



COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548

B-131935

JUL 16 1975

The Honorable W. Henson Moore  
House of Representatives

Dear Mr. Moore:

Your letter of May 9, 1975, transmits copies of correspondence between you and the Corporation for Public Broadcasting and requests our opinion concerning the expenditure by the Corporation of \$9,802.75 for a reception in the Caucus Room of the Cannon House Office Building.

According to the information enclosed with your letter, the reception was held as a part of a week-long annual meeting of public radio stations held for the purpose of convening working groups on public radio policy and operational matters, in order to give local stations a chance to meet and exchange views with one another and with representatives of National Public Radio and with the Corporation's staff. The Corporation states that the reception was to allow public radio representatives to meet with their representatives in Congress. The reception was paid for, in substantial part, from registration fees paid by conference registrants.

You point out that the Corporation requests and receives substantial appropriations. After stating that these appropriations and funds received from other sources are put together into a general fund, you contend that this type of reception is an unwarranted use of Federal tax dollars and constituted, in effect, using Federal monies to lobby for additional appropriations from the Congress. You ask for our views thereon.

The Communications Act of 1934, as amended by the Public Broadcasting Act of 1967, approved November 7, 1967, Pub. L. No. 90-129, 81 Stat. 365, as amended, 47 U.S.C. §§ 396-398 (1970 and Supp. III, 1973), authorized the establishment of the Corporation for Public Broadcasting and provides that it will not be an agency or establishment of the United States Government. See 47 U.S.C. § 396(b) (1970).

B-131935

The Corporation is a private, nonprofit corporation subject, to the extent consistent with the aforesaid statutory provisions, to the provisions of the District of Columbia Nonprofit Corporation Act 29 D.C. Code §§ 1001 et seq. Its purpose is to facilitate the development of a system of noncommercial educational broadcasting that would be characterized by programming of diversity and excellence and to insulate programming from any extraneous interference or control that might derive from Federal financing.

As a private, nonprofit corporation, the Corporation is generally not subject to the same restrictions and controls on its expenditures as are Government agencies and establishments even though, as you have pointed out, it receives appropriations directly from the Congress. Hence, except as provided in its authorizing legislation or in restrictions contained in its appropriation acts, the Corporation may, for the most part, conduct its business in the same manner as any other private, nonprofit corporation.

Accordingly, inasmuch as neither the District of Columbia Nonprofit Corporation Act nor the Corporation's own statutory charter prohibit its holding receptions to which Members of Congress are invited, it is our view that the Corporation for Public Broadcasting was not prohibited from sponsoring the subject reception.

However, we might point out for your information that the Corporation's financial operations are subject to scrutiny. The accounts of the Corporation are required to be audited annually by independent certified public accounts or independent licensed public accountants certified and licensed by a regulatory authority of a State or other political subdivision of the United States. Further, the financial transactions of the Corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by this Office. Finally, of course, the Corporation is answerable to the Congress.

We trust you will find the above responsive to your inquiry.

Sincerely yours,

SIGNED ELMER B. STAATS

Comptroller General  
of the United States