTV contracts are contingent on franchise cable agreements. The longer franchise agreements are delayed, the longer the City of Pittsburgh is unable to secure additional funding for PCTV. However, the lack of documentation submitted showing the computation of PCTV's share of funding should not be hampered by the negotiation of future agreements. The controller's office urges I&P to begin submitting this paperwork, as per contract, to PCTV as soon as possible.

#### **I&P** Oversight

As part of the original PCTV agreements, I&P is expected to provide oversight over PCTV operations. The Controller's Office fiscal auditors noted the lack of documentation maintained by I&P as well as a general lack of knowledge regarding their responsibilities regarding the PCTV Agreement. The PCTV Agreement also stipulates additional oversight by the Pittsburgh Cable Communication Advisory Committee (PCCAC), established as an advisory body to City Council.

**Recommendation**: I&P should devote appropriate efforts regarding oversight of PCTV. This would include establishment of procedures for the review of PCTV's operational activity and subsequent reports regarding the evaluation thereof. In addition, an evaluation of whether PCTV's continuation as the City's public access administrator is warranted, needs to be conducted by I&P.

Auditee's Response: Accept. I&P will review the agreement with PCTV to ensure the City's interest is protected through increased oversight. The revised agreement should be in place by summer of 2020.

**Update**: Response from I&P indicates that recommendation has not yet been implemented. The agreement with PCTV has recently been extended for another year pending the negotiation of the new franchise agreement. The franchise agreements with Verizon and Comcast have been extended until March 31, 2021, in order to provide a negotiating period.

#### PCTV by-laws for the Board

The business and affairs of the Corporation, operating as PCTV, are managed by a Board of Directors. The number of Directors of the Corporation consist of at least three (3) but no more than fifteen (15), and at least one must be a community producer (an individual trained in the use of TV equipment by PCTV and uses it to create programming). The term of office for each Director is three (3) years. No Director can serve more than six (6) consecutive years. A Director can be eligible for re-election to the Board one (1) year after leaving the Board. The Officers of the Corporation consists of the President of the Board, a Vice-President, a Secretary, and a Treasurer. They are elected at the annual meeting by the Board of Directors. The term of office for each shall be two (2) years.

The sitting board of directors has a recruiting process in which they seek board members that they feel could benefit the organization. An individual may also submit a resume and a letter of interest to the director of PCTV for consideration.

There are various qualifications that are looked at when considering an individual for the board. They may include the following: skills and experience in areas such as marketing, public relations, finance, policy development, fundraising and communications experience.

According to the Executive Director of PCTV, race and gender are not considered qualifications but are needed to ensure diversity on the board and the communities they serve. The board secretary states, "we are mindful and intentional about engaging, attracting, and welcoming a diverse board to lead the organization."

The board may also recruit potential members. "For example, the board may be in need of an attorney, so the current members reach out to contacts in the legal field for referrals of individuals who may be interested in joining the board." The goal is to keep the board well balanced in terms of skills, diversity, and community connections so, as a whole, it will operate with maximum efficiency and effectiveness.

Individuals being considered for the board will be interviewed by at least one board member. The board will then vote on their nomination, with a majority required for approval. In the past, the board has not voted to approve someone unless they are absolutely sure they want that person on the board. There are at least four (4) regular meetings of the Board each year, one (1) meeting per quarter. The annual meeting, held in the final quarter of each fiscal year, serves as the regular meeting for that quarter and includes the election of Directors and Officers. These positions are decided by a majority vote of the Directors present. Special Meetings of the Board may be called by the Board President as needed.

The Board of Directors held meetings online at least four (4) times per year for the years 2018, 2019 and 2020. Some of the topics at these meetings included: programming, facilities and equipment, training for Community Producers, Youth Media, welcoming new Board Members, COVID-19, Financial Reports, working remotely, Cable Franchise Agreement, extending lease agreement for five (5) years and community involvement with various groups throughout the City.

#### **Pittsburgh Cable Communication Advisory Committee (PCCAC)**

In addition to the PCTV's Board of Directors, the original agreement allowed for additional oversight by the PCCAC. The Agreement for Services for PEG Channel Administrator between The City of Pittsburgh and Pittsburgh Community Television, Inc says:

In addition to the City, PCCAC shall have oversight authority with respect to PCTV consistent with its role as an advisory body to the Pittsburgh City Council. This oversight authority includes financial oversight, operational oversight, and programming quality oversight of PCTV. Actions taken with respect to such oversight authority shall be subject to approval by the City.

The last meeting of the PCCAC took place in 2013. At this meeting were representatives from PCTV, Computer Information Systems (CIS--the precursor to I&P), Verizon, Committee Members and the Acting Director. Shortly afterwards, the committee's director took ill and could no longer serve in his position. In 2014, the incoming Mayor did not name a director for PCCAC. There has not been an oversight board since that time; however, I&P received yearly budget reports from PCTV.

In 2019, City Council passed the resolution to disband the PCCAC. I&P has been designated to provide city oversight, of PCTV.

#### City of Pittsburgh as a Local Franchising Authority (LFA)

The intricacies of cable franchising agreements go mostly unnoticed by cable consumers. Local franchising authorities allow cable companies access to public property such as telephone poles and underground areas in exchange for financial and community benefits for the LFA, such as a small percentage of revenue, assurance of adequate service quality, and support for access channels.

Pittsburgh, acting as the LFA, contracts with the cable providers Verizon and Comcast. In the past, these agreements have been signed as ten-year contracts. As part of these contracts, Verizon and Comcast remit 5% of their total revenue to the City. The City deposits these monies into its general fund. The cable companies also charge subscribers a fee per month to contribute to public access channels. These fees are submitted to the city per a schedule set forth in the contract and the City disburses these monies to the appropriate agencies. These monies are known as the Annual PEG Grant. The schedule outlines the time period as well as the corresponding amount per subscriber, which gradually increased from \$0.45 to \$0.90 during the term of the contract. The Annual PEG Grant payment along with a brief summary of the subscriber information upon which it is based, is to be sent to the City within 60 days after the beginning of each calendar year. The Annual PEG Grant provides capital support for PEG Channel facilities.

Table 1 shows the amount collected from subscribers from both Verizon and Comcast for the years 2014 through 2020. This is not the entire amount the city receives from Verizon and Comcast; this is only the amount given to PCTV from the city by I&P.

TABLE 1

Monies Received from Cable Companies as Annual PEG Grants and Remitted to PCTV  January 2014-December 2020			
	Comcast	Verizon	<b>Total Grants</b>
2014	\$138,016	\$183,507	\$321,523
2015	\$168,678	\$249,268	\$417,946
2016	\$183,315	\$279,504	\$462,819
2017	\$204,550	\$344,020	\$548,570
2018	\$369,448	\$242,431	\$611,879
2019	\$353,985	\$264,018	\$618,003
2020	\$377,126	\$252,385	\$629,511

Source: JD Edwards City Controller's Reports

There are two types of PEG Grants. The Annual as explained above and the Fixed. Fixed PEG grants are negotiated during the contract agreement process and are sums payable in installments over the years of the contract, or in lump sums. The most recent agreement was for \$350,000 to be paid in installments between 2010 and 2020. Cable companies usually have the option of paying in installments or in lump sums. The final payment was received in 2014. The Fixed PEG Grant supports the funding of PEG Access facilities and other technological needs throughout the City. These fixed grants are divided equally between PCTV and City Channel.

**Finding:** Continued delays in negotiating contracts results in loss of funding for the City's PEG channels.

#### **PCTV** in the Community

Contractually, PCTV is expected to operate the City's public access channel in a manner consistent with principles set forth in the agreement and federal law, with the primary purpose of bringing the community high quality relevant programming and not otherwise readily available in commercial and national media. PCTV is expected to train residents of the City and community organizations in the techniques of media production and provide technical advice in the execution of productions. PCTV is also expected to actively promote the use, awareness, and benefits of public access television to the public. The training provided by PCTV is mostly in the form of teaching residents to become community producers, a title that recognizes their ability to create programming for the community.

#### **Prospective Community Producer Requirements**

The auditors received a copy of the PCTV handbook which explains the community producer requirements. A community producer is a person trained by PCTV to operate the equipment necessary to produce a TV program. The requirements for being a community producer is as follows:

1) PCTV is available for the purpose of cablecasting on a first-come, first served basis to any person or non-profit in Allegheny County (residents outside the city pay higher fees). Producers must be 18 years of age and proof of age and residency is required. Interested people under the age of 18 must have parental/guardian permission and the minor must be always accompanied. Parent/guardian assumes responsibility for any damage caused by the minor. Any persons wishing to use PCTV equipment must receive training and demonstrate that they can safely use the equipment.

There are additional requirements to be met before programming can be cablecast by PCTV:

- 2) Programs must be submitted to the station from a certified community producer, who performed at least one of the following functions: a) On camera talent and/host, b) Program Director, c) Camera Operator, d) Audio Technician, e) Script Writer, f) Coordinator of Postproduction Activities, or g) Production Coordinator.
- 3) PCTV reserves the right to suspend or revoke the privilege of any producer to use the PCTV channel, equipment and facilities who appears to be under the influence of alcohol or drugs; who interferes with the orderly conduct of business; who refuses to cooperate with or, in any way, abuses PCTV employees, interns, or studio volunteers; who fails to pay debts owed to PCTV (bad checks, etc.); or who had misused equipment, failed to return it on time; or has in any other way abused the privilege of using the PCTV channel, equipment or facilities.
- 4) The PCTV channel, equipment and facilities shall not be used for any financial gain or commercial purpose. Programming produced using PCTV facilities and equipment is intended for air on the PCTV channel before it can air any place else.

Community producers are responsible for following federal, state and local laws surrounding lawful broadcasts. PCTV also prohibits the following: 1) Obscene material, 2) Lottery, or the advertising or information surrounding any lottery, 3) Advertising, 4) Promotional material concerning products or services presented for the purpose of soliciting money or items of value, 5) Political endorsements, and 6) Any materials which constitute defamation, libel, slander, invasion of privacy or publicity rights, unfair competition, and violation of trademark or copyright.

The community producer requirements and the content restrictions PCTV requires is standard in PEG channels in the United States, such as PhillyCAM in Philadelphia and Access 21 from Charlotte-Mecklenburg.

**Finding**: PCTV does not have a non-discrimination clause easily found on their website nor do they have one in their orientation materials. Other public access stations have this clause.

#### **RECOMMENDATION 1**

PCTV administration should consult the U.S. Equal Employment Opportunity Commission to have an attorney craft a non-discrimination clause on their written materials and website.

#### **Community Producer Training**

To be a community producer, an individual must enroll in and pay for training. Once the required trainings are completed, enrollment fees are collected annually along with small fees for using equipment and facilities.

There are several levels of training to attain before becoming a community producer. Completing this training gives an individual the skills to access PCTV's equipment as well as how to edit video for broadcast. Not all classes are mandatory. There are different levels of fees for Pittsburgh residents, Allegheny County residents, and the general public, meaning non-residents of Allegheny County. The levels of training and their costs are listed in Table 2 as of February 2020:

- 1. Orientation: This is the starting point for prospective producers. Attendees are given a tour of PCTV's facilities and the opportunities PCTV offers are discussed.

  --Free
- 2. Producer Prep Pre-Requisite Orientation: This class outlines facility policy and procedures, introduces production and the method of submitting a program.

  --Free
- 3. Electronic Field Production: At the completion of this class, the attendee will be able to check out cameras, tripods, and microphones, and capture footage in the field. PCTV conducts two separate classes in this module owing to the complexity of the two camera systems they employ.
  - --Shoulder Mount Camera: \$50 Pittsburgh resident, \$75 Allegheny resident, \$100 general public
  - --Professional Camcorder: \$100 Community Producers, \$200 general public
- 4. Intro to Final Cut Pro X: This is an Apple software package dedicated to video editing. The user can also add transitions, make titles, create video effects, and produce closed captioning.
  - --\$75 Pittsburgh resident, \$110 Allegheny County resident, \$150 general public

- 5. Adobe Premiere: With Adobe Premiere, the user can adjust color, import footage, and refine audio. Due to the complexity, this is divided into two separate classes.
  - --Adobe Premiere: \$100 community producers, \$150 general public
  - --Adobe Premiere Advanced: \$150 community producers, \$200 general public
- 6. Ready on Set...Is your Set Ready?: this final class for community producers outlines inexpensive tips and tricks for making your set unique.
  - --Free for community producers

Additionally, there are enrollment fees, akin to a membership, payable to PCTV to maintain active participation as a community producer. Table 2 shows the costs and fees as of PCTV's last publication in February 2020.

TABLE 2

	2020		
PCTV Enrollment Fees and			
Addit	tional Usage F	ees	
<b>Enrollment Period</b>	Fee	Additional Usage Fees**	
Standard enrollment			
1 Year	\$100	Studio: \$10 per use; EFP*: \$5 per	
City of Pittsburgh resident		use; editing: \$5 per use	
1 Year	\$150	Studio: \$15 per use; EFP \$10 per	
Allegheny County resident		use; editing: \$10 per use	
6 Month	\$75	Studio: \$10 per use; EFP \$5 per	
City of Pittsburgh resident		use; editing: \$5 per use	
6 Month	\$110	Studio: \$15 per use; EFP \$10 per	
Allegheny County resident		use; editing: \$10 per use	
Plus enrollment			
1 Year	\$250	None for studio, EFP or editing	
City of Pittsburgh resident			
1 Year	\$350	None for studio, EFP or editing	
Allegheny County resident			
6 Month	\$175	None for studio, EFP or editing	
City of Pittsburgh resident			
6 Month	\$250	None for studio, EFP or editing	
Allegheny County resident			
3 Month	\$120	None for studio, EFP or editing	
City of Pittsburgh resident		_	

<sup>\*</sup> Electronic Field Production

Source: PCTV Orientation materials

<sup>\*\*</sup>Certification required for EFP and editing

Overall, interest in the classes PCTV provides remains viable. Table 3 illustrates the number of classes conducted, the total number of registrants and the number of certifications awarded for the years 2015-2019.

TABLE 3

Number of Classes, Registrants and Certifications					
Year	Year Classes Registrations Certifications Issued				
2015*	34	85	62		
2016	38	175	85		
2017	36	177	102		
2018	57	310	189		
2019	43	232	146		

<sup>\*</sup> Note 2015 was lower owing to major renovations on PCTV's physical space

Source: PCTV annual reports

Volunteer community producers receive valuable job training as well as the ability to communicate thoughts and ideas to the wider community. According to PCTV management, many producers have been able to secure employment thanks to the low-cost training at PCTV.

**Finding**: PCTV's volunteer community producer training can prepare individuals for careers in TV production outside of PCTV. This remains particularly true considering the recent closing of Pittsburgh Filmmakers in 2019.

Pittsburgh Filmmakers was a non-profit media arts organization that offered independent certificate programs and public showings of art films as well as filmmaking classes to the public and University of Pittsburgh students.

Table 4 shows the PCTV producer and program information that occurred in 2015 through 2019.

**TABLE 4** 

PCTV Producer & Program Information 2015-2019				
Year	Number of Community Producers	Programs Produced Using PCTV Equipment	Number of Producers Representing Non-Profits	*Other Non- Profits
2015	146	595	18	13
2016	171	594	15	21
2017	142	541	16	23
2018	126	543	18	27
2019	151	686	20	25

Source: PCTV Executive Director

#### Community Outreach and Education

PCTV's active focus on content relevant to the community it serves is reflected in the programming initiatives it has adopted. PCTV has sought to be inclusive in their outreach and PCTV's staff have produced many shows on different topics. PCTV records and broadcasts all Pittsburgh Public Schools board meetings and gives them to City Channel to broadcast as well.

Initiatives PCTV was involved with in 2019 alone included (but was not limited to):

- Six episodes of *A*+ *Schools Education Update*, focused on issues facing Pittsburgh Public schools
- Staff have interviewed and recorded performances with 15 local bands
- Coverage of four Pittsburgh environmental nonprofits on "Eco Action", including the Izaak Walton League, Solar United Neighbors, the Breathe Project, and Allegheny Greens
- Six videos about local artists for Associate Artists of Pittsburgh
- Eight regularly produced programs, including *Eco Action*, *Northside Chronicle*, and *Shelf Life*
- Political Jungle, Steve Irwin interviews local and state politicians
- Summer interns from local colleges produced short programs on the following topics: The Children's Theater Festival, City Books, the Mattress Factory, Pittsburgh PrideFest, the Three Rivers Arts Festival, and the Anthrocon Convention

For over 30 years, PCTV has provided educational opportunities for prospective community producers, internships for students in local colleges and universities, and the general public. In 2011, PCTV started a television summer camp for area teenagers and in 2015 brought in Goodwill of Southwestern Pennsylvania Youthworks program as a co-leader. In this program, youths learn how to operate studio equipment, field cameras, and editing equipment. More recently, in 2018, PCTV has teamed up with Operation Better Block and the Bhutanese Community Association to launch two additional youth training courses. In 2019, PCTV teamed up with XRconnectED to create a new program called Community XR, which exposes students to demonstrations of virtual reality headsets and 360° video cameras.

#### PCTV Equipment and Facility Usage

In 2015, PCTV underwent a seven month long major renovation project to its equipment and facilities located on Western Avenue. An auxiliary studio in Lawrenceville was used during these renovations. The renovation project was funded through loans from First National Bank, Northside Community Development Fund, and a generous contribution from PCTV's landlord, Western Avenue Associates.

The auditors found performance information on PCTV's equipment and facility usage reported in their annual reports. Table 5 shows PCTV's equipment and facility usage information that occurred for the years 2015-2019.

TABLE 5

PCTV					
	Equipment and Facility Usage For the years 2015-2019				
	Equipment/ Facility Number Total Hours				
Year	Category	of Users	of Usage		
2015	Classroom/Conference Room	29	81.5		
2010	Edit Suites	256	1,132.75		
	Electronic Field Production	139	n/a		
	Studio	672	3,610		
Totals		1,096	4,824.25		
2016	Classroom/Conference Room	57	142.75		
	Edit Suites	354	1,077.92		
	Electronic Field Production	266	n/a		
	Studio	580	2,018.5		
Totals		1,257	3,239.17		
2017	Classroom/Conference Room	67	250		
	Edit Suites	319	1,021		
	Electronic Field Production	133	n/a		
	Studio	564	2,068		
Totals		1,083	3,339		
2018	Classroom/Conference Room	46	129.5		
	Edit Suites	322	1,025.75		
	Electronic Field Production	187	n/a		
	Studio	659	2,295.5		
Totals		1,214	3,450.75		
2019	Classroom/Conference Room	8	26.5		
	Edit Suites	171	1,116.5		
	Electronic Field Production	157	n/a		
	Studio	638	2,209		
Totals		974	3,352		

Source: PCTV Annual Reports

Class Fees, Enrollment and Other Non-Franchise Fee Contributions

From 2015 through 2019, other sources of revenue aside from the cable companies' PEG grants accounted for between 12.1% and 15% of PCTV's overall budget. These other sources of income include foundation grants, special project income (income from PCTV hiring out its television production services, in-house production services, income from additional services such as DVD and tape duplication of PCTV programming), producer enrollment fees, production services or class fees, fundraising/special events, rental income from facilities rental, underwriting/sponsorship income, and in-kind donations.

Table 6 shows PCTV non-franchise revenues and their sources.

**TABLE 6** 

PCTV Income from							
Class Fees, Enrollment and Other Non-Franchise Fee Contributions							
	2015-2019						
2015 2016 2017 2018 2019							
Foundation Grants	\$12,500	\$660	\$0	\$0	\$1,000		
Special Projects	\$41,945	\$39,900	\$52,315	\$44,500	\$50,100		
Producer Enrollment Fees	\$12,990	\$16,395	\$12,748	\$25,369	\$14,529		
Production Services	Production Services \$\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\				¢7 601		
(Class Fees)	\$5,871	\$6,548	\$6,229	\$7,137	\$7,681		
Fundraisers	\$0	\$0	\$1,260	\$1,829	\$7,085		
Donations	\$5,609	\$1,374	\$1,264	\$896	\$498		
Underwriting	\$1,000	\$0	\$5,570	\$6,800	\$0		
Rental Income	\$0	\$550	\$200	\$0	\$0		
Miscellaneous	\$50	\$104	\$312	\$0	\$100		
In-Kind Donations	*	\$5,141	\$539	\$0	\$0		
Sales-Vending	\$18	\$21	\$14	\$9	\$0		
Sales-Tapes Merch	\$6	\$0	\$0	\$0	\$0		
Interest Income	\$3,349	\$2,987	\$4,130	\$4,109	\$6,491		
Totals	\$83,338	\$73,680	\$84,581	\$90,640	\$87,484		

Source: PCTV Annual Reports

#### **Enrollment and Class Fees**

Monies collected from enrollment and class fees represent a at least a quarter of income from PCTV's other revenue streams. Table 7 shows the class enrollment and fees collected from 2015 until 2019 are below:

**TABLE 7** 

	Enrollment and Class Fees Collected, Percentage Proportion of Other Revenue 2015-2019			
Year	Enrollment Fees	Class Fees	Total of Enrollment and Class Fees (Percentage of Non- Franchise Income represented)	
2015	\$12,077	\$913	\$12,990 (16%)	
2016	\$13,295	\$3,100	\$16,395 (22%)	
2017	\$11,436	\$1,312	\$12,748 (15%)	
2018	\$14,537	\$10,832	\$25,369 (28%)	
2019	\$12,029	\$2,500	\$14,529 (17%)	
Totals	\$63,374	\$18,657	\$82,031 (20%)	

Source: PCTV annual reports

<sup>\*</sup> No in-kind contributions noted in 2015

In the five-year period examined, enrollment and class fee income ranged from 22.4% in 2017 to 35.9 % of the organization's income from other sources in 2018. While increasing rates on community producers may seem attractive, it is hoped that alternative funding sources can be identified.

**Finding**: Enrollment and class fees provide a substantial portion of PCTV's non-franchise income stream.

#### **RECOMMENDATION 2**

PCTV administrators and board members should continue to seek ways to augment its fundraising capabilities without raising rates on its community producers.

#### **PCTV Programming**

PCTV has changed over the years to meet the needs of the community. After an extensive renovation of their facility in 2015, equipment was upgraded. In 2016, policies were relaxed to allow Allegheny County residents a chance to become community producers, albeit at a higher rate. From this revitalization effort and policy changes, PCTV is well positioned to continue to advance in tune with the latest technologies and enlarge their community participation.

PCTV aspires to put their community producers first, however, by operating 24/7 this leaves a lot of time to fill. When PCTV has no community-produced programming to cablecast, they rely on other providers to produce content, sometimes via satellite non-commercial services and sometimes it is programming produced by non-profits and/or produced locally without PCTV equipment. These types of programming are:

<u>PCTV community producers</u>: Popular examples in recent years include: Classic Events Entrepreneur Platform, Steel City Sports World, Exercising with Paul Eugene, Overcoming Through the Word, and It's All Good Cooking Show.

<u>Satellite service</u>: Shows are acquired through a national independent new network and include the following popular shows: the awarding winning <u>Democracy Now!</u>, <u>The Aware Show</u>, and <u>The David Pak man Show</u>.

<u>Staff Produced</u>: PCTV staff are responsible for covering Pittsburgh Public Schools board meetings which are then shown on both PCTV and City Channel. *Political Jungle*, an interview show with local political figures, and collaboration with Saturday Light Brigade productions to carry the *Saturday Light Brigade* every Saturday morning from a studio suite at the Children's Museum of Pittsburgh. Staff have also produced *Northside Chronicle*, *100 Things to Do In Pittsburgh Before You Die*, and through the PCTV's summer intern program, have provided short programs on events and places of interest throughout the Pittsburgh area.

<u>Acquisition from local producers not using PCTV equipment</u>: Programs are produced locally using many different platforms for broadcast, including websites and YouTube. PCTV also cablecasts these programs as well as upload them online. Examples include *The Zion Christian Church Worship, Pittsburgh Irish Mysteries and Music*, and *Love Ministries Present*.

<u>Acquisition from nonprofits</u>: Some of these programs include: Virtual STEM Summit (Pittsburgh Technology Council), August in August (August Wilson House), Junior Green Corps Documentary (Operation Better Block) and the League of Women Voters (LWV) Candidate Forums.

Table 8 shows PCTV's first-run, meaning programming running for the first time, overview for the years 2015-2019.

**TABLE 8** 

PCTV First-run Programming Overview by Provider 2015-2019					
Year	Year  First-run hours produced by PCTV acquired by community producers  First-run hours acquired by satellite service produced **  Staff Produced **  First-run hours acquired from other sources of time of year				
2015	497	553		226	1,291(14.7%)
2016	427	514		194	1,135 (13%)
2017	585	514	69	154	1,377 (16%)
2018	441	509	71	226	1,342 (15.3%)
2019	542	555	94	162	1,488 (17%)

<sup>\*</sup> Numbers were collected from Annual Reports, data was presented slightly differently year by year. **Owing to this, numbers may not add to total number of first-run programming.** 

Source: PCTV Annual Reports

There are 8,760 broadcast hours in a year. The most hours used for programing was in 2019 with 1,488 hours. This represents 17% of the time available in 2019.

Table 9 shows PCTV's first-run hours that they acquired from produced locally and from non-profits from 2015 through 2019.

<sup>\*\*</sup> Staff produced numbers not reported for all years

**TABLE 9** 

IADLE 9					
	PCTV				
	First-run Hours Acquired from Other Sources				
	From 2015-2019				
Breakdown: Non-profits and Locally Produced					
	From Non-profits Produced Locally				
2015	<b>2015</b> 182 180				
2016	<b>2016</b> 176*				
2017	148	55			
2018	144	95			
2019	156	135			

NOTE: There are several nonprofits producing programming locally, therefore there is overlap in these figures.

Source: PCTV Annual Reports

**Finding**: Content produced by staff has increased steadily over recent years and have been among PCTV's most popular programs. Staff produced programming is focused on local events and personalities.

#### PEG Channels, Franchise Fees, and the Federal Communications Commission (FCC)

PEG channels are not mandated by the federal government; however, they are a right granted to LFAs by the FCC should they choose to exercise it. PEG channels are regulated by the FCC. In September 2019, the FCC changed the cable regulations that could threaten the continued existence of PEG channels (Docket 05-311).

The Congressional Research Service released <u>Potential Effect of FCC Rules on State and Local Video Franchising Authorities</u> in 2020. It is written "In August 2019, in response to a ruling by a federal court of appeals, the FCC tightened restrictions on municipalities' and—for the first time—on states' ability to regulate video service providers. The Communications Act of 1934, as amended, still allows local governments to require video service operators to provide public, educational, and government (PEG) channels to their subscribers. The FCC's August 2019 order, however, sets new limits on local governments' ability to collect fees from operators to support the channels.

In addition, the FCC ruled that local franchise authorities could not regulate non-video services offered by incumbent cable operators, such as broadband internet service, business data services, and Voice over Internet Protocol (VoIP) services. In October 2019, also for the first time, the FCC concluded that a video streaming service was providing "effective competition" to certain local cable systems, thereby preempting the affected municipalities' ability to regulate local rates for basic cable service. These rulings have caused controversy. The FCC has asserted

<sup>\*</sup> Annual report in 2016 did not delineate nonprofit vs locally produced programming.

that they fulfill a statutory mandate to promote private-sector investment in advanced telecommunications and information services and to limit government regulation when competition exists. State and local governments, however, have objected that the regulatory changes deprive them of revenue and make it harder for them to ensure that video providers meet local needs [emphasis added]."

The FCC rule change allows cable companies to put a value on in-kind contributions required by franchise agreements and deduct those from the amounts paid for franchise fees. In addition to providing PEG channels, other in-kind contributions might include things like free broadband or cable TV for city offices. Approximately half of City of Pittsburgh buildings receive complimentary (free) cable television services, the value of these services estimated at \$68,000 a year, in addition to PEG contributions to cable systems provide. The head of I&P estimated in the *Pittsburgh Post-Gazette* on July 29, 2019 in an article entitled "City fears cable access channel funding loss if FCC approves new rule Aug. 1" that the city could be facing a loss of \$700,000 from this funding source. It is also noted in the article that in 2018, Comcast was expected to make \$54 billion in the cable television business in the US. Also worthy of note is the fact that consumers can read their PEG contribution monthly on their cable bills. **As this rule is interpreted, cable companies could continue to collect franchise fees but none of the money would go back into the community.** 

When the FCC change was enacted, local governments across the nation faced a dilemma. These fees have been dropping steadily owing to the decreasing number of cable subscribers. Before the COVID crisis, it was estimated the cable subscriptions were decreasing by 3% a year. Now if these fees drop substantially in the immediate future, governments will be faced with paying for the free cable services to municipal buildings-or eliminating some or all of the complimentary cable services.

In November 2019, the FCC denied the motion for a stay filed by the National League of Cities (NLC), despite the support of 63 Members of Congress, the US Conference of Mayors, and many municipal organizations. According to Angelina Panettiere from the National League of Cities, the FCC['s] "denial of that request has thrown some aspects of the cable order's implementation into confusion. In its denial, the FCC indicated that NLC had not adequately demonstrated the potential for harm to cities, because if [franchise] negotiations fail, the terms in the franchise remain in effect unless and until a cable operator challenges those terms and proves that the terms violate the Order's requirements." That would seem to indicate that when cable providers bring amended terms to cities, those communities could simply decline to agree to them, and keep the current franchise agreement in place. Cable providers have filed a petition for clarification and the FCC has opened the petition for public comment.

The NLC reports that some communities are already feeling the impact of this change. Some franchise negotiations have been halted, and some cable providers have proposed substantive changes over and above franchise fee obligations. In fact, this rule change provides additional impetus to the cable companies to move to an all-streaming video, broadband and VoIP telephone service, which would lead to the end of cable service altogether. This will be devastating to communities on the wrong side of the digital divide. The change would mean that

the cable companies would no longer need to access the city's telephone poles. Therefore, the LFAs would be removed as having any power to stand up for their residents.

The FCC's Third Report and Order (see above) in the cable franchise/Section 621 docket (05-311) is under appeal in the 6<sup>th</sup> Circuit. Briefing is complete and oral arguments are Scheduled for April 15, 2021. A number of local governments as well as municipal and local Government associations (e.g. NATOA, NLC) and community access trade associations such as Alliance for Community Media and Alliance for Communications Democracy are intervenors.

US Senator Ed Markey (Massachusetts) and US Representative Anna Eshoo (California) introduced the "Protecting Community Television Act (S. 3218/H.R. 5659)" in January 2020. This bill clarified that franchise fees only include monetary payments and providers could no longer deduct the market value of franchise obligations from payments. As of March 2021, this bill has not been re-introduced in the 117<sup>th</sup> Congress.

#### **PCTV Future**

PCTV helps serve civic, social, and historical needs to the public through its various programing offered. PCTV provides opportunities for people to voice their opinions, educate, and inform. PCTV needs the revenue from the cable companies to continue to navigate challenges to provide these valuable services to the City.

Amongst PCTV's most popular programming has been events or locations meaningful for residents. Producing programming around local events or personalities also boosts Pittsburgh's tourism signal, as PCTV's programming is available online, around the world. During this global pandemic, one can look at the most popular online activities since social distancing started - broadcast video platforms and areas set aside on popular websites to film oneself going out into the world. On Reddit in one evening, you can gaze at an intersection in Singapore, go metal detecting in the United Kingdom or interact with a person halfway around the world who is learning to juggle.

Also, amidst the current pandemic crisis, one is mindful of society's most vulnerable citizens, those who are unable to leave their houses as a matter of course. Many older people have maintained their cable subscriptions while younger people sometimes drop their subscriptions. It is also the older population that is less likely to subscribe to an internet streaming service. No matter the platform, there is a thirst for people to interact with one another. Along with the public service PCTV provides, be it school board meetings or candidate debates, there also is a social connection that PCTV can continue to cultivate.

Public access channels find themselves in an unenviable position of maintaining a presence in cablecast television whilst also adopting technological advances in order to maintain relevancy in the future. PCTV has recently started to offer podcasting and YouTube classes and the auditors hope that PCTV can continue to grow with technology as well as continue to provide locally produced relevant programming to its community.

#### **RECOMMENDATION 3**

PCTV board and administration should continue to cultivate relationships with local entities with the aim of strengthening social connections. The ability for individuals to professionally document neighborhood homes, landmarks, meetings, and celebrations is a good selling point.

#### **RECOMMENDATION 4**

City and PCTV administrators should contact other public boards and special interest groups that may be interested in PCTV broadcasting their meeting or live session for a nominal fee. Airing may take place live and be archived for posterity. For example, the Historic Review Commission may want to record and televise their meetings in concert with PCTV and save them for future review.

#### Non-Profits that have Participated with PCTV (referenced in TABLE 4)

**2015** Non-Profits (Producers): Christian Fellowship Center, Congregation of Yahweh, Steel City Sports World, McKeesport Beacon of Light Church, Marylloyd Claytor Dance Company, Rankin/Mon Valley Pittsburgh Section of the National Council of Negro Women, Afro-American Music Institute, New Life Baptist Church, Carol Milligan Ministries, Narrowgate Ministries, New Evangelistic Ministries, Carnegie Screenwriters, Words of Peace, Small Business Administration, Nine Mile Run Watershed Association, Pittsburgh Public Schools, Urban League of Greater Pittsburgh and A+ Schools.

**2015 Other Non-Profits:** New Sun Rising, Assemble, Western PA Humane Society, Veterans Leadership Program, Hip Hop on L.O.C.K, Balmoral School of Piping and Drumming, Find Some Flow, Repair the World Pittsburgh, Pittsburgh Urban Magnet Project, Start With Art Pittsburgh, Variety the Children's Charity, and SLB Radio.

**2016 Non-Profit (Producers):** Christian Fellowship Center, Congregation of Yahweh, Steel City Sports World, McKeesport Beacon of Light Church, Marylloyd Claytor Dance Company, Rankin/Mon Valley Pittsburgh Section of the National Council of Negro Women, Afro-American Music Institute, New Life Baptist Church, Carol Milligan Ministries, Narrowgate Ministries, New Evangelistic Ministries, Carnegie Screenwriters, Pittsburgh Public Schools, Life Options Pittsburgh, P.A.C.T. Initiative.

**2016 Other Non-Profits**: GASP, Kelly-Strayhorn Theater, National Aviary, Allies for Children, Edgewood Symphony, Trade Institute of Pittsburgh, Big Brothers/Big Sisters, Our Clubhouse, Pittsburgh Zoo InvolveMint, Veterans Breakfast Club, 412 Food Rescue, Greater Pittsburgh Nonprofit Partnership, Beverly's Birthdays, Northside Food Pantry, Community Auto, Sara

Heinz House, Pittsburgh Equal Opportunity Review Commission, SLB Radio, A+ Schools, Greater Pittsburgh Arts Council and Deutschtown Music Festival.

**2017 Non-Profit (Producers):** Christian Fellowship Center, Congregation of Yahweh, Steel City Sports World, McKeesport Beacon of Light Church, Marylloyd Claytor Dance Company, Rankin/Mon Valley Pittsburgh Section of the National Council of Negro Women, Afro-American Music Institute, New Life Baptist Church, Carol Milligan Ministries, Narrowgate Ministries, New Evangelistic Ministries, Carnegie Screenwriters, Life Options Pittsburgh, P.A.C.T. Initiative, Zion Chistian Church, and Gwen's Girls.

**2017 Other Non-Profits:** Penn Forest Natural Burial Park, Global Links, Girls Write Pittsburgh, Rent the Chicken, The Garment Project, Science Tots, The Amplify Project, Doors Open Pittsburgh, Ataxia Support Group, Mon River Towns, RiverQuest, Small Business Development Center at the University of Pittsburgh, SLB Radio, A+ Schools, Greater Pittsburgh Arts Council, City of Play, Creators Make Teachers, Bunker Projects, Corning Works, One Hood Media, Pittsburgh Cultural Trust, City Theatre Company and Prime Stage Theater.

**2018 Non-Profit (Producers):** Christian Fellowship Center, Congregation of Yahweh, Steel City Sports World, McKeesport Beacon of Light Church, Marylloyd Claytor Dance Company, Rankin/Mon Valley Pittsburgh Section of the National Council of Negro Women, Afro-American Music Institute, New Life Baptist Church, Carol Milligan Ministries, Narrowgate Ministries, New Evangelistic Ministries, Carnegie Screenwriter, P.A.C.T. Initiative, Zion Christian Church, Gwen's Girls, Bhutanese Community Association of Pittsburgh, Life Options Pittsburgh, League of Women Voters, Partners for Quality and Realtors Association of Metropolitan Pittsburgh.

**2018 Other Non-Profits:** Pittsburgh Public Schools, Greater Pittsburgh Arts Council, A+ Schools, Shady Lane School, Western PA Ataxia Support Group, New Sun Rising, Clean Air Council, Forbes Fund, Homewood Children's Village, FIT Farms, Associated Artist of Pittsburgh, Northside Chronicle, Bhutanese Community Association of Pittsburgh, Operation Better Block, Sustainable Pittsburgh, Doors Open Pittsburgh, The Hollywood Theater, The Mattress Factory, Humane Animal Rescue, Three Rivers Arts Festival, Children's Theater Festival. Bicycle Heaven, August Wilson Center, Café on The Corner, Downtown Community Development corporation, Greensburg Museum and SLB Radio.

**2019 Non-Profit (Producers):** Christian Fellowship Center, Congregation of Yahweh, Steel City Sports World, McKeesport Beacon of Light Church, Marylloyd Claytor Dance Company, Rankin/Mon Valley Pittsburgh Section of the National Council of Negro Women, Afro-American Music Institute, New Life Baptist Church, Carol Milligan Ministries, Narrowgate Ministries, New Evangelistic Ministries, Carnegie Screenwriters, P.A.C.T. Initiative, Zion Christian Church, Gwen's Girls, Bhutanese Community Association of Pittsburgh, Life Options Pittsburgh, League of Women Voters, Partners for Quality and Realtors Association of Metropolitan Pittsburgh.

**2019 Other Non-Profits:** Pittsburgh Public Schools, Associated Artists of Pittsburgh, Northside Chronicle, The Mattress Factory, Three Rivers Arts Festival, Children's Theater Festival, Bicycle Heaven, Manchester Academic Charter School, Izaak Walton League, Solar United Neighbors, the Breathe Project, Allegheny Greens, City of Asylum, Girls Write, Northside Northshore Chamber of Commerce, Ceasefire PA, Providence, Connections, Northside Food Pantry, Troy Hill Citizens Council, Meadowcroft Village, Keeping Tabs Pittsburgh, Casa San Jose, Pitts Excel, United Way Apost, and SLB Radio.

• "Other Non-Profits" represent groups that provided their own material, without the use of PCTV equipment or producers.



May 27, 2021

Michael Lamb, City Controller City of Pittsburgh 414 Grant Street Pittsburgh, PA 15219

#### Dear Michael:

Thank you for the recently completed Performance Audit of Pittsburgh Community Television. This letter represents our response to the recommendations made in the audit.

#### Recommendation 1

PCTV administration should consult the U.S. Equal Employment Opportunity Commission to have an attorney craft a non-discrimination clause on their written materials and website.

Response: PCTV agrees with this recommendation and will take immediate steps to implement it.

#### Recommendation 2

PCTV administrators and board members should continue to seek ways to augment its fundraising capabilities without raising rates on its community producers.

Response: PCTV is actively seeking ways to augment fundraising capabilities through collaborative program partnerships with other nonprofit organizations. Our goal is to not raise rates on community producers.

#### Recommendation 3

PCTV board and administration should continue to cultivate relationships with local entities with the aim of strengthening social connections. The ability for individuals to professionally document neighborhood homes, landmarks, meetings, and celebrations is a good selling point.

Response: PCTV agrees that continuing to cultivate relationships with local organizations is an important undertaking. We are increasing our efforts to promote and offer PCTV as a high quality, cost efficient way for community groups and individuals to document the life of the city including events and other subjects of interest.

#### Recommendation 4

City and PCTV administrators should contact other public boards and special interest groups that may be interested in PCTV broadcasting their meeting or live session for a nominal fee. Airing may take place live and be archived for posterity. For example, the Historic Review Commission may want to record and televise their meetings in concert with PCTV and save them for future review.

Response: PCTV will explore this possibility with the city. In doing so, we will ensure that we avoid conflicts with the role of City Channel Pittsburgh, the Department of Innovation and Performance or any other city department.

Sincerely.

John H. Patterson
Executive Director