

PROPERTY OF: #014
McLENDON CORPORATION
2008 Jackson Street
Dallas, Texas 75201

ADMINISTRATION 700

INTRODUCTION

We have included many fundamentals in this policy book because the company is growing at a rapid rate and we are, consequently, working more and more with individuals who are not familiar with our operation and, in some rare cases, with the broadcast industry.

Experienced operators simply will have to overlook such sections as salesman conduct, which tells the salesman, among other things, how to part his hair.

You will find some repetition, but, hopefully, nothing contradictory. Some of the material represents pure company policy, set arbitrarily by the Board of Directors to reflect its desires for the orderly operation of McLendon broadcast facilities. The balance of the book deals with FCC rules, regulations and guidelines.

This policy book is not for general staff distribution. It is a guide for members of the station executive staff. It should be kept in the General Manager's office. Salesmen, announcers, and others not in the executive group, are NOT permitted direct access.

No business team can operate smoothly and effectively without guidelines from top management. No set of rules, however, can dictate your every thought and movement. Your good judgement still is required to make ours a successful, progressive organization.

We have divided the book into five sections. These are identified in the Table of Contents. The section numbers closely parallel the account numbers used on your Profit & Loss Statements. We felt this technique would make it easier for you to commit certain sections to memory, since you should already be familiar with the account numbers on your P & L.

II

We have not attempted to deal with program content, since all McLendon formats differ from each other in a greater or lesser degree. There are certain operational and administrative aspects, common among the formats, and we have tried to fix policy in these areas without interfering with the creative processes.

The many FCC rules may be found under the appropriate department heading. Our intent in including so much legal material was not to help you make legal decisions, but to help you recognize legal problems. You must use Washington legal counsel when you encounter a legal problem.

While we regard this book as a key part of our organizational communications system, we realize it cannot answer every question that arises. You still will have to communicate laterally, with the Home Office, and with your subordinates, to complete your understanding of how operating units of the organization are expected to perform.

This book is confidential. The General Manager is responsible for keeping it that way. The Office Manager will keep it up to date.

Topic	Ident.	Page
700 - Administration		
1. <u>Accounting Procedures</u>		
a. Accounts Payable	700-1-a	1
b. Aging Sheets	700-1-b	1
c. Delinquent Accounts	700-1-c	1
d. Deposits	700-1-d	2
e. End-of-Month Report	700-1-e	2
f. Local Sales Commissions	700-1-f	2
g. National Sales Commissions	700-1-g	3
h. Payroll Records	700-1-h	3
i. P&L Statement	700-1-i	4
j. Time Orders	700-1-j	4
k. Expense Reports	700-1-k	4
2. <u>Station Billing</u>		
a. Agency Commissions	700-2-a	5
b. Affidavits of Performance	700-2-b	6
c. Corrected Invoices	700-2-c	6
d. Procedures, billing	700-2-d	6
3. <u>Personnel</u>		
a. Hospitalization Insurance	700-3-a	7
b. Life Insurance	700-3-b	8
c. New Employee Housing	700-3-c	8
d. Office Hours	700-3-d	8
e. Overtime	700-3-e	9
f. Pension Plan	700-3-f	10
g. Per Diem	700-3-g	10
h. Personnel Employment	700-3-h	10
i. Salary & Expense Advances	700-3-i	11
j. Salary Increases	700-3-j	11
k. Severance	700-3-k	11
l. Travel Procedure	700-3-l	12
m. Vacations	700-3-m	13
n. Leave of Absence	700-3-n	13
4. <u>Purchasing</u>		
a. Employment Agencies	700-4-a	14
b. Freight	700-4-b	14
c. General Insurance	700-4-c	14
d. Maintenance, Bldg. & Grounds	700-4-d	15
e. Maintenance, Office Equipment	700-4-e	15
f. Office Decorations	700-4-f	16
g. Office Equipment	700-4-g	16
h. Office Furniture	700-4-h	17
i. Office Supplies	700-4-i	17
j. Postage	700-4-j	17
k. Printing	700-4-k	18

IV

5. Other Expenses

a.	Bad Debts	700-5-a	18
b.	Collections	700-5-b	19
c.	Depreciation	700-5-c	20
d.	Donations	700-5-d	20
e.	Dues and Subscriptions	700-5-e	21
f.	Leases	700-5-f	21
g.	Legal & Audit	700-5-g	21
h.	Moving Expenses	700-5-h	22
i.	Petty Cash	700-5-i	22
j.	Rent	700-5-j	22
k.	Taxes	700-5-k	23
l.	Telephones, LD	700-5-l	23
m.	Travel & Entertainment	700-5-m	24

6. Legal, administrative

a.	Communications from Washington Attorney	700-6-a	25
b.	Community Survey	700-6-b	26-29
c.	Financial Report	700-6-c	29
d.	License Renewal	700-6-d	29-63
e.	Legal Advertising	700-6-e	63
f.	Notices of Violation	700-6-f	66
g.	Ownership Report	700-6-g	67
h.	Political File	700-6-h	67
i.	Public File	700-6-i	68-76
j.	Public Service Advisory Board	700-6-j	77-83
k.	Local Attorneys	700-6-k	84
l.	Local Laws	700-6-l	84
m.	Unions	700-6-m	84
n.	Wage and Hour	700-6-n	84

7. General

a.	Air Travel Reports	700-7-a	86
b.	Charge Accounts	700-7-b	86
c.	Credit Cards	700-7-c	86
d.	Equipment Transfers	700-7-d	87
e.	Expense Vouchers	700-7-e	87
f.	Hotel Bills, Cash	700-7-f	89
g.	Hotel Bills, Trade	700-7-g	89
h.	Managers Meetings	700-7-h	90
i.	Music Licensing Reports	700-7-i	90
j.	Sale of Equipment	700-7-j	91
k.	Trade Agreements	700-7-k	91-94

V

600 - SALES

1. Salesman Responsibilities

a. Availabilities	600-1-a	95
b. Competition	600-1-b	95
c. Expenses	600-1-c	96
d. Meetings	600-1-d	97
e. Rates	600-1-e	98

2. Sales Procedures

a. Calling In (Checking In, Out)	600-2-a	98
b. Hours	600-2-b	99
c. Political Sales	600-2-c	99
d. Presentations	600-2-d	100
e. Reports	600-2-e	101
f. Sales Contracts	600-2-f	101
g. Speculative Announcements	600-2-g	102

3. General

a. Account Swapping	600-3-a	102
b. Advertising, general	600-3-b	103
c. Audience Surveys, Use of	600-3-c	103-107
d. Building the Account List	600-3-d	107
e. Client Functions	600-3-e	108
f. Gifts	600-3-f	108
g. Incentives	600-3-g	109
h. Monitoring, Commercial	600-3-h	111
i. National, Local Accounts	600-3-i	113
j. National Representatives	600-3-j	113
k. Sales Aids	600-3-k	115
l. Salesman Conduct	600-3-l	116
m. Salesman and the Staff	600-3-m	117
n. Sales Promotions	600-3-n	118
o. Station Promotions	600-3-o	119
p. Weekly Digest	600-3-p	120
q. Conditions of Employment, Salesmen	600-3-q	122-a

500 - PROGRAMMING

1. Department Responsibilities

a. Announcer Contracts	500-1-a	123
b. Billboarding	500-1-b	126
c. Contests	500-1-c	126
d. Continuing News Coverage	500-1-d	127
e. Format Changes	500-1-e	128
f. Music	500-1-f	129
g. News	500-1-g	129
h. Off-Air Procedures (for program department)	500-1-h	131

VI

i.	Program Monitoring	500-1-i	132
j.	Public Affairs Programming	500-1-j	136
k.	Public Service	500-1-k	138
l.	Rejected Commercials	500-1-l	143
m.	Rejected Music	500-1-m	143
n.	Studio Security	500-1-n	144
o.	In-Car Survey, Pilot Surveys, How to Conduct	500-1-o	144-152
p.	Emergency Operations	500-1-p	153
q.	AM/FM Duplication	500-1-q	154

2. Procedures

a.	Discrepancy Sheet	500-2-a	154
b.	Permanent Loops	500-2-b	155
c.	Program Log	500-2-c	156-173
d.	Remote Telephone Loops	500-2-d	173
e.	Telephone Recordings	500-2-e	173

3. General

a.	Announcer Conduct	500-3-a	174
b.	Commercial Content, Sponsored Program	500-3-b	175
c.	Commercial Content, Participating	500-3-c	175
d.	Commercial Length	500-3-d	176
e.	Competition, Program	500-3-e	177
f.	Editorials	500-3-f	177
g.	Outside Talent	500-3-g	180
h.	Trade vs. Cash Accounts	500-3-h	180

4. Legal

a.	Announcer Affidavits (Payola)	500-4-a	181-191
b.	Statement of Music Policy	500-4-b	191
c.	Fairness Doctrine	500-4-c	207
d.	FCC Inspectors	500-4-d	207
e.	FTC Rules	500-4-e	211-220
f.	Equal Time (Sec.315)	500-4-f	220-274
g.	Equal Time, Cigarettes	500-4-g	274
h.	Libel and Slander	500-4-h	275-281
i.	Lottery	500-4-i	282
j.	Sponsor Identification	500-4-j	284-303
k.	Teasers	500-4-k	303-305
l.	Promotional Announcements	500-4-l	305
M.	LOGS AUTOMATIC	500-4-M	

800 - UNCLASSIFIED POLICY

1. Housekeeping

a.	Cleanliness	800-1-a	306
b.	Desks	800-1-b	306
c.	Food in Station	800-1-c	307

VII

2. Communications

a.	Answering the Telephone	800-2-a	308
b.	Handling Complaint Calls	800-2-b	310
c.	Hot Line	800-2-c	310
d.	Key Personnel Numbers	800-2-d	311
e.	Letter Writing	800-2-e	311
f.	Mail, Use of	800-2-f	312
g.	Telegrams	800-2-g	312
h.	Telephone System	800-2-h	312
i.	TWX	800-2-i	313

3. Public Relations

a.	Alcoholic Beverages	800-3-a	315
b.	Christmas Cards	800-3-b	316
c.	Citizen of Day Award	800-3-c	316
d.	Client Parties	800-3-d	318
e.	Flowers	800-3-e	319
f.	Gifts	800-3-f	319
g.	Guest Expenses	800-3-g	320
h.	Public Appearances	800-3-h	320
h(2)	Publicity	800-3-h(2)	320-a
i.	Public Relations (Manager)	800-3-i	321
j.	Staff Conduct & Dress	800-3-j	321

4. General

a.	Company Parties	800-4-a	322
b.	Cost Economy	800-4-b	322
c.	General Contracts	800-4-c	322
d.	Hiring Advertising Agency	800-4-d	323
e.	Holidays	800-4-e	323
f.	Individual Membership Dues	800-4-f	323
h.	Nepotism	800-4-h	325
i.	Office Security	800-4-i	325
j.	Organizational Structure	800-4-j	326-332
k.	Outside Employment	800-4-k	332
l.	Payday	800-4-l	332
m.	Politics	800-4-m	335
n.	Use of Consultants	800-4-n	335
o.	Personal Use, Station Equipment/ Facilities	800-4-o	337
p.	Employee Suggestions	800-4-p	338
q.	Privacy	800-4-q	338
r.	Sick Leave	800-4-r	338
s.	Continuing Education	800-4-s	338

5. Job Descriptions

a.	Announcer	800-5-a	340
b.	Board of Directors	800-5-b	340
c.	Bookkeeper	800-5-c	341

VIII

d.	Commercial Continuity Writer	800-5-d	341
e.	General Manager	800-5-e	342
f.	Janitor	800-5-f	343
g.	Local Chief Engineer	800-5-g	344
h.	Local Program Director	800-5-h	345
i.	National Chief Engineer	800-5-i	346
j.	National Director, Public Affairs	800-5-j	347
k.	National Sales Manager (Station)	800-5-k	348
l.	National Program Director	800-5-l	348
m.	Office Manager	800-5-m	349
n.	Operations Manager	800-5-n	352
o.	Production Manager	800-5-o	352
p.	Salesman	800-5-p	353
q.	Sales Manager (Local)	800-5-q	354
r.	Switchboard Operator	800-5-r	354
s.	Traffic Manager	800-5-s	355

XI

ABBREVIATIONS USED IN THIS POLICY BOOK

AC	Accounting Office
BD	Board of Directors
CB	Chairman of the Board
HO	Home Office
IC	Insurance Clerk
LCE	Local Chief Engineer
LPD	Local Program Director
ME	Managing Editor
NCE	National Chief Engineer
NDPA	National Director, Public Affairs
NPD	National Program Director
PC	Payroll Clerk
PO	President's Office
POX	President's Secretary
Rep	National Sales Representative
ST	Secretary-Treasurer

HOME OFFICE CONTACTS

Problem Area	Contact
Billing	Accounts Receivable Clerk
Payroll	Payroll Clerk
Life & Hospitalization Insurance	Payroll Clerk
Expense Report	Secretary-Treasurer
Accounts Payable	Secretary-Treasurer
Use of National Trade Agreement	President's Office
Trade Out, Permission to Set Up	President and Board Chairman
Petty Cash	Secretary-Treasurer
Increase Petty Cash	Secretary-Treasurer
Commissions, Local and National	Sales Clerk
Trade Out Contract Information	Secretary-Treasurer
Office Furniture & Equipment Purchases	President's Office
Accounts Receivable	Accounts Receivable Clerk
Deposits	Sales Clerk
Expenses, reimbursement	Secretary-Treasurer
Credit Cards	Secretary-Treasurer
P&L Sheets	Secretary-Treasurer
Technical Questions	National Chief Engineer
Advertising and Promotion (Incl. Printed Items)	National Director, Public Affairs
Program Format	National Program Director
Building Alterations, Including Grounds	President's Office
Rate Changes	President's Office
Staff Changes	President's Office
Expenses not Covered by Policy	President's Office

INDEX

ASCAP	90
Account List, Building	107
Account Swapping	102
Accounts, Local and National	113
Accounts Payable	1
Advertising Agencies, Hiring	323
Advertising	
General	103
Legal	63
Affidavits of Performance	6
Affirmative Duty, Fairness Doctrine	196-203
Agency Commissions	5
Aging Sheets	1
Agricultural Programs	158
Air Travel Reports	86
Alcoholic Beverages	315
Announcer Affidavits	181
Announcer Contracts	123
Attorney,	
Local	84
Washington	25
Audience Survey, Use of	103
Authorizations, FCC	55-56
Availabilities, Time	95
BMI	90
Bad Debts	18
Billboard Magazine	21
Billboarding	126
Billing Procedures	6
Bonus Spots	166
Broadcasting Magazine	21
Candidate, Legally Qualified	250
Censoring Political Material	266
Charge Accounts	86
Check Requisitions	2
Christmas Cards	316
Citizen of the Day Award	316
Cleanliness, Office	306
Client Functions	108
Client Parties	318
Cocktail Parties	25
Collection Sheets	2
Collections	19
Commercial Announcements	164
Commercial Content	
Participating	175
Sponsored Programs	175
Commercial Length	176
Commercial Limits	47
Commercial Matter	66, 162
Commercial Practices	
Past	44
Proposed	45
Commercials, Rejected	143

Communication, Telephone	308
Community Survey	26
Company Parties	322
Competition	
Program	177
Sales	95
Complaint Calls	310
Complaints Against Competitors	104
Conduct	
Announcer	174
Salesman	116
Consultants, Use of	335
Contests	126
Dangers	126
Continuing Education, GM & OM	338
Contracts	
General	322
Sales	101
Control Sheets	7
Convention Coverage	130-a
Converting Commercial Sched to Political	100
Cost Economy	322
Credit Cards	86
Delinquent Accounts	1
Deposits	2
Depreciation	20
Desks, Orderliness	306
Determining Community Needs	33
Disclaimer, Rating ads	104
Discrepancy Sheet	154
Discrimination, Salary	85
Documents, Confidential	72
Donations	20
Dues and Subscriptions	21
Duplication, AM & FM	154
Editorials	177
Definition	161
Educational Programs	161
Emergency Operations	153
Employee Liability, Rules Violation	127
Employee Suggestions	338
Employment Agencies, Use of	14
End of Month Report	2
Engineering Files	54
Entertainment Programs	159
Equal Opportunities, Exemptions	239
Equal Opportunities, Political	256
Equal Time	220
Equal Time, Cigarettes	274
Equal Time Requests, Deadline	272
Equipment, Personal Use Of	337
Equipment Transfers	87
Expense Reports	4

Expense Vouchers	87
Expenses, Sales	96
FCC Inspectors	207
FCC Rules, Keeping Abreast of	48
FTC Rules	211
Fairness Doctrine	193
Field Inspectors, FCC	208
Financial Report	29
Fines, Payola	187
Flowers	319
Food in Station	307
Format Changes	128
Freight	14
General Managers Weekly Report	120
Gifts	108
Gifts, Listener	319
Guest Expenses	320
Holidays	323
Hot Line Telephone	310
Hotel Bills	89
Hours, Salesmen	99
Housing, New Employees	8
Housekeeping	306
Incentives, Sales	109
Industry Organizations	21
Inspection	
Check List	53
Non-Technical	51
Technical	50
Inspectors, FCC, Field	207
Inspectors, FCC, C&C Div.	210
Instructional Programs	160
Insurance	
Claims	14
General	14
Hospitalization	3,7
Life	8
New Equipment	15
Invoices	
Corrected	6
Payment of	1
Job Descriptions	
Announcer	340
Board of Directors	340
Bookkeeper	341
Commercial Continuity Writer	341
General Manager	342
Janitor	343
Local Chief Engineer	344
Local Program Director	345
National Chief Engineer	346
National Director, Public Affairs	347
National Program Director	348

Job Descriptions (cont.)	
National Sales Manager (Station)	348
Office Manager	349-352
Operations Manager	352
Production Manager	352
Salesman	353
Switchboard Operator	354
Traffic Manager	355
Key Personnel Numbers	311
Laws, Local	84
Leases	21
Legal and Audit	21
Legally Qualified Candidate	226
Legend, Log	170
Letter Writing	311
Libel and Slander	275
License Renewal	29
License Renewal Inspection Program, FCC	50
Local Programs	169
Local Sales Commissions	2
Logs	350a
Corrections	171
Operator	172
Program	156-173
Transmitter	
Loops	
Permanent	155
Remote Telephone	173
Lottery	282
McLendon Radio History	324
Mail, Use of	312
Maintenance	
Building and Grounds	15
Office Equipment	15
Maintenance Log	56
Media Trades	103
Meetings	
Managers	90
Sales	97
Membership Dues, Individual	323
Minimum Wage	85
Monitoring	
Commercial	111
FCC Inspections	50
Program	132
Program, Format	135
Moving Expenses	22
Music Licensing Reports	90
Music Policy Statement	191
Music, Rejected	143
National, Local Rates	113
National Reps	113
National Sales Commission	3
Nepotism	325
Network Programs	170

Network Programs, Logging	168
News Actualities	130-a
News Coverage, Continuing	127
News Policy	129
News, Programming	39
News Programs	159
Notices of Violation	66
Off-Air Procedures, Programming	131
Office	
Decorations	16
Equipment	16
Furniture	17
Hours	8
Supplies	17
Operating Log	57
Organizational Charts, Typical	333-334
Organizational Structure	326
"Other" Programs	161
Outside Employment	332
Overtime	9
Ownership Report	67
P & L Statements	4
Past Programming	37
Payday	332
Payola	181
Payroll	
Changes	3
Records	3
Per Diem	10
Personal Attacks	193
Personal Attacks Rules	196
Personnel Employment	10
Petty Cash	22
Pilot Surveys, How to Conduct	144
Political	
Editorials	193
Editorials Rule	203
File	58, 67
Programs	161
Rates	113
Request	67
Politics, Staff Involvement	335
Postage	17
Presentations, Sales	100
Printing	18
Privacy, Individual	338
Prize Winners	5
Program Directors Weekly Report	121
Program	
Diversification	41
Exhibit	42
Format, Basic	40
Inserts	157
Log	57-58, 156
Monitoring	132

Programming, Proposed	43
Promoting Jobs for Unskilled	138
Promotions	
Sales	118
Station	119
Promotional Announcements	166, 305
Public Affairs, Programming	136
Public Affairs, Programs	159
Public Appearances	320
Public File	68
Documents	69
Location	73
Public Relations	321
Public Service	138
Advisory Board	77
Programming	39
Reports	140
Publicity	320-a
Rates	
Advertising	98
Political	228, 268
Rating Company Listings	105
Recorded Programs	170
Religious Programming	160
Renewal Summary	60
Rent	22
Reports, Sales	101
Resume Broadcasting Format	131
SESAC	90
Salary and Expense Advances	11
Salary Increases	11
Sale of Equipment	91
Sales Aids	115
Sales Aids, Requests	116
Sales Incentive Programs	110
Sales, Political	99
Sales Procedures	98
Salesman	
Condition of Employment	122-a
Responsibilities	95
Salesman and the Staff	117
Section IV A	31,33
Security	
Office	325
Studio	144
Service Area	35
Severance	11
Sick Leave, Individual	338
Slander and Libel	275
Speculative Announcements	102
Sponsor Identification	162, 284
Sports Programs	160

Staff Conduct and Dress	321
Station Promos, Outside Artists	180
Statistical Information	38
Survey Companies, Informing	105
Survey Results, Publishing	103,104
TWX	313
Talent Checks	5
Talent, Outside	180
Taxes	23
Teasers	303
Telegrams	312
Telephone	
Answering	308
Long Distance	23
Recordings	173
System	312
Trade Agreements	91
Trade Out Spots	166
Trade Vs. Cash Accounts	180
Travel and Entertainment	24
Travel	
General Managers	25
Procedure	12
"Type" Definitions	158
Unions	84
Vacations	13
Wage and Hour	84
Weekly Digest	120
Wonderlic Tests	11

ACCOUNTING PROCEDURES

700-1-a ACCOUNTS PAYABLE

Bills are paid monthly from HO when such bills are included in OMs Weekly Expense Report and are properly identified and approved. Occasionally, you will require payment on an out-of-report bill. HO honors such requests, but they must be kept to a minimum. HO never pays from statements, ONLY from invoices. When you send a statement to HO, it will be returned to you with a request for an approved invoice. Don't waste your time or HO's time by sending in statements.

700-1-b AGING SHEETS

Aging sheets are prepared at HO from copies of invoices sent in by your station. These sheets should be studied by GM, and salesmen should be notified of balances owed by their individual accounts to make sure that station balances agree with HO balances. The aging sheet is prepared monthly and you should receive it by the 12th. Write HO immediately should you find discrepancies. If you verify the aging sheet monthly, friction between HO-Client-Station can be kept to a minimum.

700-1-c DELINQUENT ACCOUNTS

The salesman is actually your best collector, as he is paid commission ONLY on net collections. The bookkeeper should include past-due balances on each invoice, and should be in frequent touch with delinquent accounts, via mail and telephone, asking them to bring the account to a current condition.

Collection agencies and attorneys are employed ONLY as a last resort and ONLY with HO approval. (see 700-6-k)

700-1-d DEPOSITS

Deposits are made daily by OM or her assignee. A collection sheet is mailed to HO daily. If no deposit is made, send the collection sheet anyway, marked "No Deposit This Date." The deposit sheet should be mailed in a large brown envelope UNFOLDED. Make sure also that the client is listed on the deposit slip exactly as he is listed on the invoice. This will enable HO to credit the proper account. Accounts on the deposit sheet should be listed in alphabetical order. MAKE SURE the deposit slip and collection sheet balance. The gross figures, less agency commissions, should equal the net amount of the deposit. If you make the deposits in person, you must include a copy of the actual deposit slip with your collection sheet. If you deposit by mail, then you should send a copy of the deposit slip to HO on the same day you receive it from the bank. PLEASE WATCH YOUR ARITHMETIC. Deposit all checks immediately, even when the amount is incorrect. Corrections can be made via credit and debit memos.

700-1-e END OF MONTH REPORT

This report is simply an extension of your last expense report. It carries your expense figures through the last day of the month. The EOM report is used to finalize your expense for the given month. (See 700-1-k)

700-1-f LOCAL SALES COMMISSION

Local sales commissions usually will be figured by the bookkeeper. Checks will be requisitioned in the Expense Report. The gross figure is arrived at by taking a percentage (whatever it may be for your particular station) of NET COLLECTIONS on the salesman's accounts. Your check requisition must be accompanied by figures

700-1-f LOCAL SALES COMMISSIONS (Cont.)

showing how you arrived at the gross amount of the salesman's check. Commission is paid only when the client pays ALL OF HIS BILL for a given month. If Smith Furniture ran \$1,000.00 in time in August, but paid only \$800.00 of the total in October, the salesman gets NO commission until the balance is paid. The net figure, of course, is the amount actually collected, after agency commission, and other possible discounts, such as non-commissionable talent, lines, etc. The commission statement should be mailed so that it reaches HO by the 25th of the month. This gives HO time to check the requisition, make proper book entries, and get checks back to you by the 1st of the month.

700-1-g NATIONAL SALES COMMISSIONS

These are calculated and paid from HO. Calculations are based on Weekly Deposit sheets. There is no additional station involvement.

700-1-h PAYROLL RECORDS

In January of each year, EACH station must submit a new payroll information sheet, a new W-4 form for each employee, along with an updated (new) payroll card. When individuals are added to the staff, they must fill out a payroll information sheet, a W-4 form, and an application for insurance. If the employee doesn't want the insurance, he simply signs the waiver on the card and this is sent to HO with the other new-employee material. OM must advise HO of payroll changes, including raises, severances, additions. On terminations, show the date and explain briefly WHY the individual was terminated.

700-1-i P & L STATEMENTS

By the 15th of each month, each station should have received the P & L Statement for the previous month. This is a confidential document and should be kept in a locked desk or file cabinet at all times. No personnel, except GM and OM, may have access to the P&L. In most instances, HO does not prepare a backup sheet for the P&L. Your copy of your Weekly Report reflects the details. If you have a question regarding HO charges, write to ST at HO. Notify ST immediately if you find what you regard as an error in your P&L.

700-1-j TIME ORDERS

Station distribution of Time Orders is worked out on a local basis. One copy is sent to Kathleen Howe in the daily mail.

700-1-k EXPENSE REPORTS

PLEASE SEND YOUR EXPENSE REPORT IN TO HO IN A LARGE BROWN ENVELOPE, UNFOLDED.

The report should show your total expenses for the month to date.

When you send in your expenses, they must include invoices. We do not pay from statements. The bills must be okayed by either the OM or the GM and should be arranged and listed in alphabetical order. There will be attachments on many bills that will state "Please return with your check." These should be sent in with your report. Ho attaches them to the checks and the checks are mailed directly from HO to the individual accounts. Your Weekly Report gives you a complete record of all the expenditures you have made. DO NOT

700-1-k EXPENSE REPORTS (Cont.)

staple IBM cards, such as those that come with the telephone bill.

REMARKS

It is not necessary to put the invoice number in the remarks section on the Report unless you want it for your own records; but, you must put in this section what the bill covers. For example, if you're buying a promotional prize, explain what the prize is for, and what the promotion covers, so we will know how to charge it on our books.

On all Talent Checks we must have the name and address of the persons who are to receive them. This also applies to any prize winners. These must be reported on Form 1099 to the government. Any prize that consists of even a TV, has to be reported and we MUST have the name and address of the person who is to receive it.

If a promotion is being run and you have five or more contest winners, (maybe the amounts are small, like \$10.00 each), these names should be submitted as a list, in duplicate. We get a cashier's check from the 1st National Bank in Dallas payable to the individuals. This way, we have to issue one check only. This saves us the expense of checks, plus the fact that the checks that the winners receive are cashier's checks and are easily cashed.

STATION BILLING

700-2-a AGENCY COMMISSIONS

The agency commission is ordinarily deducted by the agency when it pays the month's billing. There are a few agencies that prefer we bill the client direct and they bill us for their commission. This is okay. Just be sure not to put through a request for agency commission if the account has not paid.

700-2-b AFFIDAVITS OF PERFORMANCE

Your affidavit of performance is strictly what it says. It should show the exact time that a spot has run. You cannot send an affidavit out until you know the exact time that spot ran on the air. The person who notarizes an affidavit must be sure that the times shown are correct.

700-2-c CORRECTED INVOICES

Corrected invoices should be sent to HO as soon as an error has been detected and a credit or debit memo (whichever is applicable) should be attached to it. Anytime we receive a corrected invoice, it should be stamped "Corrected Invoice" and if we get one that does not have a credit or debit memo attached, it will be returned so that you may make up your own credit or debit memo to send to us.

700-2-d BILLING PROCEDURES

The billing should be extended and sent to HO no later than the 29th of the month. Any spots that do not run as ordered can be corrected (as far as HO is concerned) the next month. This is done by sending a credit or debit memo to HO as explained previously. The client should never have to receive a credit memo. You are only sending HO copy early. The client's copy should always be correct according to the log, affidavits, and control sheets. Invoices should be checked, always, against control sheet before the client's copy is sent to him. The green copy of the invoice is sent to HO. This is for the permanent billing record. It should not be scratched through or mutilated. The white and blue copy go to the client. The pink copy is kept in your office until

700-2-d BILLING PROCEDURES (Cont.)

such time as the account pays, then it is sent in to HO with your deposit. If the client requests a third copy of his invoice, you can always send either the second notice copy (which is yellow) or your pink copy, making a Xerox copy for your files.

The billing should be put in alphabetical order before it comes to HO because this is our permanent billing record and it goes onto the sales journal from the green billing sheets you send.

The Control Sheet is made up in the Traffic Department. When traffic gets a time order (and this is what the logs are made from) traffic should go over the log after it is completed for the day and put on a Control Sheet (you have a sample copy in your office) the number of spots the client ordered. Then there is a section for the number that traffic has scheduled. After the day's business is over, AND ONLY AFTER IT IS OVER, and the log has been checked, can you show the number of spots that actually ran. If a client needs exact times, these times are taken off the log and put onto the Control Sheet to show that they have run and the exact times should be written on the Control Sheet.

PERSONNEL

700-3-a HOSPITALIZATION INSURANCE

Hospitalization insurance premiums are paid by the company. However, if you want insurance coverage for any dependents in your family, your cost is \$16.66 a month, regardless of the number of dependents you have.

700-3-b LIFE INSURANCE

The company also pays the first \$5,000.00 worth of life insurance. There are brochures in each station explaining the exact coverage and the cost to the individual.

In order to be eligible for life insurance, you must take the maximum amount to which you are entitled. This is figured at 1 & 1/2 times your annual gross salary. For example, if your gross salary is \$5,000.00, annually, you are entitled to \$7,500.00 of life insurance. The company pays the first \$5,000.00 of this and you pay the premium on the other \$2,500.00.

700-3-c NEW EMPLOYEE HOUSING

You possibly will employ someone who has to move from a great distance and who will have no housing for his family upon arrival in your market. If you have a trade arrangement with a local hotel, you may quarter new employee and his family there for a maximum of five days. You may requisition reimbursement for him for up to 20% of his food costs during that period, since hotel fare is more expensive than meals prepared at home. Make every effort to assist the new employee in finding suitable quarters. The sooner he is settled, the sooner you'll start getting production from him. Insist that he settle his housing problem first. You won't get his attention anyway until his family is settled.

700-3-d OFFICE HOURS

Each station's "Office Hours" should be a part of the Local Policy section of your policy book. HO does not dictate specific hours since local tradition may specify certain schedules.

700-3-d OFFICE HOURS (Cont.)

Most office personnel (copy writers, secretaries, traffic managers) will be scheduled to work between 9:00 am and 5:00 pm Monday thru Friday. With an hour off for lunch each day, this amounts to 35 hours per week. The balance of five hours (you pay other-than-hourly-workers for 40 hours) is to be used for extra duty and Saturday schedules. Lunch periods should be scheduled in such a manner as to have the switchboard or telephone system attended at all times, during business hours, Monday through Friday.

700-3-e OVERTIME

Those persons covered by Wage and Hour regulations who work more than 40 hours per week are paid for all over 40 hours at the rate of 1 1/2 times the agreed-upon hourly rate. Overtime is discouraged. If an employee consistently turns in overtime, that employee either isn't capable of doing the job assigned, or the job requires additional personnel. The Office Manager ascertains that no unnecessary overtime is incurred. OM must have on file a copy of Wage & Hour rules, along with the State Labor Board rules. Questions regarding overtime are directed to ST at HO.

700-3-f PENSION PLAN

(See separate publication)

700-3-g PER DIEM

This schedule determines the amount of money you may charge to expenses while traveling on company business. For managers and sales managers:

\$40.00 per day (where no trade-out is involved)

\$20.00 per day (where there is trade-out for room only)

\$15.00 per day (where there is trade-out for rooms, meals, beverages)

All other personnel:

\$25.00 per day (where no trade-out is involved)

\$15.00 per day (where there is trade-out for room only)

\$ 9.00 per day (where rooms, meals, beverages are traded)

(See travel procedure)

700-3-h PERSONNEL EMPLOYMENT

Do not add employees or replace key employees without prior notification to PO. Reasons: We may have excess of personnel at another station. We may know of someone who is exceptionally well-qualified for the post you have open. We may want to suggest raising or lowering the pay scale for that particular job. Dozens of persons annually apply to HO for employment "with any McLendon station." We do not precisely want to dictate whom you do or do not hire. We want only to be consulted so that, together, we can get the best possible person for the post.

In all cases, personnel are hired on a three month trial basis. (See Severance, 700-3-k).

700-3-h PERSONNEL EMPLOYMENT (Cont.)

Administer the Wonderlic Test to persons you wish to recommend for employment. You must use your own station to advertise job openings. Emphasize that you are an equal opportunity employer. (See form in back of book). Advise new employee of: Rate of pay, insurance program, payday, possible liability if station fined by FCC, announcer contracts, affidavits and questionnaires, day off, work schedule and make clear what you expect of him. Know station policy and be prepared to tell the new employee what he needs to know to perform. Particular attention should be paid to 600-3-q.

700-3-i SALARY AND EXPENSE ADVANCES

No employee may receive a salary or expense advance. No employee may borrow from petty cash. No manager may co-sign a note for an employee. The Corporation is prohibited by law from co-signing a note for an employee. Employees traveling for the company are expected to finance the trip and submit vouchers for reimbursement upon their return. Allow two weeks for reimbursement.

700-3-j SALARY INCREASES

At manager's discretion, except where union contracts exist. In this case, salary schedules are included in the agreement.

700-3-k SEVERANCE

All employees are hired on a three-month trial basis. If their work at the end of that period is not satisfactory, they are released

700-3-k SEVERANCE (Cont.)

without severance. When an employee with more than three months service is released at station convenience (job elimination, economy, etc.) two weeks severance pay may be given. When an employee is released for cause, no severance pay is given. "For Cause" includes inability to do job, indiscriminate drinking, inability to coordinate with other employees, and certain antisocial acts. When an employee is released for any reason, he must be paid in full within 72 hours from the time he is released. For this reason, GM or OM should have procured in advance of the dismissal the employee's final check and should present said check to employee upon notification of dismissal. In all cases, GM and OM are directed to try to keep the dismissed person's good will. Be sure to pick up keys, credit cards, and equipment which have been issued to the employee. If it seems advisable, notify charge accounts that employee is no longer at the station.

700-3-1 TRAVEL PROCEDURE

First Class travel on airlines is not authorized. You must stay in a trade-out hotel if one is available in the city you visit. If you spend the weekend in a hotel and plan to be away from your room for any period of time, ask the switchboard to take messages and be sure to check in from time to time during your absence from the hotel. Laundry privileges are not authorized if you spend fewer than five days away from home. Pressing privileges are authorized, if you spend more than one night away from home.

You should never tip more than 20% of your purchase.

700-3-1 TRAVEL PROCEDURE (Cont.)

Only managers and sales managers are allowed entertainment expenses.

(See Expense Voucher 700-7-e)

(See Per Diem 700-3-g)

When in a trade-out hotel where food and beverages are included, you should make an effort to do all your entertaining there. This helps to keep up with entertainment expenses, plus reduces the amount of cash required to finance your trip.

700-3-m VACATIONS

No vacation time may be accrued from year to year. No employee will be paid for vacation time not taken. No employee is entitled to a vacation if he has not been with the company for a minimum of one year at the time the vacation is to begin.

Vacation entitlements:

One year - two weeks

Seven Years and Over - three weeks

700-3-n LEAVE OF ABSENCE

Leaves of absence are granted only in emergency situations involving members of the employee's immediate family. Immediate family is defined as mother, father, legal guardian, wife, husband, son or daughter. A reasonable amount of time off is authorized for weddings, funerals, illnesses, and for certain personal legal problems. In most cases, managers will use their own judgment. Time off is not authorized for birthdays, family reunions or other events involving distant relatives such as cousins, nieces, uncles, aunts, etc. If a manager requires a leave of absence, approval will be through HO. If a chief engineer requires a leave of absence, approval must be obtained both from the manager and the NCE. All other station personnel must have approval from the manager.

PURCHASING

700-4-a EMPLOYMENT AGENCIES

You are not authorized to pay for the services of a commercial employment agency when you require additional or replacement employees. (See 700-3-h). You are encouraged to use the state employment agency in your city, or search for personnel through the broadcast industry in your city. By following this procedure, and those outlined in 700-3-h, you should be able to locate proper help. You will make affirmative efforts to hire a reasonable number of members of minority groups when you have staff openings in other than janitorial positions.

700-4-b FREIGHT

The OM is directed to use the most economical means available when shipping bulk items from the station to HO or to any point where you are required to pay charges. The means selected, of course, must be consistent with the time requirement. OM is required to maintain a schedule of shipping rates on airlines, truck lines, and trains. Size and weight of the item shipped frequently will make a difference, but OM will have on file a rate schedule and the decisions can be made quickly and efficiently.

700-4-c GENERAL INSURANCE

All insurance is purchased and administered at the HO. Any questions relating to insurance should be directed to the ST.

Insurance coverage for your station includes:

(1) HAZARD INSURANCE

Fire, Theft, Lightning, etc.

(2) PUBLIC LIABILITY

700-4-c GENERAL INSURANCE (Cont.)

All claims under these policies are processed through ST. When you have a claim, send all details to ST and ST will file claim.

When new equipment (all types) and furniture are moved into your station, you should memo the ST that the equipment and/or furniture is in and request that the insurance records be changed accordingly. If you get a new transmitter to replace the old one, all data on the new transmitter should be sent to the ST. The same rule applies to office machines, studio equipment (consoles, tape machines, etc.) and transmitting, tower and antenna equipment. On third party claims, contact your local claims adjuster via phone immediately, then contact ST.

700-4-d MAINTENANCE, BUILDING AND GROUNDS

You are expected to keep buildings and grounds neat, orderly and in good repair. Lawns, if any, should be kept mowed. Shrubs should be trimmed regularly. Studios and offices should be kept painted and in good repair. If you have a full-time janitor, you should have no problem. He can do all of those things, including mowing the lawn. He can do "touch up" painting and can replace door hinges, door knobs and latches.

If you use part-time janitorial help, perhaps you can employ the person to also look after outside maintenance. If not, then you must employ a yard maintenance person or company. Approval for this, of course, must come from PO. (See 800-1-a, b, c).

700-4-e MAINTENANCE, OFFICE EQUIPMENT

Most of the time you should get a maintenance contract when you buy office equipment (typewriters, adding machines, etc.)

700-4-e MAINTENANCE, OFFICE EQUIPMENT (Cont.)

Experience shows that you save money in the long run on major repairs and you add to the life of the equipment via the preventive maintenance usually provided in a maintenance contract. Discourage employees from attempting to repair office equipment themselves, unless they have special qualifications. Under your maintenance contract you are allowed to summon a repairman without extra charge when the equipment breaks down or malfunctions. You are discouraged from purchasing used equipment, as frequent repair is usually necessary and you cannot normally get a maintenance contract on used equipment.

700-4-f OFFICE DECORATIONS

You are not authorized to decorate or redecorate offices and studios without prior approval from PO. If you want to do this, submit your general plan to PO for review and approval. Then, get two bids on the job and submit the bids to PO with your recommendations. This policy covers every remodeling job from painting studio walls to re-furnishing and repainting the entire station, if the job exceeds \$25.00 in cost.

700-4-g OFFICE EQUIPMENT

If you must purchase new office equipment, do so only after you have discussed the matter via mail, with ST. We want to standardize equipment wherever possible so that we can take advantage of bulk purchases of equipment and supplies. In your initial correspondence with ST, state what related equipment you have on hand, and identify as completely as possible the equipment you wish to purchase, along with the name of the supplier.

700-4-h OFFICE FURNITURE

The purchase of office furniture usually constitutes a major expenditure. Do not purchase office furniture without prior approval from PO. Do not have existing furniture refinished without prior approval, and make sure you get two bids on the refinishing. Do not rent extra office furniture without prior approval from PO.

700-4-i OFFICE SUPPLIES

The OM is responsible for the purchase and issue of all office supplies and office equipment. The supplies must be locked up at all times and may be distributed on a "need basis" by OM only. No office supplies are to be removed from the station for personal use.

700-4-j POSTAGE

Most McLendon stations use a postage machine. This is the most efficient and economical method of handling postage. It prevents personal use of postage and improves the appearance of your mail. You also can tell at a glance how much postage you have on hand. In cases where the outgoing mail is heavy, there is a definite savings in time.

Office Managers should requisition additional postage money on the same day the last check requisitioned arrives at the station. By making this a practice, you'll never run out of postage. Checks are made payable to the Postmaster. You are not authorized to draw

700-4-j POSTAGE (Cont.)

from Petty Cash when you require additional postage. If you anticipate an extraordinary mailing, request additional money ahead of time. Use a postage scale, wherever possible, to make sure you never put too much postage on a letter or parcel.

The OM should personally supervise mailings. OM should have continuous custody of the key to the machine and should release it only when she (or her assignee) is posting the day's mail. When not in use, the machine should remain locked and covered.

700-4-k PRINTING

Most printing is purchased locally on a bid basis. You should get a bid almost every time you make a purchase, since printers tend to elevate prices once they feel sure of your business. The fact that "A" was low on the last batch of log sheets you ordered doesn't mean he'll be low the next time. Push for lower prices and you'll get them. Letterhead stationery, envelopes and calling cards will be ordered through NDPA. Corporate invoices and time orders will be ordered through ST.

OTHER EXPENSES

700-5-a BAD DEBTS

HO has final and exclusive jurisdiction in deciding which delinquent accounts are to be declared bad debts and written off. GM's recommendations will be regarded highly, but the decision must remain with HO.

Review your aging sheet. Make a list of those accounts over 90 days and make recommendations to HO on possible legal action. Do

700-5-a BAD DEBTS (Cont.)

not take legal action against an account without prior approval from ST. You might be better off with a collection agency, whose rates are usually lower than those of a collection attorney.

When an account has taken bankruptcy, you usually are better off not to sue. Simply make sure the referee has a claim which reflects your charges. In this respect, it is a good plan for OM to discuss delinquent accounts with GM and all salesmen, from time to time, to determine if delinquent accounts are, in fact, solvent. Sometimes, pressure applied to a 60 or 90-day account will get your bill paid just before the account goes under.

This is a particularly valid plan in the case of small agencies who may be getting behind on bills. When an agency is 60 days late in paying its bills, it is time for the GM or the salesman to take bills in hand and visit the head of the agency. And when an account becomes 90 days delinquent, he should be taken off the air (if he is still on), and kept off until the bill is paid in full. Then, that account should be put on a cash-in-advance basis or, at least, on a 30-day pay or off-again basis.

700-5-b COLLECTIONS

The salesman himself is your best collector, since his commissions are figured on net collections. Another good collector is your monthly invoice (or bill) on which the bookkeeper must show past due balances. The regular advertiser, in many cases, will pay all of his bill, instead of just the current amount, if he is made

700-5-b COLLECTIONS (Cont.)

aware of a past due balance. If you believe you must hire a collection agency, consult with ST first and get approval in writing before you act. Employment of an attorney is the last stage, and this requires PO approval. In many cases, it costs you more than you can possibly get in return when you turn an attorney loose on a delinquent account. An alert bookkeeper and OM, working closely with each salesman, will keep receivables at minimum.

700-5-c DEPRECIATION

Depreciation schedules are entirely in the hands of ST. Any question regarding depreciation should be directed to ST. You can help in this area by making sure all equipment purchases, exchanges and disposals are reported promptly to ST.

700-5-d DONATIONS

If you are asked for a donation, and if you wish to make a donation, you must have approval in writing from PO. This includes donations of money, equipment, advertisements in non-commercial publications (school annuals, etc.), records, tapes and talent. Obviously, you may deal out non-usable records (bad quality or non-commercial) as you see fit. These are records your LPD has classified as junk.

700-5-e DUES AND SUBSCRIPTIONS

You are authorized to subscribe to two industry publications, Broadcasting and Billboard. You may need additional publications. If you think you need them, get approval in writing from PO before you subscribe.

You are not authorized to join any industry organization or association without approval in writing from PO.

No dues or subscription fees will be paid, other than those outlined in the first paragraph of this section, and those charged by music licensing agencies.

700-5-f LEASES

This section deals with leases for other than buildings, office and studio space, buildings and land, which are handled by HO. You may sign NO leases without prior approval in writing from HO. When you require new or additional equipment or services, the ST may or may not recommend that you lease same. This course must be determined by ST. HO may want to expense the item immediately, or it may want to capitalize the item and depreciate it over a long period of time. You cannot know the best course to take, since you will not be aware of the overall tax problems of your station. Therefore, sign NO lease agreements for anything without prior approval from ST.

700-5-g LEGAL AND AUDIT

Should you, in accordance with policy, employ a local attorney, his statement will be transmitted to HO along with other bills in your

700-5-g LEGAL AND AUDIT (Cont.)

Weekly Expense Report. In no case will you employ an auditor. This matter is in the exclusive jurisdiction of HO. The charges appear on your P&L.

700-5-h MOVING EXPENSES

Only PO may authorize you to pay moving expenses. In discussing the hiring of any employee with the president, be sure to discuss your thoughts regarding this particular employee and his moving expenses. Many prospective employees expect moving expenses to be paid, regardless of who sought whom.

700-5-i PETTY CASH

QM should requisition, by voucher and on the regular weekly report, additional petty cash when the account is 50% depleted. QM will personally make up shortages. No loans are to be made from Petty Cash. No checks are to be cashed from Petty Cash.

700-5-j RENT

In many cases, the Corporation owns the property in which we house offices and studios and the property on which we situate the tower and transmitter building. Rent, where such exists, is paid out of HO on a contract schedule. Even when the Corporation owns the property, your individual station will be charged rent. GMs and QMs are expected to know the terms of the rental agreement and are expected to comply with its provision.

700-5-j RENT (Cont.)

A copy of the agreement should be kept at the station offices and OM should notify GM and HO at least six months before the agreement expires. With this much notice, GM and/or HO will have time to renegotiate the agreement or, that failing, make plans for relocating the offices and studios. In the case of an agreement for tower land, notification should come from OM at least 18 months before expiration. When GM negotiates a rental agreement, he should make himself aware of the local going rate for office and studio space and should plan to rent space for a minimum of ____ years and maximum of ____ years, depending upon HO plans for the station. He should never attempt to negotiate without extensive briefing from PO. When the station offices and studios are located in an office building or hotel, GM should never negotiate for extra space without prior approval from HO. An officer of the Corporation must sign the agreement before it becomes binding upon the corporation, so GM must make prospective lessors aware of the fact that any agreement reached must be ratified by PO.

700-5-k TAXES

All tax matters are handled in HO by ST. Should you receive correspondence from any governmental agency regarding taxes, forward it immediately to ST.

700-5-l TELEPHONES, LD

When you are travelling or when you are at home, have your long-distance calls charged to your home number and the HO will reimburse you upon presentation of the business portion of your bill.

700-5-1 TELEPHONES, LD (Cont.)

No Corporation telephone credit cards are issued. If you wish credit card service, call your local phone company and it will issue one for your home telephone number.

You should think before you pick up the telephone and call long distance. A letter might be adequate. At the station, all long distance calls should be placed through the office manager or secretary or switchboard operator so that exact records may be kept. She should get time and charges on all calls, including incoming collect calls, and check her records against the bill when it arrives.

If unauthorized calls are on the bill, GM should take immediate steps to correct or discharge the responsible party. Any person making a non-business LD, whether he is discharged for doing it or not, must pay for the call. His check must accompany the bill when it is sent to HO.

You may, at times, see visiting HO executives make apparent indiscriminate use of LD services. This is frequently necessary, because travellers usually don't have secretaries to help. Don't copy. Use air mail if necessary, but don't use LD unless you have an urgent message to communicate or unless time is a vital factor in your required communication.

700-5-m TRAVEL AND ENTERTAINMENT

The Corporation recognizes that each GM and certain other employees must do some travelling and entertaining. GMs are required to travel to cities in which rep offices are located and to work with

700-5-m TRAVEL AND ENTERTAINMENT (Cont.)

the rep in developing national and regional business for his particular station. Frequency of trips is determined by individual managers.

GMs travel only when necessary; only when a telephone call, TWX or letter will not do just as well.

Agency trips should be carefully planned. The rep should be notified well in advance and the rep should provide you with advance schedules of your agency visits. You should attempt to get the Rep to hold a brief meeting of all rep salesmen, so that you may bring them up to date on your station.

Entertainment should be confined to agency personnel, buyers and account executives. It is not necessary for you to plan expensive dinners and luncheons and cocktail parties for agency secretaries and/or rep firm employees. And remember that cocktail parties, essentially, are NOT parties at all. They are, in fact, a medium by which you may present your station to agency representatives. When you forget that cocktail parties are NOT parties, you are doing less than you should for your station.

(See 700-3-g, 700-6-e, 600-3-j, 700-6-a, 700-3-i, 700-3l).

LEGAL, ADMINISTRATIVE

700-6-a COMMUNICATIONS FROM WASHINGTON ATTORNEY

You will, from time to time, receive interpretative bulletins from Washington Attorney, explaining a new Commission Rule or interpreting an old one. Instructions laid out in these bulletins become station policy immediately upon your receipt of them, unless PO issues superceding instructions. Keep these instructions in a special file. Do not try to make them a physical part of this policy book. HO

700-6-a COMMUNICATIONS FROM WASHINGTON ATTORNEY (Cont.)

will, after the bulletins have aged sufficiently, re-write and issue a change or addition to your policy book. However, you are directed to begin compliance with any such instructions immediately upon receipt of them, or at such time as the instruction may direct.

700-6-b COMMUNITY SURVEY

Recent commission decisions have set out, in some detail, the requirements concerning a licensee's responsibilities in ascertaining the needs of the communities which the licensee primarily serves. Suggestions (including commentary on continuing surveys) on format and methods can be found beginning on page 29 under "Part I of Section IV-A: Ascertainment of Community Needs." At the beginning of the section is a caveat to review an individual station's overall survey plan with the HO before putting it into effect. The same instructions apply to continuing surveys.

700-6-c FINANCIAL REPORT

This is a confidential report and is on file with the commission. It is NOT a part of your public file, and is otherwise on file ONLY at HO. (See Public File - 700-6-i).

700-6-d LICENSE RENEWAL

The FCC requires that owners of Standard Broadcast and FM stations renew their licenses every three years. At best, this is a difficult task, and requires a great deal of coordination between virtually every

700-6-d LICENSE RENEWAL (Cont.)

~~copy goes into your public file.~~

While you may be familiar with much of the material that follows, you should read and reread it to make sure you understand exactly what is expected of you.

The following is divided into four parts. The first deals with how you are to answer questions in Section IV-A of the application. The second is a run-down on the FCC's License Renewal Inspection Program. The third is a "Check List for Renewal Inspection". The fourth is an excellent summary on License Renewal written by Washington attorney. GM, LPD and LCE should read carefully the check list and the commission's inspection program. There is no particular need for the LCE to study the information on Part IV-A.

I

SECTION IV-A

All applications for renewal of license (F.C.C. Form 303) must use Section IV-A for both past and proposed programming.

Section IV-A is divided into seven parts. They are entitled:

- I. Ascertainment of Program Needs
- II. Past Programming
- III. Proposed Programming
- IV. Past Commercial Practices
- V. Proposed Commercial Practices
- VI. General Station Policies and Procedures
- VII. Other Matters and Certification

This memorandum is intended to outline the salient points of Section IV-A and to assist in the preparation of the programming

700-6-d LICENSE RENEWAL (Cont.)

operating element of the McLendon organization. The following persons participate in preparing the application for license renewal:

General Manager

Office Manager

Local Chief Engineer

National Chief Engineer

Secretary-Treasurer

Washington Attorney

Local Program Director

Your current license has an expiration date and breakdown for each state in which we operate. You, at station level, should begin preparation of the license renewal application when you receive notice of your "composite week." Actually, you are in continuous preparation for license renewal by virtue of your continuing community survey and your day-to-day supervision of station operations.

The program and engineering sections of the application are completed at the station. The legal and financial sections are completed at HO. When your portions are completed, they are forwarded to Washington attorney. Washington attorney, upon completion of his review, will forward them to HO for proper signatures. You may be called upon by Washington attorney to add, delete or change portions of your work. You must give Washington attorney your complete cooperation.

Prepare everything in triplicate. One copy goes to HO, one to Washington attorney and one is kept in your files. When the application is completed, three copies will be filed with the Commission by Washington attorney, one Xerox copy will be made by Washington attorney for his files. One will be made by him for your files, and one for HO. Your finished

SECTION IV-A (Cont.)

portion of applications.

Section IV-A requires a statement concerning the manner in which the applicant has determined the needs, tastes and desires of his community, as well as the manner in which he has or proposes to program to meet those needs, tastes and desires. Section IV-A requires narrative explanations (exhibits).

You are required to submit original logs for a composite week. In reporting your commercial practices, the emphasis is upon total commercial minutes and hours rather than upon the number of spot announcements. You must provide the actual commercial minutes during the composite week and the maximum number of commercial minutes in any hour.

"Part I of Section IV-A: Ascertainment of Community Needs"

Pages 29 through 38h were taken almost verbatim from Advisory Memo #180 (Cohn & Marks, October 10, 1969). The commentary is drafted broadly, so as to relate to all AM, FM, and TV stations, large and small. Because each market and community served by a particular McLendon station is unique, differing substantially in some respects from other McLendon service areas, no one format or method can be set up to meet the needs of every station; thus, the GM--and the DCP (Director of Community Participation) if one is assigned--should devise specific continuing survey and renewal survey programs and submit them to the HO for approval.

Part I of Section IV-A (AM and FM) and IV-B (television) of the application for renewal of license is concerned with the manner in which a licensee should become familiar with community needs

and problems. One of the difficulties facing licensees in the preparation of this portion of the application is that the application form itself was prepared before the evolution of the present, more stringent, requirements for community surveys. Therefore, licensees are today required to file information which would not appear to be necessary according to the literal wording of the application form itself. Nevertheless, recent Commission decisions make it absolutely plain that the information described below is, in fact, required:

The manner in which such information should be obtained falls basically into a number of categories, each of which will be discussed separately below:

1. Survey of Community Needs.
2. Survey of General Audience.
3. Evaluation of Survey Materials.
4. How Often Should the Survey be Made.
5. Other Methods of Ascertaining Community Needs.

1. SURVEY OF COMMUNITY NEEDS

The most dramatic changes in the Commission's policies relate to the requirements of surveying the communities which a licensee principally undertakes to serve. Although the Commission has, for many years, indicated the need for licensees to contact leading community citizens, it has only recently more fully indicated the scope and depth which the Commission feels is necessary. It is clear that the Commission now requires not merely casual contacts, but meaningful interviews with such leaders; the interviews must

contain certain questions; a summary must be made of what was said, and that summary must be kept in the files of the station.

It is no longer sufficient for a licensee to base its renewal application merely upon lengthy service to the community or upon past general and casual contacts with community leaders. These contacts must now seek out specific information required under the Commission's new standards for such surveys. Unless the licensee has within the past year conducted the type of survey described more fully below, a new survey must be conducted before its application for renewal of license is filed.

The type of survey required can best be described in answers to many of the most frequent questions raised by licensees:

A. How Many People Must Be Interviewed?

Recent Commission decisions have indicated that the number of persons interviewed must be substantial. It is no longer safe to rely upon 10 or 20 interviews, particularly in a community of substantial size. In any city with a population in excess of 100,000 people interviews with at least 50 to 75 community leaders, and more, if possible, should be conducted. Cities of lesser size should use approximately 40 as the bottom limit.

B. Who Should Be Interviewed?

One of the reasons why the number of persons to be interviewed is now larger than it used to be is because of the Commission's insistence that the persons interviewed not be confined to "establishment" community leaders in various areas of activities; the leaders

interviewed must be broadly representative of the entire community.

One point must be stressed. The Commission has made it clear that every survey must take account of the demographic facts (for example, race and nationality) in the station's community. Thus, if a particular community has a Negro or Italian population totalling 10%, then, to be on the safe side, approximately 10% of the community leaders interviewed should be Negro or Italian. The Commission has not specifically enumerated the demographic factors which it considers important. But it appears that the Commission wants to make certain that non-whites, foreign born, and differing age groups are roughly proportionately represented in the list of persons interviewed.

The Commission has not cataloged any set list of organizations or groups whose leaders must be contacted. The following may be used as a guide:

- (i) Local officials such as mayors, city councilmen, prosecutors, judges and similar holders of public office.
- (ii) Educators such as members of the school board, principals, teachers, officials, faculty members of local colleges, etc.
- (iii) Local religious leaders of all denominations and creeds.
- (iv) Leaders in civic organizations such as Lions Club, Rotary, Civitan, Chambers of Commerce, women's clubs, local political organizations, PTAs, etc.

- (v) Professional leaders of professional organizations such as medical groups, legal and accounting organizations, pharmacist groups, etc.
- (vi) Leaders in organizations concerned with social problems such as human relations committees, UGF, NAACP, local ethnic groups, poverty groups, United Planning Organization, YMCA, etc.
- (vii) Representatives of local economy such as agricultural leaders or county agents, industrial business leaders, representatives of labor organizations, etc.
- (viii) Youth or student leaders.
- (ix) Cultural leaders such as little theatre groups, art galleries, music associations or organizations, etc.
- (x) Other groups which are appropriate and which may be peculiar to particular region or area as, for example, conservation groups, military representatives in areas near military installations, etc.

C. What Questions Should Be Asked?

For a number of years the Commission did not address itself to the nature of the questions which should be directed to community leaders, leaving that area to the discretion of the licensee. It was generally assumed that the primary purpose of a community survey was to ascertain the program preferences of the station's audience.

The Commission, however, has now made it clear that the community survey is not primarily a device to ascertain what programs these community leaders desire. On the contrary, the purpose

of the survey is to ascertain the community's needs and problems such as, for example, race problems, labor difficulties, depressed state of the local economy, problems of youth, educational problems, etc. The licensee is not to be principally concerned with whether the head of the public school system likes or dislikes a particular educational program. The purpose of interviewing him was to find out the problems of the local school system, and then, based upon his explanation of those problems, to plan programs to meet them.

In sum, therefore, the interview must cover as a basic minimum the following four areas:

- (a) What are the basic problems and needs of the community?
- (b) What are the basic problems and needs of the community insofar as they relate to your organization?
- (c) How can the station during the course of the next renewal period assist the community in meeting the problems and needs and assist you and your organization in solving them?
- (d) The interview can also encompass the manner in which these problems have in the past been met, by radio and television programming generally, and specifically by the programming of the station, as well as suggestions in any area that the person desires to make.

The interview, of course, need not be limited to these four questions. There is certainly no harm, and the Commission would look with favor upon ascertaining program preferences in addition to community needs and problems. The station can also ask any other questions which it desires. Attached as Appendix A (Pages)

is a sample interview form which includes not only the areas outlined above, but also additional questions. It is not necessary that all of the questions in Appendix A be asked. The main thing, however, is that at the very least needs and problems of the community (Questions 1, 2, 3 and 4) must be ascertained.

D. Must A Written Record Of The Interview Be Kept?

The answer to this question is yes. These records must be kept for a period of three years, and they must be made available to Commission personnel upon request.

The record of the interviews should include names, addresses, positions and/or organizations. Appendix A contains a suggested form for the interview which can and should be modified to suit your own situation. Although the form was drafted as an interview by a radio station, it can, with appropriate word changes, also be used for a television survey. The licensee should make a written evaluation of the various specific comments and suggestions that were made with a view toward indicating how the needs and problems described are or will be met by the station's programming.

E. Must A Licensee Survey The Leaders Of More Than One Community?

Question 1(A) of Part I of Section IV of the renewal applications (radio and television) requires a description of the major communities or areas which the licensee primarily undertakes to serve. Recent Commission decisions have indicated that a licensee's responsibilities necessarily encompass ascertaining the needs not only of the station's city of license, but, in addition, the other communities which a

licensee undertakes to serve on a primary basis. By this it is meant that if a licensee, in response to this question, names a particular city as one which he primarily or principally undertakes to serve, it will be incumbent upon the licensee to make a survey of community leaders in that community.

There is still an unresolved issue as to the extent to which a licensee must conduct interviews with community leaders in towns and communities removed from the city to which the station is licensed, but which the licensee primarily serves. The Commission recognizes that the extent of the community survey to outlying communities would be less than that required in the principal community. Therefore, a licensee is not required necessarily to interview the same number of leaders as it did with respect to the city of license.

Although the Commission has not been specific, a rough rule of thumb to be used is the relative percentage of the population of the communities involved. For example, if the licensee's principal community has a population of 100,000, while another community which the licensee undertakes to primarily serve has a population of 25,000, it would appear reasonable for the licensee to interview 25% of the number of persons which he interviewed for his city of license. This rule of thumb may not be applicable to situations where the city of license is considerably smaller than a nearby city. In these situations you should consult with the HO. Thus, if the licensee interviewed 50 community leaders in his city of license, he need only interview 12 in the smaller community. In no event, it is believed, should the number of persons interviewed in any city which a licensee undertakes to primarily serve fall

below 7, since any number less than 7 would probably not be considered sufficient enough to obtain any sort of a cross-section.

2. SURVEY OF GENERAL AUDIENCE

There is another method which should be used to ascertain community needs. This method is a community survey which is not directed to community leaders but, instead, to the general public. The Commission's policy in this respect is in a state of flux since it is not yet clear that such a survey is an absolute necessity in renewal applications. But until the policy becomes clarified one way or the other, to be on the safe side all licensees should undertake such a survey. Failure to do so subjects the licensee to the risk of delay of his renewal application, and possibly a hearing upon it.

A. What Is A General Community Survey As Distinguished From A Community Leader Survey?

The general community survey is not directed to persons who hold any particular position with local groups or organizations, but instead is aimed at the general listening public whatever their job or status. The survey is much larger than the community leader survey and should encompass 250 and perhaps as many as 750 interviews, depending on the size of the city. The general survey may be done by telephone or by man-on-the-street type interviews. The experience of some licensees indicates that a mail survey may not be effective because of the extremely low rate of return on mail surveys.

This general public survey will pose a number of problems to the individual station. These problems include determining the size of the sample, the distribution of the sample throughout the com-

munity, and insuring that the sample is at least roughly representative of the general public and is not biased in favor of any one group. The sample must also take cognizance of demographic data, such as sex, race, and nationality. Consequently, stations may feel it necessary to hire professional survey organizations or college research staffs for this purpose, but should consult the HO before taking any such action.

B. What Questions Should Be Asked In
The General Survey

The nature of the questions asked in the general survey is the same as the nature of the questions asked in the community leaders survey. In both surveys the aim is the same: to ascertain the needs and problems of the community, and not merely to obtain program preferences. The suggested interview form attached in Appendix A can be used for either survey. You need not ask all the questions, but you must ask Questions 1, 2, 3 and 4. A form for the more limited survey is attached in Appendix B, at page

3. EVALUATION OF SURVEY MATERIALS

After the surveys have been made, the question arises as to the use to which they should be put. The Commission has recently emphasized that the responsibility of the licensee does not end with the taking of surveys. The licensee is expected to evaluate the information as to needs and problems gathered from the survey and use it in planning its broadcast schedule. Part I of the programming section of the renewal application requests that the application specifically state the significant needs which the station will serve during the coming

license period; and these needs will be the ones which the licensee has found as a result of his community surveys, in addition to other needs which the licensee may itself believe should be met. In addition, Part I also requires a list or description of typical and illustrative programs or program series that the station intends to broadcast during the coming renewal period which will meet these needs. It is in response to this question that the surveys must be used.

In essence, the applicant should relate particular significant programs on his list of typical and illustrative programs to the needs as ascertained by the surveys. If a particular issue has been identified in the surveys, as, for example, a local bond issue, there should be included in the program schedule presentations which are meant to help to meet this community need. What is necessary, in short, is a demonstration through specific programs that the schedule to be presented has, in fact, been related to the surveys. It is no longer enough merely to indicate that you made a survey without in some way linking that survey to a specific program schedule.

4. HOW OFTEN SHOULD THE SURVEY BE MADE?

The Commission's decisions indicate a policy that the determination of community needs is a continuing and not a one-time process. Although the Commission has not stated that the detailed survey described above must be done on a yearly or periodic basis, nevertheless, a licensee who can demonstrate that it has made several surveys during the past renewal period will be in a far less vulnerable position than one who relies upon one survey taken shortly before the filing

of the renewal application. A station must constantly keep in touch with community needs, and usually does so through such activities as participation in community civic, religious and charitable organizations, as well as frequent contacts with community leaders as a matter of every day business.

Of course, in order to be of value, the licensee should, in his daily contacts, obtain the kind of information as to community needs as he did in the survey. There is no need to ask all the questions which are included in the survey attached in Appendix A. But, at the very least, the licensee should cover the three questions specifically set out in Section 1 above, i.e.:

- (a) What are the basic problems and needs of the community?
- (b) What are the basic problems and needs of the community insofar as they relate to your organization?
- (c) How can the station assist the community in meeting its problems and needs and assist you and your organization in meeting community problems and needs?

Each station should, therefore, maintain a public service diary in which station management notes conversations in meeting with community leaders. The availability of such material in diary form helps in the preparation of the type of information required by Part I.

5. OTHER METHODS OF ASCERTAINING COMMUNITY NEEDS

The community survey activities described above are not the only way in which a station establishes that it keeps aware of community affairs, although the Commission has indicated that it is the single most important method, and the one which now appears to be required

as a minimum. But the station is also free to point out in its renewal application additional methods of communication such as frequent daily community contact as indicated by the public service diary (referred to above), the receipt and evaluation of mail from listeners either praising or complaining of the station's activities, the use of rating services as an aid to determine whether the station is meeting the needs of its community, and the existence of citizen advisory committees composed of civic leaders who consult with the station in determining programs, see pages

In sum, the Commission has made it clear that it regards the ascertainment of community needs as perhaps the single most important element in assessing a licensee's record.

APPENDIX A

COMMUNITY NEEDS SURVEY

INTERVIEW No. _____

INTERVIEWER _____

DATE OF INTERVIEW _____ DAY _____

TIME OF INTERVIEW (Start) _____ (Completion) _____

PLACE OF INTERVIEW _____

PERSON INTERVIEWED (Name) _____

(Address) _____

AGE _____ RACE _____ OCCUPATION _____

POSITION OR OFFICE _____

OTHER AFFILIATIONS _____

INTERVIEW NO. _____

INTERVIEW AND RESPONSE

1. In your opinion what are the important needs of the community or what problems are being faced by the community?

How should the community treat these problems?

2. Which of these community problems would you like to see discussed on radio?

3. How can radio help solve the needs and problems of the community?

4. What are the needs of your particular office or organization for radio programming service?

5. How would you classify your radio listening?

- a) Very light _____
- b) Light _____
- c) Medium _____
- d) Heavy _____
- e) Very heavy _____

6. Where do you do most of your radio listening?

- a) Home _____
- b) Car _____
- c) Job _____

7. What program types do you normally prefer?

INTERVIEW NO. _____

8. Would you like to hear more, less or the same amount of the program types listed below?

	More	Less	Same
a) National and World News	_____	_____	_____
b) Local News	_____	_____	_____
c) Educational or Informative	_____	_____	_____
d) Religion	_____	_____	_____
e) Public Affairs (discussions, political, etc.)	_____	_____	_____

9. From the various types of music listed below please specify your first three preferences, in order of preference (i.e., 1,2,3).

_____ Popular
 _____ Country and Western
 _____ Soul or Rythm and Blues
 _____ Rock or Contemporary
 _____ Religious
 _____ Classical

10. Generally, which of the five functions listed below is best served by the present radio stations in the community? Which is the least well done?

Best	Least	
_____	_____	Inform of local events
_____	_____	Inform of national events
_____	_____	Entertain and provide recreation
_____	_____	Provide a forum for local opinion and talent
_____	_____	Provide a service to varied ethnic groups

11. What types of programs would you personally like to see offered to a greater extent in the future?

Additional Remarks and Evaluation:

 Interviewer

APPENDIX B

GENERAL PUBLIC SURVEY

Date:

Name: (Not absolutely necessary)

Address: (At least town)

Race:

Sex:

Age: (Circle one)

12-15; 16-18; 19-21; 22-30; 31-40; 41-50; over 50

1. Identify one or two of the most significant problems or needs of your community:

2. How can our station help meet those needs?

Interviewer

Part II of Section IV-A: Past Programming

This is the key portion of the renewal application. Emphasis is on lists and exhibits describing your public service programs.

Statistical Information (Question 3 (a), Part II)

For the composite week you are required to state in hours and minutes and in percentage form the total time devoted to programs in the categories of:

- (a) News
- (b) Public Affairs
- (c) All other programs, exclusive of entertainment and sports
(this means a total of all programs in the categories of religion, instruction, agriculture, and other).

The categories, editorial, political programs and educational institutional programs, are sub-categories and any programs which are classified by any of these three labels must also fall within one of the other eight classifications noted above. These three sub-categories represent a secondary classification and, consequently, are used in addition to one of the first eight categories.

In determining the length of a program, include only program matter; exclude all commercial matter within that program. A five-minute news program that contained two minutes of commercial matter would be counted as a three-minute news program.

The percentage is the relationship between the total hours in the category as measured against the total hours during the broadcast week. If 15 hours of a broadcast week of 150 hours were devoted to news programs, the percentage of news would be 10%.

If, in your judgment, the percentages for the composite week do not truly reflect what the station has been doing, you may, in addition, undertake the same analysis for any calendar month or longer.

Statistical Information (Question 3 (a), Part II) (Cont.)

The period should be identified; the logs for this period do not have to be included with the application. (See 500-2-c Types and Subtypes)

Public Service Programming (Question 4, Part II)

You are required to list typical and illustrative programs or program series (excluding entertainment and news), broadcast during the year preceding the filing of your application, which have served public needs and interests. The list must contain the following information:

1. Title
2. Sources (local, recorded, network)
3. Type (agriculture, public affairs, religious programs, instructional programs, sports, other programs)
4. Brief description
5. Time broadcast and duration
6. How often broadcast

Underline the title of any programs in your list which were designed to inform the public on local, national or international problems of greatest public importance in your community.

News (Question 5, Part II)

In most instances, news represents a major contribution by a radio station to its community.

The station's response should be detailed and it should include:

The number of people on your staff involved in the acquisition, production and broadcast of news.

The methods and techniques by which you acquire news --

News (Question 5, Part II) (Cont.)

your own reporters, stringers, mobile units, contacts with police, hospitals, local officials, etc.

Do you belong to AP, UPI? Do you take the national wire, your state wire and/or a local wire?

Do you use any network news programming--NBC, CBS, ABC, MBS, RPI, or any other local or regional news network?

If so, you are required to describe in detail the material secured from the network and the manner in which it is utilized.

What percentage of your news time during the composite week was devoted to local and regional news? As an illustration, assuming that the station broadcast 150 hours a week, 15 of which were devoted to news, and that half of the news programs were devoted to local or regional news during the composite week, this is 50% of total news time devoted to local and regional news.

The Basic Program Format (Question 7, Part II)

You are required to describe the station's basic program format during the past 12 months -- country and western music, talk, folk music, news, classical music, foreign language, jazz, standard pops, etc.

You are then required to indicate how much time per week is devoted to this format. As an illustration, for the average country and western station, if it devoted 80% of its time to entertainment programming, ordinarily all of this would be devoted to the format.

The Basic Program Format (Question 7, Part II) (Cont.)

In other instances, stations run format Monday through Saturday and a different type of programming on Sunday (foreign language). Consequently, separate percentages should be stated for each.

If you have any question concerning the manner in which you are to compute this percentage, you are required to describe your format in such a manner that the Commission will be able to understand how you derive your percentage.

If you do not run a format station and, in fact, present balanced programming catering to all tastes, this should be specifically indicated and illustrations furnished.

What Contribution is Your Station Making to
the Overall Diversity of Programming in the
Area (Question 8, Part II)?

If you are, for example, the only classical music station in your community, the answer to this question will be easy and obvious. In most instances, however, a more subtle approach will be required and you will have to evaluate your own programming, as well as that of other stations in your area, in order to be able to tell the commission what you are doing to meet community needs which are not otherwise being met. Thus, even if you were the second good music station in your area, it would be important to note that you are providing symphonic music, whereas your competitor emphasized, for example, chamber music.

What Contribution is Your Station Making to the Overall
Diversity of Programming in the Area (Question 8, Part II) (Cont.)

Other differences might be differences in degree rather than in substance: your news is on the hour, whereas your competitors broadcast news on the quarter hour or the half hour; or you have a morning farm program and the only other farm program in the area is at noon-time.

Program Exhibit (Question II and 12, Part II)

If your programming, as set forth in response to the various questions in Part II, differs substantially from past representations to the Commission, you should prepare an exhibit explaining why.

The Commission also permits you to file a statement if you believe that your programming is not adequately described in Part II. We would recommend the preparation of such an exhibit unless you have included in other exhibits some of the material set forth below in connection with Parts I and II of the application:

The names and some description of the public service programs (public affairs, instructional, religion and agriculture) broadcast during the past three years. Give as complete a description of the programs as possible (including time and date, the names and titles of persons interviewed, and the names of panelists and topics in public affairs programs (panel shows, debates, etc.).

If the station maintains an active News Department and its public affairs programs center around this News Department, the nature of the operation should be set forth in detail. Thus, for example, it would be significant if recorded music programs are

Program Exhibit (Question 11 and 12, Part II) (Cont.)

interrupted for on-the-spot interviews, news commentary, or other matters of public interest.

The exhibit should also include an analysis of how the station is serving community organizations with public announcements. If possible, include a list of the names of the organizations that were served during a sample period, and the number of announcements or programs those organizations received. Copies of significant letters of appreciation from community organizations may be attached as part of the exhibit. Illustrations of particularly significant campaigns should also be included in the exhibit.

Part III of Section IV-A: Proposed Programming

The questions in Part III of Section IV-A, Proposed Programming, are identical to the questions in Part II except for the fact that they relate to your proposed, rather than your past, programming. Consequently, the discussions in the preceding sections of this memorandum are also applicable to Part III of the Form. In addition thereto, we would like to call your attention to the following:

Although the Commission does not specifically request a program schedule for a typical week, such a schedule may accompany every application and be a part of the response to Part III.

It has been the practice, in renewal applications, for stations to respond to questions concerning their future programming by saying, "No substantial change" if the recitation of their past programming accurately reflected what they intended to do in the future.

Part III of Section IV-A: Proposed Programming (Cont.)

Part III must be completed in extensive detail if your proposed programming is different from your past programming.

Part IV: Past Commercial Practices

You will be required to state the total time in the composite week devoted to commercial matter (Question 22, Part IV).

- (a) in terms of hours and minutes
- (b) in terms of percentage of the composite week

Assuming a broadcast week of 150 hours, you would total up the amount of time devoted to commercial matter. If you broadcast a total of 28-1/2 hours of commercial matter in the composite week, the amount would be stated as 30 hours, and 20% of the week.

Do the same for the time period 6:00 a.m. to 6:00 p.m. Assuming that the station was on the air from 6:00 a.m. to 6:00 p.m., every day in the week, the base would be 84 hours per week. If, during this time period, a total of 18 hours were devoted to commercial matter, the percentage of such time would be 21.4%.

One of the critical questions inquires into the amount of "commercial matter" in an hour. You will first divide your broadcast week into clock hours, beginning with the first full clock hour and ending with the last clock hour of each broadcast day. After this, you are required to supply the Commission (Question 23, Part IV) with the number of hours which contained:

- (a) Up to and including 10 minutes of commercial matter (includes zero minutes);
- (b) Over 10 and up to and including 14 minutes;

Part IV: Past Commercial Practices (Cont.)

(c) Over 14 and up to and including 18 minutes;

(d) Over 18 minutes

(1) List the hour, the day and the amount of commercial time for each period hour which contained over 18 minutes of commercial matter.

If the commercial practices reflected above do not generally represent the station's commercial practices, you may explain why (Question 24 A and B, Part IV).

The station is required to explain any substantial variation between the commercial practices reflected in the composite week and past representations made to the Commission.

Part V: Proposed Commercial Practices

Commercial Representations

You are required to make "commercial practices" representations in two areas:

1. The maximum commercial percentage (Question 25, Part V):

(a) Between the hours of 6:00 a.m. and 6:00 p.m.

(b) During the entire week.

The computations are made in exactly the same manner as you would respond to the same question in connection with past programming in the composite week. For the 6:00 a.m. to 6:00 p.m. period, the base is 84 hours per week (assuming that the station operated during all those hours seven days

Commercial Representations (Cont.)

per week). For the entire week the base is the total number of hours per week that you will be on the air. Divide into each base the maximum number of hours within that time period that you propose to make available for sale -- the total commercial matter within the respective time periods which you propose to broadcast.

If the foregoing is not intended as an absolute maximum and there may be variations during certain peak time periods or seasonally, all of these facts should be set forth in an exhibit.

2. What is the maximum amount (in minutes) of commercial matter you will permit in any 60-minute segment?

(Question 26, Part V) If this maximum will be exceeded, the facts and circumstances should be set forth in an exhibit.

Washington Attorney Recommendations

In the past, commercial percentages were based upon arbitrary Commission definitions and bore no relation to the amount of actual commercial matter. A period was deemed a commercial period if it contained one or five spot announcements. The old standards are no longer applicable since we are now measuring specific commercial content. It is suggested, therefore, that you analyze a week of your past operation to determine the actual number of commercial minutes

Washington Attorney Recommendations (Cont.)

broadcast during the day. With this in mind, you can determine an appropriate reply.

For new stations, we recommend no more than 30% as a maximum. This is based upon an average of 18 commercial minutes per hour. Final resolution of the problem will depend upon the nature of your operation, the size of the market, and the practices of your competitors.

With respect to the hourly maximum, the NAB Code now provides for 18 minutes per hour and you should keep within this limit, except in extraordinary circumstances. The outside limit, even in emergencies, would appear to be a maximum of 20 minutes per hour.

Part VI: General Station Policies and Procedures

Who Makes Day-To-Day Decisions? (Question 27.)

You are required to state who -- name and position (fulltime or parttime) -- determines the day-to-day programming decisions and directs the operation of the station.

Every station should have policies with respect to programming and advertising standards. A copy of those standards should be included with the application unless you rely upon the published code of any national organization or trade association (e.g., NAB Radio Code). If you have not adopted standards of your own, you should secure a copy of the NAB Code and/or such other codes as may be available to you to develop your own standards.

Keeping Abreast of Commission Requirements (Question 29)

The application requires the applicant to state the methods by which it keeps informed of requirements of the Communications Act and the Commission's Rules and Regulations, and to give a description of how the station acquaints its employees and agents with such requirements and supervises their compliance.

This, of course, can be done in a number of ways. The most common are:

- (a) Subscription to Parts I and III of the Commission Rules
(A requirement at McLendon Stations).
- (b) Memoranda, letters and advice from its Washington communications counsel.
- (c) Attendance at trade conventions.
- (d) Reports of F.C.C. activity in various trade publications.

Typical ways in which management makes its staff aware of Commission Rules and Regulations are:

- (a) Circulation of memoranda
- (b) Staff conferences
- (c) Circulation of letters and memoranda from its Washington counsel
- (d) Posting of inter-office instructional memoranda
- (e) Instructional classes, i.e., chief engineer meets with engineering staff to explain Commission procedures
- (f) Periodic review and spot checking by supervisors
- (g) Supervisory conferences with staff

STAFF (Question 31)

This exhibit should show the number of full-time and part-time employees in the programming, sales, technical, and general and administrative departments.

II

FCC LICENSE RENEWAL INSPECTION PROGRAM

The Commission's license renewal inspection program is threefold and is as follows:

1. Pre-inspection Monitoring

A. This consists of a two-hour monitoring period designed to check the following:

1. Station identification.
2. Sponsor identification
3. Programs bordering on lotteries.
4. Use of promotional devices which may arouse public resentment or create a nuisance...Such as station telephone quiz programs with insufficient trunk lines into the station and contestants are unable to get their calls through.
5. Length of spot announcements.
6. Percentage of modulation (using an oscilloscope).
7. Commercial loudness.
8. A 2-hour running log for comparison with the station's program log for that period.

II. Technical Inspection

A. This consists of an inspection of both the transmitter and studio's technical equipment to determine the following:

1. Posting of station and operator licenses including telegrams and special authorizations.

FCC License Renewal Inspection Program (Cont.)

Technical Inspection (Cont.)

2. Operating power and plate efficiency.
3. Wiring, shielding, safety provisions, interlocks.
4. Operation of modulation and frequency monitors.
5. Transmission lines, base fence, gate lock, tower painting and lighting (check monitoring points if directional).
6. Calibration of all remote meters, operation of remote control equipment. (Most citations pertain to this category.)
7. Record of proof-of-performance measurements and instruction manuals.
8. General condition of transmitter building.

III. Non-Technical Inspection

- A. This consists of an inspection of the station's records and logs including an informal conference with the station's manager to check the following:
 1. Degree of licensee supervision and control, especially for absentee owner operations.
 2. Inspection of any prepared manuals or documents which outline company policy.
 3. Program log inspection looking particularly at news and weather programs. Whether station has remote pickup equipment, how are news programs prepared and what type of news gathering facilities are employed?
 4. Promotion of other business which the licensee is engaged in.

III. Non-Technical Inspection (Cont.)

5. Political programming and policy.
6. Editorial policy.
7. Public discussions and policy.
8. Complaints received from listeners.

III

CHECK LIST FOR RENEWAL INSPECTION

1. Is your transmitter operating properly -- in accordance with your license and Commission Rules?
 - (a) Do your operating logs show that your transmitter is being operated within the permissible tolerances for power (5% high and 10% low for AM and FM, 80% to 110% for TV)?
 - (b) Do your operating and maintenance logs show agreement between transmitter readings, transmitter efficiency, antenna resistance and antenna current (remotes and antenna base meters)? If directional, are the tower phase relationships and the monitor point readings in accord with the station license?
 - (c) Are your meters accurate? Have remote meters been calibrated regularly as required by the Commission Rules?
 - (d) Is power and modulation being properly maintained? Are AM power and/or DA pattern changes being timely made in the morning and at sunset? Bear in mind that you may be monitored prior to the at-the-station inspection.
2. Other operating equipment.
 - (a) Is your E.B.S. monitor operating properly?
 - (b) Do you have a supply of spare tubes and tower lighting bulbs?
 - (c) Is transmitter security maintained -- interlocks operating, tower fences in repair, and fence gates and transmitter housedoors locked?

CHECK LIST FOR RENEWAL INSPECTION (Cont.)

Other Operating Equipment

- (d) Does the tower need repainting? If red and white bands are required, are they clearly visible?

3. Station engineering files for AM and FM.

Do yours contain the annual measurements, last antenna resistance measurements, DA proofs, etc, which are required (Secs. 73.116 and 73.286)? Among other requirements are the following:

- (a) Standard Broadcast and FM stations are required to make equipment performance measurements at least once a year, and within four months of the date the renewal application is required to be filed.
- (b) If you use a directional antenna and operate it by remote control, have you made the annual skeleton proofs of performance required by Section 73.68 (b) of the Rules? (The skeleton proof and monitor point readings must be submitted to the Commission with the renewal application.)

4. Standards of Transmission.

In this connection your station may be monitored prior to on-the-premises inspection. See:

- (a) AM - Sec. 73.40
- (b) FM - Secs. 73.317, 73.318, 73.319 (SCA) and 73.322 (Stereo).
- (c) TV - Secs. 73.682 and 73.687.

5. Authorizations

Are all your authorizations (licenses, CP's, assignments and transfers, telegrams?) posted at the control point?

CHECK LIST FOR RENEWAL INSPECTION (Cont.)

5. Authorizations (Cont.)

- (d) tion and is good for a period of one year. The Commission's staff will issue Provisional Certificates to all applicants, including those who appear at the Commission examination office in person but do not wish to take the test for regular license at that time, and applicants who have taken, but failed, the tests for a Third Class License with Broadcast Endorsement. The Provisional Certificate will not be renewable and one may not hold such a license more than once in his lifetime. Accordingly, an individual holding a Provisional Certificate who intends to be employed as an operator longer than a year must arrange to take and pass the tests for a regular license during the year in which he holds the Provisional Certificate. The forms for a Provisional Certificate must be signed by the applicant and the station's chief (or first class) engineer.
- (e) Do you have a current copy of the Commission's Broadcast Rules. (The current edition is in loose leaf form with green covers, and consists of Volume I and Volume III. McLendon Stations will have these volumes on hand. They may be ordered through Washington Attorney.

6. Logs

- (a) Does your maintenance log meet all of the requirements of Secs. 73.114, 73.284 or 73.672 of the Rules, such as, for example, showing the amount of time (exclusive of travel) spent in the daily transmitter inspection of AM and FM

CHECK LIST FOR RENEWAL INSPECTION (Cont.)

5. Authorizations (Cont.)

- (a) If you operate by remote control, this authorization must be posted. It normally will be expressly stated in your CP or license but, if not, a separate authorization is required and must be posted. Moreover, if you moved your studio, did you file an application with the Commission to change your remote control point? If not, this must be done immediately.
- (b) Are all your remote pickup mobile and base station authorizations, STL authorizations and inter-city relay authorizations in proper order? These authorizations must be posted with the respective transmitters (or at the control point if they are remotely controlled).
- (c) Are licenses for all operators posted in the control room? If you are authorized by the Rules to utilize operators holding less than a First Class Radiotelephone License, have they secured a Second Class License or a Third Class License endorsed for broadcast operation? (This endorsement requires that they take and pass a specific test; the endorsement is written on the license for inspection.)
- (d) New rules provide for the issuance of a Provisional Radio Operator Certificate; the person holding such a license can perform all the duties normally performed by an operator holding a Third Class License with Broadcast Endorsement. The Provisional Certificate can be obtained without examina-

CHECK LIST FOR RENEWAL INSPECTION (Cont.)

6. Logs (Cont.)

stations, and the weekly auxiliary transmitter test?

For TV, does it show, among other things, the daily frequency checks and monthly measurements (Sec. 73.690)?

- (b) If your operating log shows that you were off the air or on auxiliary transmitter, does your maintenance log show for each such instance the cause and the appropriate entries for repairs, equipment removal from service, etc. (Secs. 73.114, 73.284 or 73.672).

- (c) Do all logs show:

- (1) The date.
- (2) The time zone (e.g., "All Times are Eastern Standard Time") and daylight saving time when applicable (e.g., "All Times are Eastern Daylight Saving Time")?
- (3) A.M. or P.M. opposite the time at the beginning, respectively, of the morning and afternoon sections of the logs? A.M. or P.M. with the individual entries in the maintenance log?
- (4) Identification in the legend of the log of all symbols used (including colors), including not only symbols used for FCC purposes but also those which you use for your own station purposes?

- (d) Are the operators signing on when they start duty and off when they end duty on the program and operating logs, as required by the Commission Rules? It is inadequate to use initials or to make both signatures when ending a period of duty: in other

CHECK LIST FOR RENEWAL INSPECTION (Cont.)

6. Logs (cont.)

words, an operator's "on duty" signature must be on the log while he is on duty.

- (e) In the program log, does each program have a brief description of its type (for example, entertainment, religion, agriculture, news, etc.); does the log show each program's actual (as opposed to scheduled) time of beginning and end? (See Secs. 73.113, 73.282 and 73.670).
- (f) Are your operators timely in making all required half-hourly readings and entries in the operating log?
- (g) Are all corrections on the logs being ruled out legibly, initialed and dated?
- (h) Do your logs show the required E.B.S. weekly test messages broadcast by your station (Sec. 73.951)?
- (i) If your FM station also has an SCA, is the SCA operating log ready for inspection (Sec. 73.295)?
- (j) Are the remote pickup and other auxiliary station logs ready for inspection (Secs. 74.481, 74.581 and 74.681)?
- (k) Are your logs (program, operating, maintenance and others) for the past two years readily available at the station for the FCC inspector?

7. Required Files

- (a) Is your political file in shape for inspection? See Sec. 73.120.
- (b) Is your sponsorship file in shape for inspection? See Sec. 73.119 (f).

CHECK LIST FOR RENEWAL INSPECTION (Cont.)

7. Required Files (Cont.)

- (c) Is the contract with your part-time first class engineer (AM and FM only) available in the station files and at the control point? See Sec. 73.93 (c) and 73.265 (c). Has it been filed with the Commission and Engineer-in-Charge?
- (d) Is your public file in shape for inspection? (Are copies of any major applications, all ownership reports, etc. filed with the Commission after May 13, 1965 available for public inspection either at the station or elsewhere in the community to which it is assigned? (See Sec. 1.526).)
- (e) See also paras. 3, 5 and 6 (i), (j) and (k), supra.

IV

RENEWAL SUMMARY
By Washington Attorney

1. Each year the Commission releases a composite week which is to be used by all renewal applicants with licenses that expire during the following year. Shortly after this composite week becomes available we send notices to each of the stations involved in order to allow as much time as possible for the preparation of the programming portions of the renewal applications. These notices request that programming information be supplied to us as early as possible and no later than thirty days before the application is due to be filed with the Commission.
2. The Commission itself sends a notice and application forms to each licensee approximately 120 days before the license in question is due to expire (30 days before the renewal application is due to be filed).
3. All licenses in a given state expire at the same time and it is the Commission's practice to conduct field investigations of every station within three to six months of the expiration date of the license. This means that you will be visited by one or more engineers from the local field office. They will conduct a thorough examination of your physical plant and technical operation. They may also request to see your political files, logs and public files. The letter which we send you includes a detailed list of what you can anticipate by way of an inspection.

RENEWAL SUMMARY (Cont.)

4. The application must be filed no later than ninety days before the license is due to expire.
5. If there are no problems, renewals will be granted in the ordinary course in the week preceding the expiration date of the license.
6. If, for any reason, the Commission is unable to grant the renewal prior to the expiration of the license you are nevertheless authorized to continue operation after the expiration date. The mere filing of the renewal application extends your authority to operate until such time as action is taken by the Commission.
7. The Commission's action in granting renewal applications is by Public Notice and, under ordinary circumstances, we will be aware of this before it is known to you. Consequently, it is our practice to send telegrams notifying individual stations that their renewal applications have been granted.

Now as to the Renewal Application itself:

1. Part I of the application is perfunctory in that for the most part it is simply an identification of the station. We will prepare this portion of the application. It requires a current balance sheet which we will obtain from ST and a statement of other business interest. This will be prepared by our office and will be reviewed by ST or PO. The application will also be prepared for the signature of one of the officers of the licensee.
2. Section II of the application is the engineering portion. This should be prepared by your station engineer in close collabora-

RENEWAL SUMMARY (Cont.)

tion with NCE. I would like to call your attention specifically to the fact that this portion of the application requires that equipment performance measurements be made within four months of the date of filing. Your engineer should schedule these measurements to be made within this time period.

For future reference, your engineer should also be aware of the requirements set forth in Section 73.68b of the Commission's rules which reads as follows:

(b) Stations employing directional antenna and operated by remote control shall make a skeleton proof of performance each year, consisting of three or four measurements on each radial used in the original application and must submit the results of these measurements, plus the monitoring point readings, with the renewal application.

3. The final portion of the application, Section IV-A relates to programming. The preparation of this material is your responsibility. If you have any questions whatsoever please do not hesitate to call us.
4. Separate applications are required for both the AM and FM applications.
5. Separate Section IIs (the engineering portion) are required for any alternate main or auxiliary transmitters.
6. Every engineering section must be signed and dated either by your engineer or by NCE.

RENEWAL SUMMARY (Cont.)

7. Separate applications (Forms 313) are required for each remote pickup station and each base station. These are to be prepared by your engineer and sent to Dallas to be signed by an officer of the licensee. Thereafter they will be transmitted to me for filing with the Commission.
8. An ownership report (Form 323) must be filed at renewal time. We will prepare this report and arrange for it to be signed by an officer of the company.

700-6-e LEGAL ADVERTISING

The commission requires that we do certain advertising when we apply for license renewal at any station. This section, therefore, deals with the publication notice which is to be used by all stations when applications for renewal of license are filed.

There must be publication in two separate ways. It must appear in a local daily newspaper twice a week for two weeks immediately following the filing of the application. In addition, it must be announced on the air between the hours of 7:00 A.M. and 10:00 A.M. four times during the second week following the filing of the application. Each station should keep records as to when the announcements were on the air. After the notice appears in the newspaper, you should get an affidavit from the newspaper certifying to the publication.

After the newspaper publication and radio broadcasts have been made, an officer of the corporation should send a letter to the

700-6-e LEGAL ADVERTISING (Cont.)

Commission via Washington attorney setting forth when the announcements were run on the air and enclosing a copy of the newspaper affidavit.

Managers will send material required to HO for transmittal to Washington attorney. The following forms should be used:

Mr. Ben F. Waple

Secretary

Federal Communications Commission

Washington 25, D.C.

Dear Mr. Waple:

I am herewith enclosing, pursuant to Section 1.580 of the Commission's Rules, and Affidavit from the _____

_____ (newspaper) setting forth the dates upon which the required legal notice was published.

The same legal notice as appears in the attachment was also broadcast over Radio Station _____ on the following dates and times:

Very truly yours,

THE McLENDON CORPORATION
(use correct licensee name)

BY _____

700-6-e LEGAL ADVERTISING (Cont.)

NOTICE

(to be used in the required Public Notice)

Station (insert call letters), operating on (frequency)
in (city and state as specified in the license) is licensed to
The McLendon Corporation (in the case of a subsidiary corporation,
use the correct licensee name). The officers, directors, and
persons holding 10% or more of the capital stock of The McLendon
Corporation (or the subsidiary licensee corporation) are as follows:*

The application of this station for a renewal of its license to
operate this station in the public interest was tendered for filing
with the Federal Communications Commission on (insert date of filing).
Members of the public who desire to bring to the Commission's
attention facts concerning the operation of the station should write
to the Federal Communications Commission, Washington, D.C., 20554
not later than (insert date 30 days after filing). Letters should
set forth in detail the specific facts which the writer wishes the
Commission to consider in passing on this application.

A copy of the application is on file for public inspection at
(insert street address of main studio of the station).

*This information is available in your latest Ownership Report.
Ascertain through FCC that your Ownership Report is on file.

700-6-e LEGAL ADVERTISING (Cont.)

NOTICE

(To be used in the Required Public Notice)

This information is available in your latest ownership report. Ascertain through ST that your ownership report has not been superceded.

700-6-f NOTICES OF VIOLATION

You may, from time to time, receive a "Notice of Violation" from the Inspector in Charge of your particular FCC district. You usually have 10 days to reply. If you do not reply, the Corporation can be fined. If the "Notice" from the District Inspector deals with a technical violation, such as an incorrect system for maintaining the transmitter and maintenance log, YOU AND YOUR CHIEF ENGINEER MAY REPLY DIRECT. THIS IS THE ONLY INSTANCE IN WHICH YOU ARE PERMITTED DIRECT CONTACT WITH AN FCC OFFICE. If the "Notice" originates from the FCC's Washington office, call Washington attorney. You will be told HOW to reply; told to send your reply to Washington attorney who will relay it to the Commission. Keep in mind that Washington attorney must have in his files a copy of everything the FCC has in its files on your station. This includes a copy of any "Notice" you may receive from a district office, along with your reply to same.

700-6-g OWNERSHIP REPORT

Ownership reports are prepared by ST and by Washington attorney. After an Ownership Report is filed with the FCC, Washington attorney will send a copy to the station or stations involved. This copy should be included in the Public File.

700-6-h POLITICAL FILE

Each station will keep and permit public inspection of a complete record of all requests for broadcast time made by or on behalf of candidates for public office, together with an appropriate notation showing the disposition made by the licensee of such requests, and the charges made, if any, if request is granted.

The Commission requires that such records shall be kept for two years, however, McLendon policy is that the records will be kept five years.

Experience has taught that in addition to keeping the request form, you should also keep a copy of the actual broadcast order. This is helpful when you complete your annual political report to the Commission. Sometimes the broadcast order will differ in some slight detail from the actual request for time. Since your report to the Commission (filed through the Washington attorney) must reflect what actually happened, you will save time by attaching a copy of the order to the request.

A request for equal time must be submitted to you within one week of the day on which the prior use occurred.

700-6-h POLITICAL FILE (Cont.)

A candidate requesting such equal opportunities of the licensee or complaining to the Commission of non-compliance shall have the burden of proving that he is a legally qualified candidate for the same office. (See Sec. 315)

PLEASE NOTE: The Equal Time Rules are not to be confused with Commission rules and policies concerning Political Editorializing (See 500-4-c)

700-6-i PUBLIC FILE 51,526

Anyone walking into your station during normal working hours has the right to examine your public file. You have no right to question why he wishes to examine your file. Anyone so examining your public file has the right to make notations or copy certain things, but has no right to remove anything from the file nor has anyone the right to request that you furnish copies of any document in the file. Should you be questioned about a missing document, be cooperative and volunteer a long distance telephone call to Washington attorney's office so that contents of such document can be read to the inquirer over the telephone -- or, advise visitor that the document he wishes to see will be available on a certain date and set up an appointment for him to see same.

The best way to learn the visitor's purpose is to assign a knowledgeable staff member to be present (as a witness) while the visitor examines the file. The staffer can learn the visitor's purpose simply by observing what documents he studies.

700-6-i PUBLIC FILE (Cont.)

If many persons appear at one time to examine your Public File (say 10 or 12) and if you can't accommodate all of them at one time, you may establish a reasonable schedule for these persons to see the file two at a time or five at a time, depending upon space availability. Remember to have a witness present at all times when you are talking with the visitor. Should the McLendon Corporation have U. S. sales rights for a station of foreign license, and if the foreign government has no such provisions for a Public File, YOU DO NOT KEEP A PUBLIC FILE. If, however, we have a station whose principal market is foreign, any person from that country, or any other country, is entitled to see your Public File.

PUBLIC FILE DOCUMENTS

1. Applications for construction permit for major changes in existing stations (Form 301.) An application is defined as an "application for a major change" (rather than a minor change) if, after it is filed, you are required to broadcast and/or publish in a local newspaper a notice that such application was filed with the Commission. Typical applications involving major changes are changes in station location, changes in frequency, and changes in power which materially affect the area served. Applications which make a slight change in power, a slight change in antenna height, or a change in equipment are considered to be applications for minor

PUBLIC FILE DOCUMENTS (Cont.)

changes and you are not required to keep copies of such applications in your files. When in doubt, the safest procedure is to keep a copy of the application in the local file. (Form 303)

2. Applications for renewal of license (Form 303).

The Commission Rules require a complete copy of the application including the program and transmitter logs for the composite week. Although the Commission, itself, requires three copies of all other exhibits, it will accept one copy of the transmitter logs and one copy of the program logs as part of the renewal application. From now on, however, -- and this is important -- it will be necessary for you to make a copy of every log that is submitted with the renewal and retain it, as a part of the renewal application.

3. Applications for assignment of license (Forms 314 or 316) or for transfer of control of an existing licensee (Form 315 or 316). The responsibility is placed upon the seller until the sale is consummated, and then the responsibility becomes that of the buyer. The buyer is responsible for obtaining copies of all of the necessary documents from the seller. The seller should therefore furnish the buyer with all applications and reports required to be in the file dating back to May 13, 1965.

PUBLIC FILE DOCUMENTS (Cont.)

In cases involving the sale of stock, rather than the sale of assets, (transfer of control application) the responsibility for maintaining the records is on the licensee of the station and steps should be taken so that the appropriate information is furnished to the licensee by the buyer and the seller.

4. New stations (Form 301).

If you apply for a new station (AM,FM,TV, translator or satellite) after May 13, 1965, you must keep a complete copy of that application in your local public file. If the application is granted you must thereafter keep copies of all applications requesting extension of time to complete construction (Form 701).

5. Any application which involved a change in programming.

6. All Ownership Reports (Form 323).

7. You have always been required to keep a political file, which contains all requests made to the station for political broadcast time and some notation as to the disposition of each request. This material must continue to be kept and will be a part of your local public file.

8. All records which identify the officers and directors of groups that sponsor or furnish material for any political (see above) program or any program involving discussion of public controversial issues. These records should be retained for two (2) years following last broadcast. For your convenience a sample "Program Resume" Form is provided, but remember to attach copies of all correspondence to and from parties providing or sponsoring such a program regarding the above.

§ 73.119 REPORT

-71-a-

Station(s): _____ City: _____ Date: _____

Name of Program: _____

Length: _____ Type: _____ Date & Time Scheduled: _____

Start Date: _____ Stop Date: _____ Number of Programs: _____

Sponsor: _____ Rate: _____

Brief Description, including format and content:

() Check here if additional information has been requested.

Produced or Furnished By: _____

Address: _____

Executive Officers or Directors:

Sponsored By: _____

Address: _____

Executive Officers or Directors:

PUBLIC FILE DOCUMENTS (Cont.)

B. With respect to each item enumerated above, in addition to the complete application or report, your local file must also include:

1. Copies of all amendments to the application or report.
2. Copies of all correspondence to and from the Commission in connection with that application or report.
3. In the event that the application is designated for hearing,

PUBLIC DOCUMENT FILE (Cont.)

the local file must contain a copy of the Initial Decision and the Final Decision.

4. If any of the applications make reference to documents contained in other applications, copies of those other documents must be included as part of the file. As an illustration, the Ownership Report requires that certain documents be listed and filed with the Commission. Typical of such documents are time brokerage agreements, agreements for the sale of stock, and stock pledges. Copies of every such contract which is listed on the Ownership Report must be included in the Public File.
5. Confidential documents, such as your yearly financial report to the FCC (Form 324) and network affiliation agreements are not normally available for public inspection at the FCC and therefore would not normally be included in your local public file. If any of the applications make reference to documents contained in other applications, copies of those other documents must be included as part of the file. (See Page 76.)
6. Your local files should contain only one copy of a document even though the document is referred to in more than one application or report. As an illustration, if, pursuant to an Ownership Report executed in May 1965, you insert in the public file a copy of a pledge agreement, the file need not contain a second copy of the

PUBLIC DOCUMENT FILE (Cont.)

... same pledge agreement because it is also mentioned
in a later Ownership Report.

C. Copies of the following applications and reports need not
be placed in your local public file:

1. Applications for a license to cover a construction permit
(Form 302).
2. Applications for extension of time within which to complete
construction (Form 701) (except where such applications
relate to construction permits authorizing new stations).
3. Applications for STL, remote pickup and base stations
(Form 313).
4. Applications by FM stations for subsidiary communications
authorizations (Form 318).
5. Applications for remote control authorizations (Form 301-A).
6. Financial reports (Form 324) (except where incorporated
by reference as noted above).

Location of Public File

The entire public file must be maintained in the community to which the
station is licensed at your main studio/or business office.

A multiple owner must maintain a separate file for each of his
stations in the community in which each station is licensed. If, for
example, the multiple owner's principal offices are in Chicago and he
has a station in New York and a station in Los Angeles, he must main-
tain a separate file in New York for the New York station and in Los
Angeles for the Los Angeles station. The New York file need not contain

PUBLIC DOCUMENT FILE (Cont.)

- b) The same information, if known, for the main studio.
 - c) Copies of any contour maps that were in the engineering section.
2. The engineering portion of renewal applications, FCC Form 303, is only two pages in length. Consequently, there is no real advantage in deleting these pages from your public file copy. Standard broadcast stations, however, are required to include copies of their composite week transmitter logs as a part of their renewal application. Copies of these logs are no longer required to be part of the public file.

TV Translator Station

Effective November 15, 1965, TV translator stations will no longer be required to maintain any local files for public inspection.

Changes in Applications Filed Prior to
May 14, 1965

If your application was filed prior to May 14, 1965, nothing pertaining to that application need be kept in your local public file. This applies to amendments (major and minor), correspondence to and from the Commission concerning that application, and designations for hearing.

Petitions by Other Parties to Deny Your Application

You are not required to include Petitions to Deny in your public file. However, you must include in the public file a statement that such a Petition was filed with the Commission, and the name and address of the person who filed the Petition.

PUBLIC DOCUMENT FILE (Cont.)

Addendum to "Confidential Documents" (page 72):

The Commission has now emphasized that the local files are not required to contain the licensee's books and general financial information. The local files are limited to items which have been filed with the Commission and are a matter of public record at its offices in Washington, D.C.; the rules were amended to include this overall limitation. Thus, items which are treated as confidential in the Commission's files and are not available for public inspection are not required to be placed in the local file; this includes annual financial reports (Form 324) and network affiliation agreements. The rules were amended to provide specifically that network agreements filed in response to item 3, Section I, of license applications (Form 302) will be confidential and, therefore, are not required to be placed in a local public file, even if the application otherwise is subject to the rule.

This does not affect the rule, however, that where an application calls for information which is not confidential under the rules, an answer to the question by reference to confidential documents will render them open to public inspection and require them to be placed in the local public file. Thus, if a balance sheet is required and, instead of supplying a balance sheet, reference is made to the station's annual financial report (Form 324) on file with the Commission, that report will then become public information and be required to be included in the local public file.

700-6-i(1) PROGRAM SERVICE FILE

The corporation expects the various stations to render "exceptional" program service. (See: News, 500-1-d, 500-1-g; Public Affairs, 500-1-j; Public Service 500-1-k.)

Five EPS (Exceptional Program Service) forms are provided at the end of this section for use by stations in documenting their EPS efforts. The EPS forms serve three necessary functions: (1) They provide a permanent station record of these efforts; (2) they serve as a weekly summary for the GM of such efforts; and (3) they afford the HO a continuing opportunity to review the non-entertainment aspects of the station's program service.

(a) Public Service Resume

Each week the PSA director, or PD in absence of same, should complete this form for every PSA campaign completed during the past week. The form is self-explanatory, and all questions should be answered. In the "comments" section, include an evaluation of the campaign, with specific reference to the goal achieved or response received. Telephone contact should be made with the client following the campaign's conclusion to obtain this information.

(b) Talk Show Resume

The moderator should complete this form and submit same to the PD for review and approval. Use one form per program.

(c) News Activity Resume

Each week the ND, or PD in absence of same, should complete the form.

(d) Program Resume

This is a multi-purpose form, to be used to report:

1. A single or special program (One-Shot)
- *2. A programette series (less than two minutes in length per program)
- *3. A program series, exclusive of Programettes, Editorials, News, and One-Shots.
4. Individual programs within a locally produced series

Simply check (✓) the appropriate box and supply the necessary information.

See Pages 71 and 71(a) regarding the § 73.119 Report.

*Resumes to be filed at beginning of series, with memo notification upon termination, if not given in original form.

PD's are reminded to retain copies of all programette scripts aired during license period.

(e) Community Involvement Resume

This form is to be used to document efforts of the station and its personnel in the area of community involvement. Most of the broadcast efforts in this area will be reported in other forms of this series, so only activities not covered elsewhere should be reported on this form. The form should be compiled by the personnel directly involved and reviewed by the PD.

All the resumes should be prepared in triplicated (don't waste the Xerox, use carbons). The OM is responsible for gathering the various resumes weekly and sending one set to the GM, one to the General Counsel at the HO, and filing one in the EPS file. The OM should, in addition, attach to the HO set finished copies of all local editorials aired by the station during the previous week. The HO set should be mailed no later than Tuesday of the following week.

The various resumes are not intended to replace the weekly PD's report to the HO.

PUBLIC SERVICE CAMPAIGN RESUME

Station(s) _____ City: _____

Client/Organization: _____

Address: _____

City: _____

Phone: _____ Contact: _____

Start Date: _____ Stop Date: _____ Number of Spots: _____

OBJECTIVE OF CAMPAIGN:

VIA: Inquiry of the station or solicited by the station (circle one)

Spots voiced by (Give position within campaign and local business affiliation, if any):

COMMENTS:

Public Service Director

Program Director

McLENDON TALK SHOW RESUME (Revised)

Station(s): _____ Date of Pgm: _____ Time of Pgm: _____

Program Host: _____

Listener Participation (Check One): _____ -Heavy, _____ -Moderate, _____ -Light, _____ -None.

Scheduled Topic(s):

Incidental Topic(s):

On-Air Studio Guest(s): (Name, Address, Affiliation or Representation, Capacity,
How Selected, Basis for Selection, etc.)

Notes and Comments:

Host _____

Program Director _____

Station(s): _____
 Date: _____
 Filed By: _____
 Title: _____

NEWS ACTIVITY RESUME

1. Programming--Exclusive or timely interviews; exposes or news scoops, documentaries, special programs; full-time news in time of crisis; investigative reporting.
2. Reporting--News conferences or briefings attended; unique news gathering methods.
3. Community Service--Special efforts in education, public safety, municipal government and community activities; special assistance requested by listeners; continuing community involvement; criticism, suggestions, and opposition regarding news programs from the community.

 News or Program Director

PROGRAM RESUME

-76-f-

Station(s): _____ City: _____ Date: _____

Name of Program (Series): _____

Exclusive in Market: _____ Length: _____ Program Type: _____

() Single or Special Program

Date and Time Aired: _____

() Programette Series **Attach three (3) typical scripts.

Start Date: _____ Stop Date: _____ Number of Different Programs: _____

How Often Scheduled: _____ times per (day/week)

() Program Series ***See bottom-left

Date and Time Scheduled: _____

Start Date: _____ Stop Date: _____ Sponsors: _____

() Local Program Series, Individual Report

Date and Time Aired: _____

Producer:

Format and Description:

() Check here if a § 73.119 Report has been filed.

Program Director

(8-28-69)

COMMUNITY INVOLVEMENT RESUME

Station:
Date:
Filed by:
Title:

In the space below, give a detailed summary of a community involvement effort not covered in other resume(s).

1. Letter inviting participation

2. Letter to those accepted

3. Suggested categories from which to draw board members

4. Sample questionnaire

5. Sample ballot

6. Sample minutes

If you seek a 20-person board, you should send out about 40

invitations. Allow yourself 2 1/2 to 3 1/2 weeks to complete your

arrangements.

Purpose of the advisory board is to help the community determine

whether it is ready to take action on the proposed project.

700-6-j PUBLIC SERVICE ADVISORY BOARD

Each McLendon station must have a public service advisory board. The board should be composed of between 20 and 35 locally or regionally-prominent individuals.

In setting up the board, you should point out to nominees that you do not intend to burden them with a lot of additional responsibilities and that they will not be called upon to devote much of their already sparse and valuable time to the project.

All they have to do, from time to time, is fill out a questionnaire. Answers to the questions will be carefully studied and evaluated by management and, whenever necessary, action taken to adjust, upgrade or otherwise further the station's service to the community.

When this is established and working, you have a continuing community survey of, by and for business leaders, government officials, educators and charity organizations.

For your guidance, the following samples are included:

1. Letter inviting participation.
2. Thank-you letter to those accepting.
3. Suggested categories from which to draw board members.
4. Sample questionnaire.
5. Sample letterhead.
6. Sample envelope.

If you seek a 20-person board, you should send out around 40 invitations. Allow yourself 2 1/2 to 3 1/2 months to consummate your arrangements.

Purpose of the advisory board is to help the GM maintain continuing contact with community leaders. Continuing contact with community

700-6-j PUBLIC SERVICE ADVISORY BOARD (Cont.)

is necessary to GM's efforts to determine community needs.

Initially, you will work with the members of your board via the suggested questionnaire. However, you may eventually wish to involve an annual luncheon or dinner. Before you initiate the latter action, make sure you have full clearance from PO.

We have used KABL's experience as a pattern, since that station has developed a particularly effective program.

Dear

We at KABL are genuinely desirous of acquiring more knowledge of the various segments of the many communities which we serve and towards achieving this objective, we are organizing a KABL Public Service Advisory Board to study, recommend, and develop program subjects and formulas that can further our contribution to community service.

You are invited to become a member of this Advisory Board which will be comprised of community leaders representing the professions, religion, education, management, State and local government and community service organizations. As a member of this Advisory Board, your only obligation will be to spend perhaps 15 to 20 minutes three times each year in answering a brief questionnaire pertaining to the needs confronting your specific area of interest and in making recommendations for ways in which we can increase the effectiveness of our community service obligations.

700-6-j PUBLIC SERVICE ADVISORY BOARD (Cont.)

Because of the significant influence exerted by radio, we feel that this can be an extremely valuable and worthwhile guidepost for us. Consequently, I am respectfully urging your participation as a Board member and would appreciate an acknowledgement at your earliest convenience.

Cordially,

General Manager

700-6-j PUBLIC SERVICE ADVISORY BOARD (Cont.)

December 11, 1967

Edward H. Gauer
Board Chairman
Roos-Atkins
Stockton and Market Sts.
San Francisco,
California

Dear Mr. Gauer,

I want to take this opportunity to express my sincere appreciation for your willingness to serve as a member of KABL's Public Service Advisory Board. It is responsible and highly capable citizens such as yourself to whom we are turning in order to broaden the scope of our community service obligation. Your opinions, ideas and observations will contribute greatly toward the achievement of this objective.

Within the next couple of months, you will be receiving the first in a series of questionnaires relating to this project and it will be designed in a fashion which will enable you to offer concise yet meaningful answers.

In the meantime, let me thank you again for extending yourself to help us in aiding our communities.

Very cordially,

General Manager

/jn