

Public Radio Finances

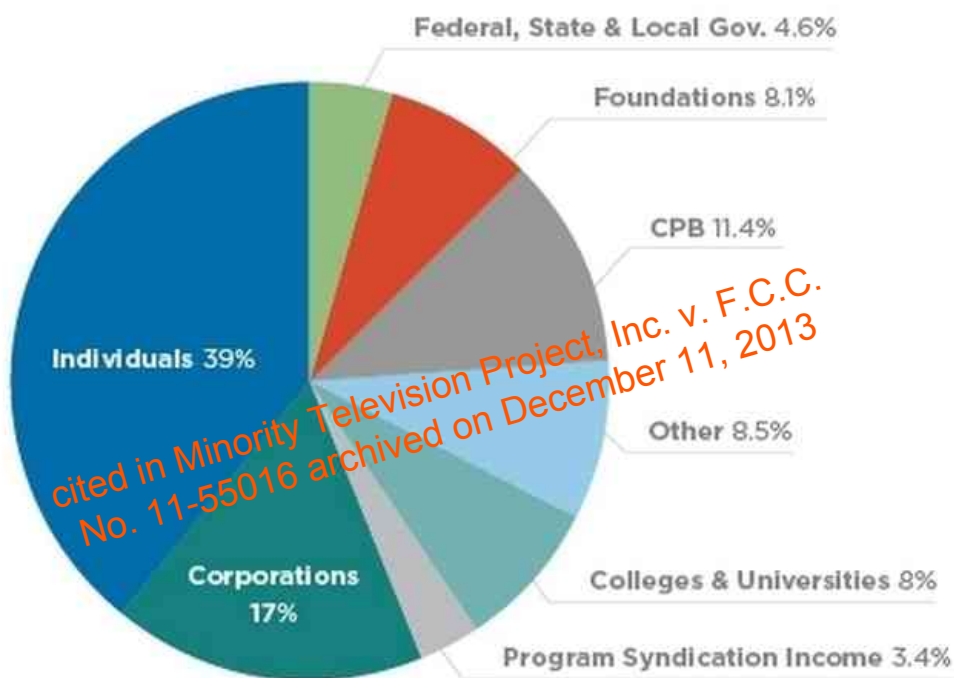
June 20, 2013 4:23 PM

While NPR shares a mission with our Stations, we are funded in significantly different ways in a complex and interrelated system. Get an overview of that system here. The latest financial statements and annual reports for NPR are included here too.

Member Station Finances

NPR Member Stations rely most heavily on the contributions from listeners, which are generally the most reliable revenue source regardless of the economic climate. Sponsorship from local companies and organizations (also known as corporate sponsorship or business support) is the second largest source of support to stations.

PERCENTAGE OF PUBLIC RADIO STATION REVENUE BY CATEGORY (FY 10)



Source: Corporation for Public Broadcasting

Public Radio and Federal Funding

Federal funding is **essential** to public radio's service to the American public. Its continuation is critical for both stations and program producers, including NPR.

Stations receive support from many sources, including:

- listener contributions,
- corporate sponsorship,
- in-kind and direct support from universities (when licensed to a college or university),
- foundation grants and major gifts,
- grants from the Corporation for Public Broadcasting
- in some cases, state and local governments

Public radio stations receive annual grants directly from the Corporation for Public Broadcasting (CPB) that make up an important part of a diverse revenue mix that includes listener support, corporate sponsorship and grants. Stations in turn draw on this mix of public and privately sourced revenue to pay NPR and other public radio producers for programming.

These **station programming fees are NPR's largest source of revenue**. The loss of federal funding would undermine the stations' ability to pay NPR for programming, thus weakening NPR.

Elimination of federal funding would result in fewer programs, less journalism — **especially local journalism** — and eventually the loss of public radio stations, particularly in rural and economically distressed communities.

NPR Finances

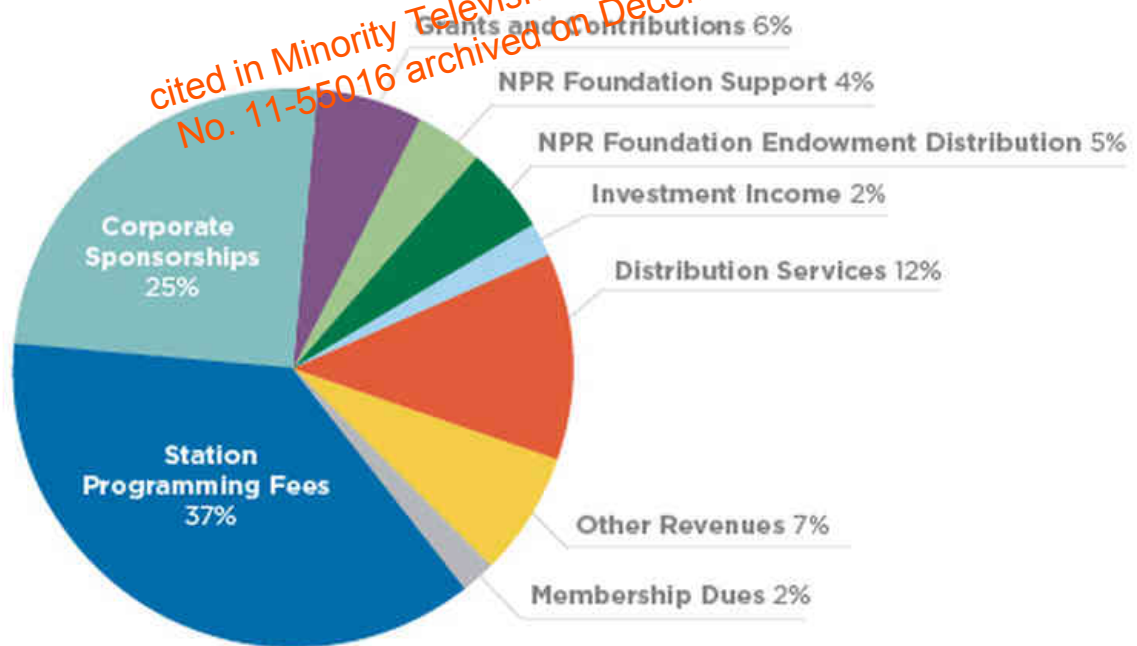
NPR is an independent, non-profit media organization. We are also a membership organization of separately licensed and operated public radio stations across the United States.

A large portion of NPR's revenue comes from program fees and dues paid by our Member Stations and underwriting from corporate sponsors. Institutional foundation grants, gifts from major donors, and fees paid by users of the Public Radio Satellite System are also sources of revenue.

REVENUE SOURCES

A portion of the CPB's annual grants to public radio stations flow to NPR through station programming fees (the loss of which would harm stations and weaken NPR). In addition, NPR competes for and receives grants from CPB and federal agencies, which total roughly \$2-3 million annually. These funds may only be used for the purposes of the grant, and do not fund NPR's general operations.

AVERAGE UNRESTRICTED OPERATING REVENUES BY CATEGORY (FY 2010 - 2012)



NPR

Member Stations: Program Fees and Dues

Program fees and dues paid by our Member Stations are the largest portion of NPR's revenue. This includes fees paid to air the NPR newsmagazines, other programming we produce and distribute and annual member dues. Historically, program fees and dues have grown steadily as audiences for NPR programs increased, and the number of stations presenting NPR programming grew.

Nearly 80 percent of the program fees and dues revenue is made up of fees for our premier newsmagazines - *Morning Edition*, *All Things Considered*, *Weekend Edition* and *All Things Considered Weekend*. These programs are priced based on the amount of listening per station times a common unit price. We charge more as the volume of listening increases, and stations in turn are able to raise more funds from their supporters and communities.

Non-newsmagazine program fees (for example *Car Talk*, and *Fresh Air*) make up less than 20 percent of total program fees and dues revenue. These programs are priced on a rate that is tiered in proportion to the station's total revenue (meaning that a very large station will pay more for these programs than a very small station).

Contact NPR

Audience Services

We're here to take your questions and comments about NPR or NPR programs. Message us using [NPR Contact Us form](#).

Ombudsman

The NPR Ombudsman is the public's representative to NPR. Read the [Ombudsman's blog](#) and share a comment there, or use the [NPR contact form](#).

Media Relations

202.513.2300

For journalists interested in covering NPR only, please.

To Pitch Stories to NPR

Submit press releases and story suggestions via the [NPR contact form](#).

Mailing Address

NPR

1111 North Capitol Street, NE

Washington, DC 20002

Annual member dues make up the balance of program fees and dues, contributing about four percent of the total program fee and dues; this is set at a flat rate. Payment of dues entitles stations to be represented by NPR before Congress and regulators, and extends to them rights to NPR programming, digital distribution and other services.

Sponsorships: Halo Effect

Corporate sponsors are interested in exposure to the well-educated, relatively affluent NPR audience (both on-air and online), which can be difficult to reach through other media. Selective sponsors also value association with the NPR brand. Messages acknowledging our sponsors are presented on-air in short announcements, and are presented visually and in audio on NPR.org and other digital services. Corporate sponsors find value in the "halo effect" of a positive association with the NPR brand.

Grants and Contributions

Institutional Support

Grants from institutions such as the Ford and MacArthur Foundations, and non-profits such as the Corporation for Public Broadcasting have made it possible for NPR to maintain its current programming and to launch new programs and initiatives. We've also expanded coverage of news topics such as the environment and the economy. Many of these grants directly and indirectly benefit Member Stations as well.

Major Gifts from Individuals

NPR and our Member Stations share a common mission and many strategic goals, and are increasingly engaging philanthropic partners at high levels. These individuals and families are interested in supporting transformational, strategic advancements in public media's capacity to meet major societal needs. The NPR Foundation, working in collaboration with Member Stations, is poised to make a significant contribution to the individual giving fundraising capacity of public media to the benefit of all.

NPR Foundation Endowment Distribution

The NPR Foundation provides funding for NPR operations, drawing on earnings from funds including the 2003 bequest from Joan B. Kroc. In addition, NPR earns revenue on its short and long term investments.

Distribution Services

NPR's Distribution Division operates the Public Radio Satellite System (PRSS). They collect revenue from stations and producers that use its platform for broadcast distribution, which includes nearly every organization in the public radio community. In addition, the PRSS offers excess capacity to both public radio and non-public radio users for private networks to keep the cost of distribution as low as possible.

cited in *Minority Television Project, Inc. v. F.C.C.*
No. 11-55016 archived on December 11, 2013

Other Revenues

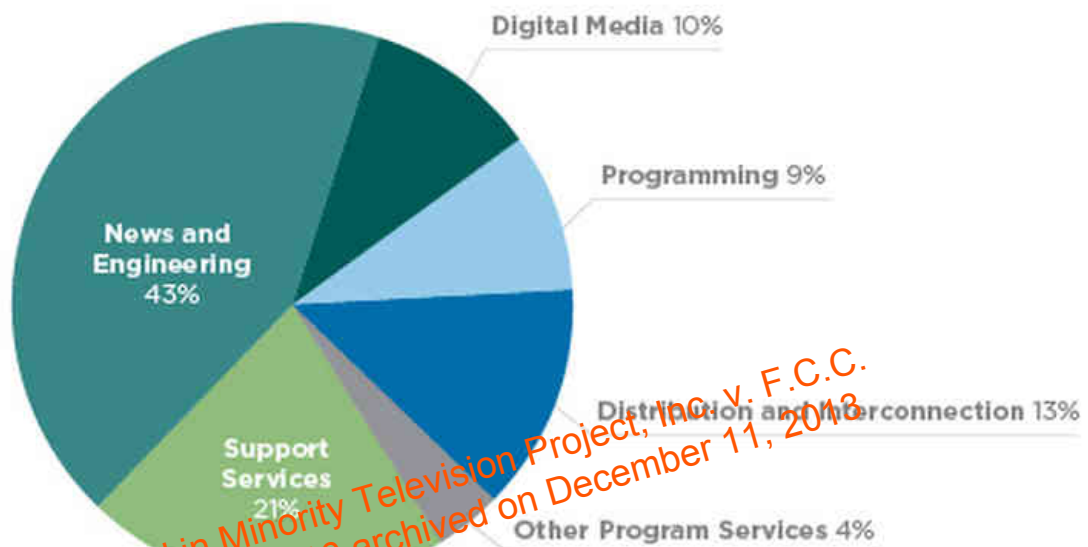
Other revenues include facility rental income, NPR-branded consumer products (such as those sold at the [NPR Shop](#)), and license fees.

EXPENSES

The vast majority of the NPR expenses are devoted to producing and presenting news, technical support for radio programs and journalists, distribution of programs to stations and digital media services, such as NPR.org.

The balance is spent on supporting and servicing Member Stations, facilities and information services, corporate sponsorship and fundraising, legal services, human resources, marketing and communications, and overall management of NPR.

AVERAGE EXPENSES BY CATEGORY (FY 2010 - FY2012)



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No. 11-55016 archived on December 11, 2013*

NPR

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Cost of News

Year to year, our expenses are affected by major news events, particularly those that require extraordinary reporting and operational support. For example, when a natural disaster strikes, we must move staff and equipment into areas that lack transportation or basic communication channels in order to cover the story. Foreign coverage costs have increased over the years to keep pace with war on two fronts and an ever more complex international scene. NPR invested in coverage from Iraq and Afghanistan including reporters embedded with the U.S. military, a full-time bureau in Kabul, and coverage of the impact of war on the domestic front.

Special Series and Projects

Special series and projects are another typical investment: for example, NPR launched Planet Money, an award-winning, multi-platform explanatory journalism project focused on demystifying the economy, and an extensive series on global warming, coverage of the Olympics and presidential primaries and the general elections. For all of these reasons NPR News and Engineering costs generally increase year to year.

Digital Media

Investment in digital media has also been on the increase in recent years. Examples include an upgrade of NPR.org, the introduction of the NPR API (application program interface), and the launch of podcasting and mobile products to reach more people in more places represent several recent strategic investments of note. In addition, NPR provides extensive digital media training for its entire pool of journalists.

Published reports in *Worth Magazine* and *Consumers Digest* cited NPR as a leading U.S. nonprofit charity because of the organization's program spending efficiency, high level of private support, and outstanding public service.

Financial Reports

The consolidated financial statements for NPR include the accounts of NPR, Inc.; NPR Foundation; NPR Media Berlin; and National Public Media (NPM). Consolidated financial statements are prepared as these entities are under common control.

Note: NPR operates on an October 1 - September 30 fiscal year. Documents referenced on this page are posted as soon as they become available.

IRS 990 Filings

NPR, Inc.: [FY2010](#) / [FY2011](#) / [FY2012](#)

NPR Foundation: [FY2010](#) / [FY2011](#) / [FY2012](#)

IRS 990T Filings

NPR, Inc.: [FY2010](#) / [FY2011](#) / [FY2012](#)

NPR Foundation: [FY2010](#) / [FY2011](#) / [FY2012](#)

Audited Financial Statements

NPR Consolidated: [FY2010](#) / [FY2011](#) / [FY2012](#)

NPR Inc.: [FY2010](#) / [FY2011](#)*

NPR Foundation: [FY2010](#) / [FY2011](#) / [FY2012](#)

Audited Financial Statements

All financial statements include Statements of Financial Position, Activities, and Cash Flows, and should be read in conjunction with the Notes to Financial statements, which immediately follow the statements.

**Note:* NPR, Inc. standalone audited financials are no longer being prepared. See supplementary schedules in NPR's consolidated financial statements for NPR, Inc. standalone Statements of Financial Position, Activities, and Cash Flows.

IRS 990 Filings

The IRS Form 990 is the annual federal information return filed by all charitable corporations that are exempt from income tax. The amounts in these statements are presented in accordance with IRS regulations, which in some cases are at variance with generally accepted accounting principles. Both NPR, Inc and NPR Foundation are 501(c)(3) organizations and are each required to file Form 990.

In addition to the Forms 990, NPR and NPR Foundation are each required to file form 990T to report unrelated business income.

Annual Reports

In the 2010 Annual Report, NPR reported a year of audience highs, new programming partnerships with NPR Member Stations, and extraordinary journalism. This was a year of holding firm to the journalistic standards and excellence that have been hallmarks of the organization since our founding.

Annual Reports and Donor Lists

[2001](#) / [2002](#) / [2003](#) / [2004](#) / [2005](#)

[2006](#) / [2007](#) / [2008](#) / [2009](#) / [2010](#)

It was a year of re-doubled focus on our primary goal: to be an essential news source and public service to the millions of individuals who make public radio part of their daily lives. In 2010, we've learned from our challenges and remained firm in our commitment to fact-based journalism and cultural offerings that enrich our nation.

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