

KPVU – FM

A Public Telecommunications Entity

Operated by Prairie View A&M University

Financial Statements

For the Years Ended August 31, 2019 and 2018

KPVU-FM
A Public Telecommunications Entity
Operated by Prairie View A&M University
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Ingram, Wallis & Co., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Dr. Ruth Simmons
President, Prairie View A&M University
Prairie View, Texas

We have audited the accompanying financial statements of KPVO-FM, a public telecommunications entity operated by Prairie View A&M University, as of and for the years ended August 31, 2019 and 2018 as listed in the Table of Contents and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

As described in Note 1, the financial statements present only the accounts of KPVU-FM, and are not intended to present the financial position of Prairie View A&M University or the results of its operations.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of KPVU-FM, as of August 31, 2019 and 2018, and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of employer's proportionate share of the net pension liability, schedule of employer contributions to the pension plan, schedule of employer's proportionate share of the other postemployment benefits liability-last 10 years, and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements of KPVU-FM. The supplementary schedule of functional expenditures is presented for purposes of additional analysis and is not a required part of the basic financial statements of KPVU-FM. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

Bryan, Texas
March 9, 2020

Impam, Wallis; Company

KPVU-FM
(A Public Telecommunications Entity Operated by Prairie View A&M University)
Management's Discussion and Analysis
For the Years Ended August 31, 2019 and 2018 (Unaudited)

Introduction and Reporting Entity

Management's Discussion and Analysis (MD&A) is an overview of the financial position and activities of KPVU-FM. Statements for KPVU Radio Station include all of the financial activity of KPVU-FM, for the years ended August 31, 2019 and 2018.

Management of KPVU has prepared the following discussion. Readers should also review the Independent Auditor's Report along with the financial statements and related footnotes which follow this section to enhance their understanding of KPVU-FM's performance.

KPVU serves Prairie View, Texas, as well as a seven-county coverage that includes Waller, Austin, Grimes, Montgomery, Washington, Fort Bend and Harris counties. This coverage allows KPVU the potential of being heard by an estimated 785,298 listeners. The station operates at 30,000 watts, 24 hours a day, 365 days a year and can be heard online through internet broadcast. In addition to regular broadcasting, KPVU serves as an educational training facility for students interested in broadcasting careers.

Overview of the Financial Statements

KPVU-FM's financial report consists of a series of financial statements and notes to the statements. In its Statements Nos. 34, 37, and 38, the Governmental Accounting Standards Board (GASB) sets the presentation standards of audited financial statements and note disclosures for state and local governments and their subsidiaries.

Public-Broadcasting-Entity-Wide Statements

The public-broadcasting-entity-wide financial statements and the fund financial statements are the basic financial statements under the reporting standards of GASB. Financial information reported in the public-broadcasting-entity-wide financial statements uses the full-accrual method of accounting. Revenues are recognized when they are earned, and expenditures are recognized when they are incurred.

The public-broadcasting-entity-wide financial statements present all of the financial activities of KPVU-FM.

The financial statements of KPVU consist of:

- a public-broadcasting-entity-wide Statement of Net Position and Statement of Activities;
- for the governmental fund, a Balance Sheet, a Statement of Revenues, Expenditures, and Changes in Fund Balances, a reconciliation of the fund Balance Sheet to the public-broadcasting-entity-wide Statement of Net Position, and a reconciliation of the fund Statement of Revenues, Expenditures, and Changes in the Fund Balances to the public-broadcasting-entity-wide Statement of Activities.

KPVU-FM
(A Public Telecommunications Entity Operated by Prairie View A&M University)
Management's Discussion and Analysis - Continued
For the Years Ended August 31, 2019 and 2018 (Unaudited)

The public-broadcasting-entity-wide Statement of Net Position includes Assets, Liabilities and Net Position of KPVU as of August 31, 2019 and 2018. The statement lists capital assets of \$25,066, net of accumulated depreciation. Net position decreased during FY 2019 to (\$198,319) from (\$92,037) due in part to a prior year correction made in the current year to record unspent grant funds as unearned revenue.

The Statement of Activities list expenses by function. Program revenues are listed by source and are allocated to functional expenses. Grants and contributions not restricted to a specific program or function are included in General Revenues.

Operating Fund Statements

Financial data presented in the Governmental Funds Balance Sheet and the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances use the modified-accrual method of accounting. As it relates to KPVU, this method does not differ materially from full accrual accounting. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. However, capital assets of land, buildings, property and equipment are not presented in the Balance Sheet, and depreciation is not presented in the Statement of Revenues, Expenditures and Changes in Fund Balances.

The operating fund financial statements focus on how money flows in and out of funds and the balances left at year-end that are available for future spending. The net change in fund balance of \$4,014 in FY19 is greater than the net change in fund balance of (\$191,698) in FY18 because of an increase in sales that resulted from being able to host a holiday concert in FY19.

KPVU-FM
(A Public Telecommunications Entity Operated by Prairie View A&M University)
Management's Discussion and Analysis - Continued
For the Years Ended August 31, 2019 and 2018 (Unaudited)

Condensed Financial Information

The following table illustrates the changes in net position for the fiscal years ending August 31, 2019 and 2018:

Condensed Statements of Net Position

	<u>2019</u>	<u>2018</u>
Current Assets	\$134,074	\$141,170
Capital Assets (net)	<u>25,066</u>	<u>29,079</u>
Total Assets	<u>159,140</u>	<u>170,249</u>
Deferred Outflows of Resources	<u>80,233</u>	<u>53,827</u>
Total Deferred Outflows of Resources	<u>80,233</u>	<u>53,827</u>
Current Liabilities	148,831	17,142
Long-Term Liabilities	<u>222,434</u>	<u>239,400</u>
Total Liabilities	<u>371,265</u>	<u>256,542</u>
Deferred Inflows of Resources	<u>66,427</u>	<u>59,571</u>
Total Deferred Inflows of Resources	<u>66,427</u>	<u>59,571</u>
Invested in Capital Assets, net	25,066	29,079
Restricted	63,442	33,493
Unrestricted	<u>(286,827)</u>	<u>(154,609)</u>
Total Net Position	<u>(\$198,319)</u>	<u>(\$ 92,037)</u>

Condensed Statements of Activities

	<u>2019</u>	<u>2018</u>
Charges for Services	\$ 41,287	\$ 2,000
Operating grants and contributions	<u>292,339</u>	<u>237,798</u>
Total Program Revenues	<u>333,626</u>	<u>239,798</u>
Membership Donations	6,093	10,598
CPB Grants	<u>137,424</u>	<u>127,686</u>
Total General Revenues	<u>143,517</u>	<u>138,284</u>
Programming and Production	123,104	118,030
Broadcasting	117,269	141,412
Fund Raising	134,486	30,378
Management and General	<u>65,767</u>	<u>282,459</u>
Total Expenses	<u>440,626</u>	<u>572,279</u>
Changes in Net Position	36,517	(194,197)
Net Position, Beginning, as restated	<u>(234,836)</u>	<u>102,160</u>
Net Position End of Year	<u>(\$198,319)</u>	<u>(\$92,037)</u>

KPVU-FM
(A Public Telecommunications Entity Operated by Prairie View A&M University)
Management's Discussion and Analysis - Continued
For the Years Ended August 31, 2019 and 2018 (Unaudited)

Financial Highlights

In FY19 charges for services increased by \$39,287 as compared to FY18 because in FY19 KPVU-FM hosted a holiday concert that grossed \$38,437 in ticket sales. There was an increase of \$104,108 in expenses for fundraising as compared to FY18 that was mainly due to the fact that KPVU-FM hosted the holiday concert in FY19.

Capital Assets

KPVU's investment in capital assets for its governmental activities as of August 31, 2019, amounts to \$25,066 (net of accumulated depreciation). KPVU has been in operation for over 32 years and most of the assets (equipment) are outdated and will need replacement.

Budget Variations

GASB requires management to discuss material differences between opening budget, final budget, and actual results. There were no significant variances in the budgets for KPVU for FY 2019 or 2018.

Request for Information

This financial report is designed to provide donors, members, investment managers, foundations, and taxpayers with a general overview of KPVU-FM's finances and to account for the funding it receives. It is also intended to help the reader better understand the changes in the financial statement format. Additional details can be requested by mail at the following address:

*KPVU-FM
c/o Senior Vice President of Business Affairs
P.O. Box 519; MS 1300
Alvin I. Thomas Building Suite 116
Prairie View, Texas 77446
Or by e-mail at csbradford@pvamu.edu*

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Statements of Net Position
August 31, 2019 and 2018

	Governmental Activities August 31, 2019	Governmental Activities August 31, 2018
ASSETS		
Cash and equivalents	\$ 130,049	\$ 138,436
Prepays	4,025	2,734
Capital Assets (net of accumulated depreciation):		
Equipment	25,066	29,079
Total assets	159,140	170,249
DEFERRED OUTFLOWS OF RESOURCES		
Pension	40,093	20,448
Other postemployment benefits	40,140	33,379
Total deferred outflows of resources	80,233	53,827
Total assets and deferred outflows	239,373	224,076
LIABILITIES		
Accounts payable	1,000	12,927
Liability for compensated absences	10,765	7,799
Unearned revenue-CPB grants	143,844	-
Liability for postemployment benefits	153,128	201,183
Liability for pension benefits	62,528	34,633
Total liabilities	371,265	256,542
DEFERRED INFLOWS OF RESOURCES		
Pension	5,526	13,628
Other postemployment benefits	60,901	45,943
Total deferred inflows of resources	66,427	59,571
Total liabilities and deferred inflows	437,692	316,113
NET POSITION		
Net investment in capital assets	25,066	29,079
Restricted	63,442	33,493
Unrestricted	(286,827)	(154,609)
Total net position	\$ (198,319)	\$ (92,037)

The accompanying notes are an integral part of the financial statements.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Statement of Activities
For the Year Ended August 31, 2019

		Program Revenue		Net (Expense) Revenue and Changes in Net Position
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities				
Programming and production	\$ 123,104	\$ -	\$ 81,675	\$ (41,429)
Broadcasting	117,269	-	77,804	(39,465)
Fundraising and membership	134,486	41,287	89,226	(3,973)
Management and general	65,767	-	43,634	(22,133)
Total governmental activities	\$ 440,626	\$ 41,287	\$ 292,339	(107,000)

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General revenues:

Grants and revenues not restricted to specific programs	
Membership donations	6,093
Community service grant from the Corporation for Public Broadcasting	137,424
Total general revenues	143,517
Change in net position	36,517
Net position - beginning, as restated	(234,836)
Net position - ending	\$ (198,319)

The accompanying notes are an integral part of the financial statements.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Statement of Activities
For the Year Ended August 31, 2018

		Program Revenue		Net (Expense) Revenue and Changes in Net Position
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Governmental Activities				
Programming and production	\$ 118,030	\$ -	\$ 49,045	\$ (68,985)
Broadcasting	141,412	-	58,761	(82,651)
Fundraising and membership	30,378	2,000	12,622	(15,756)
Management and general	282,459	-	117,370	(165,089)
Total governmental activities	\$ 572,279	\$ 2,000	\$ 237,798	(332,481)

General revenues:

Grants and revenues not restricted to specific programs	
Membership donations	10,598
Community service grant from the Corporation for Public Broadcasting	127,686
Total general revenues	138,284
Change in net position	(194,197)
Net position - beginning, as restated	102,160
Net position - ending	\$ (92,037)

The accompanying notes are an integral part of the financial statements.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Balance Sheet
Governmental Funds
August 31, 2019

	<u>General Fund</u>	<u>Total Governmental Funds</u>
ASSETS		
Cash and cash equivalents	\$ 130,049	\$ 130,049
Prepays	4,025	4,025
Total assets	<u>\$ 134,074</u>	<u>\$ 134,074</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 1,000	\$ 1,000
Unearned revenue	143,844	143,844
Other postemployment benefits	3,987	3,987
Total liabilities	<u>148,831</u>	<u>148,831</u>
Fund balances:		
Restricted	63,442	63,442
Unassigned	<u>(78,199)</u>	<u>(78,199)</u>
Total fund balances	<u>(14,757)</u>	<u>(14,757)</u>
Total liabilities and fund balances	<u>\$ 134,074</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	25,066
Long-term assets are not available to pay for expenditures in the current period and therefore are not reported in the funds.	80,233
Long-term liabilities are not due and payable in the current period therefore they are not reported in the funds.	<u>(288,861)</u>
Net position of governmental activities	<u>\$ (198,319)</u>

The accompanying notes are an integral part of the financial statements.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Balance Sheet
Governmental Funds
August 31, 2018

	<u>General Fund</u>	<u>Total Governmental Funds</u>
ASSETS		
Cash and cash equivalents	\$ 138,436	\$ 138,436
Prepays	<u>2,734</u>	<u>2,734</u>
Total assets	<u>\$ 141,170</u>	<u>\$ 141,170</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 12,927	\$ 12,927
Other postemployment benefits	<u>4,215</u>	<u>4,215</u>
Total liabilities	<u>17,142</u>	<u>17,142</u>
Fund balances:		
Restricted	33,493	33,493
Unassigned	<u>90,535</u>	<u>90,535</u>
Total fund balances	<u>124,028</u>	124,028
Total liabilities and fund balances	<u>\$ 141,170</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	29,079
Long-term assets are not available to pay for expenditures in the current period and therefore are not reported in the funds.	53,827
Long-term liabilities are not due and payable in the current period therefore they are not reported in the funds.	<u>(298,971)</u>
Net position of governmental activities	<u>\$ (92,037)</u>

The accompanying notes are an integral part of the financial statements.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended August 31, 2019

	<u>General</u>	<u>Total Governmental Funds</u>
SUPPORT AND REVENUES		
Support:		
Community service grant from the Corporation for Public Broadcasting	\$ 137,424	\$ 137,424
Membership donations	6,093	6,093
Total support	143,517	143,517
Revenues:		
State funds furnished by Prairie View A&M University	292,339	292,339
Underwriting	350	350
Sponsorships	2,500	2,500
Concert ticket sales	38,437	38,437
Total revenues	333,626	333,626
Total support and revenues	477,143	477,143
EXPENDITURES		
Program Services		
Programming and production	121,507	121,507
Broadcasting	121,145	121,145
Support Services		
Fundraising and membership	138,002	138,002
Management and general	92,475	92,475
Capital Outlay		
Total expenditures	473,129	473,129
Excess (deficiency) of revenues over (under) expenditures	4,014	4,014
Fund balances - beginning, as restated	(18,771)	(18,771)
Fund balances - ending	\$ (14,757)	\$ (14,757)

The accompanying notes are an integral part of the financial statements.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended August 31, 2018

	<u>General</u>	<u>Total Governmental Funds</u>
SUPPORT AND REVENUES		
Support:		
Community service grant from the Corporation for Public Broadcasting	\$ 127,686	\$ 127,686
Membership donations	<u>10,598</u>	<u>10,598</u>
Total support	<u>138,284</u>	<u>138,284</u>
Revenues:		
State funds furnished by Prairie View A&M University	237,798	237,798
Underwriting	<u>2,000</u>	<u>2,000</u>
Total revenues	<u>239,798</u>	<u>239,798</u>
Total support and revenues	<u>378,082</u>	<u>378,082</u>
EXPENDITURES		
Program Services		
Programming and production	112,235	112,235
Broadcasting	142,412	142,412
Support Services		
Fundraising and membership	33,649	33,649
Management and general	264,849	264,849
Capital Outlay	<u>16,635</u>	<u>16,635</u>
Total expenditures	<u>569,780</u>	<u>569,780</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(191,698)</u>	<u>(191,698)</u>
Fund balances - beginning, as restated	<u>315,726</u>	<u>315,726</u>
Fund balances - ending	<u>\$ 124,028</u>	<u>\$ 124,028</u>

The accompanying notes are an integral part of the financial statements.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of
Activities
For the Years Ended August 31, 2019 and 2018

	Total Governmental Funds <u>August 31, 2019</u>	Total Governmental Funds <u>August 31, 2018</u>
Net change in fund balances - total governmental funds	\$ 4,014	\$ (191,698)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives:		
Expenditures for capital assets	-	
Less - current year depreciation	<u>(4,013)</u>	
	(4,013)	10,976
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:	<u>36,516</u>	<u>(13,475)</u>
Change in net position of governmental activities	<u>\$ 36,517</u>	<u>\$ (194,197)</u>

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The accompanying notes are an integral part of the financial statements.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements
August 31, 2019 and 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The financial statements of KPVU-FM have been prepared in conformity with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). KPVU-FM applies all applicable GASB pronouncements in accounting and reporting for KPVU-FM operations. These pronouncements establish standards for external financial reporting for all state and local governmental entities. This reporting includes both public-broadcasting-entity-wide statements (a statement of net position, and a statement of activities) and fund statements (for governmental funds, a balance sheet, and a statement of revenues, expenditures and changes in fund balances), together with notes to the financial statements and certain required supplemental information (RSI) including the MD&A, schedule of employer’s proportionate share of the net pension liability, schedule of employer contributions to the pension plan, and a budgetary comparison schedule showing original and final budgets and actual revenues and expenditures. Statement No. 34 as amended by Statement No. 63 requires the classification of net position into three components – invested in capital assets, net of related debt; restricted; and unrestricted.

B. Measurement Focus and Basis of Accounting

“Measurement focus” refers to which kinds of transactions are recorded within the various financial statements. In the public-broadcasting-entity-wide statements, KPVU-FM uses an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), and financial position. All assets and liabilities (whether current or noncurrent, financial or nonfinancial) associated with their activities are reported. In the governmental funds statements, the focus is on sources, uses, and balances of current financial resources.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

“Basis of accounting” refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied. KPVU-FM uses the following as its bases of accounting:

1. *Accrual basis* – Both governmental-type and business-type activities are presented in the public-broadcasting-entity-wide financial statements on the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred.
2. *Modified accrual basis* – In the governmental funds financial statements, the governmental-type activities are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they are susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means that the amount of the transaction can be determined, and “available” means that the amount of the transaction is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A one-year period is used for recognition for all governmental fund revenues. Expenditures are recorded when the related fund liability is incurred.

C. Reporting Entity

KPVU-FM is a public telecommunications entity operated by Prairie View A&M University ("the University"), a State agency supported primarily by State appropriations. The University Fiscal Office maintains the accounting records. KPVU-FM’s primary functions are to promote, establish and provide public broadcasting and other noncommercial educational telecommunications services.

The accompanying financial statements represent only the accounts of KPVU-FM and are not intended to present the financial position or results of operations of the University.

There are no component units included within the reporting entity.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

D. Cash and Cash Equivalents

KPVU-FM considers its balances held by Prairie View A&M University’s fiscal office to be cash equivalents.

Prairie View A&M University and the Texas A&M University System maintain deposits with various banks according to the System’s policies. At August 31, 2019 and 2018, the System reported that all of its bank deposits were covered by the Federal Deposit Insurance Corporation (FDIC) insurance, were collateralized with securities in the System’s name, or were covered by surety bonds.

Excess cash is invested according to the “prudent person rule” as authorized by VTCA, Higher Education Code §51. The majority of the System’s funds are maintained in short-term investment pools.

E. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by Prairie View A&M University as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. KPVU-FM records property and equipment at cost or in the case of donated property, at its estimated fair value at date of receipt, net of accumulated depreciation.

KPVU-FM uses the straight-line method to calculate depreciation over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Equipment	5-10

F. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. For the years ended August 31, 2019 and 2018, KPVU-FM reported \$40,093 and \$20,448, respectively, as deferred outflow of resources related to KPVU’s pension plan. For the years ended August 31, 2019 and 2018, KPVU-FM reported \$40,140 and \$33,379, respectively, as deferred outflow of resources related to KPVU’s other postemployment benefits.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. For the years ended August 31, 2019 and 2018, KPVU-FM reported \$5,526 and \$13,628, respectively, as deferred inflow of resources related to KPVU-FM's pension plan. For the years ended August 31, 2019 and 2018, KPVU-FM reported \$60,901 and \$45,943, respectively, as deferred inflow of resources related to KPVU-FM's other postemployment benefits.

See Note III and IV for more information.

G. Compensated Absences

KPVU-FM employees are employees of the State of Texas. It is the State's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the State does not have a policy to pay any amounts when employees separate from service with the State. All vacation pay is accrued when incurred in the government-wide statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

H. Fund Balances

GASB Statement No.54, "Fund Balance Reporting and Governmental Fund Type Definitions," establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds. The implementation of GASB 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied. KPVU-FM has reclassified the fund balances of its governmental funds following the implementation of GASB 54 in fiscal year 2011. Under GASB 54, fund balances are required to be reported according to the following classifications:

Nonspendable Fund Balance - Amounts that cannot be spent because they are either not in spendable form or because they are legally or contractually required to be maintained intact.

KPVU-FM
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Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Restricted Fund Balance - Amounts that can be spent only for specific purposes because of constraints placed on the use of these resources by creditors (such as through debt covenants), grantors, contributors or other governments; or constraints are imposed by law (through constitutional provisions or enabling legislation).

Committed Fund Balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the government's highest level of decision-making authority.

Assigned Fund Balance - Amounts that are constrained by the government's intent to be used for specific purposes, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a Finance Committee), or by an official to whom that authority has been given.

Unassigned Fund Balance – All amounts not included in other spendable classifications.

I. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on the use by either external parties or enabling legislation.

J. Pledges and Contributions

KPVU-FM engages in periodic fundraising campaigns manifested by offering some special programs and on-air and mail fundraising appeals. These appeals encourage supporters, both individuals and organizations, to provide financial contributions to KPVU-FM for enhancement of program offerings and other operating expenses. Financial contributions are frequently evidenced by pledges received from responding viewers and listeners. Contributions including unconditional promises to give and membership receipts are recognized as revenue in the period received or given. Contributions and collected pledges are components of the unrestricted operating fund inasmuch as their usage is not limited to specific activities of KPVU-FM. This usage is consistent with appeals for contributions and pledges.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

K. In-kind Contributions

Contributed materials, supplies, facilities, and property are recorded at their estimated fair value at the date of donation. KPVU-FM reports gifts of equipment, professional services, materials and other nonmonetary contributions as unrestricted revenue in the accompanying statements of revenues, expenses, and change in net assets.

If the fair value of contributed materials, supplies, facilities, and property cannot be reasonably determined, they are not recorded. Donated personal services of nonprofessional volunteers, as well as donated national and local programs, are not recorded as revenue and expenses as there is no objective basis available to measure the value of such services.

L. Revenue Recognition

State appropriations are recorded as revenue in the statement of activities when an expenditure is recorded.

Membership contributions are recognized as operating revenues in the period they are received. Contributed support represents expenses paid on behalf of a public telecommunications entity by others outside the reporting entity, and includes contributed professional services, donated materials or facilities, and indirect administrative support.

Grants to finance non-capital projects are recorded as deferred revenue until an expenditure is incurred for which the grant was intended. The amounts are then included in revenues, and the expenditures are recorded.

M. Program Revenues and General Revenues

In the statement of activities, KPVU-FM reports as program revenues all revenues that derive directly from the program activities themselves, including charges for services in exchange transactions, as well as operating grants and contributions that are restricted for particular uses or for capital purposes. Other grants and contributions not thus restricted – including Community Service Grants from the Corporation for Public Broadcasting and membership contributions – are reported as general revenues.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

N. Corporation for Public Broadcasting Community Service Grants

The Corporation for Public Broadcasting (CPB) is a private, nonprofit grantmaking organization responsible for funding more than 1,000 television and radio stations. CPB distributes annual Community Service Grants (CSGs) to qualifying public broadcasting entities. CSGs are used to augment the financial resources of public broadcasting entities and thereby to enhance the quality of programming and expand the scope of public broadcasting services. Each CSG may be expended over one or two federal fiscal years as described in the Communications Act, 47 United States Code Annotated, Section 396(k)(7). In any event, each grant must be expended within two years of the initial grant authorization.

According to the Communications Act, funds may be used at the discretion of recipients for purposes relating primarily to production and acquisition of programming. Also, the grants may be used to sustain activities begun with CSGs awarded in prior years.

O. Use of Estimates

The preparation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

P. Prior Period Adjustment

On September 1, 2017 KPVU-FM implemented GASB Statement No. 75 “Accounting and Financial Reporting for Postemployment Benefits Other than Pensions”. The accounting change adopted to conform to the provisions of GASB 75 was applied retroactively by restating the beginning net position by \$105,472. Also, broadcasting services expense for fiscal year 2017 of \$5,000 that were paid in fiscal year 2018 were improperly expensed in fiscal year 2018 and interconnect fees of \$9,798 for fiscal year 2017 that were paid in fiscal year 2019 were not properly expensed in fiscal year 2017. The prior period adjustment made in fiscal year 2018 decreased KPVU-FM’s net position and governmental fund balance at September 1, 2017 as shown below:

Net position at August 31, 2017	\$222,430
Total prior period adjustment	<u>(120,270)</u>
Net position as restated September 1, 2017	<u>\$102,160</u>
Fund balance at August 31, 2017	\$330,524
Total prior period adjustment	<u>(14,798)</u>
Fund balance as restated September 1, 2017	<u>\$315,726</u>

Unspent grant funds totaling \$142,799 were improperly recorded as revenue in fiscal year 2018. The prior period adjustment made in fiscal year 2019 decreased KPVU-FM’s net position and governmental funds balance at September 1, 2018 as shown below:

Net position at August 31, 2018	\$(92,037)
Total prior period adjustment	<u>(142,799)</u>
Net position as restated September 1, 2018	<u>\$(234,836)</u>
Fund balance at August 31, 2018	\$ 124,028
Total prior period adjustment	<u>(142,799)</u>
Fund balance as restated September 1, 2018	<u>\$(18,771)</u>

KPVU-FM
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Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

II. PROPERTY AND EQUIPMENT, NET

Capital asset activity for the year ended August 31, 2019 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Equipment	\$341,451	\$ -	\$ -	\$341,451
Total capital assets being depreciated	<u>341,451</u>	<u>-</u>	<u>-</u>	<u>341,451</u>
Less accumulated depreciation for:				
Equipment	<u>312,372</u>	<u>4,013</u>	<u>-</u>	<u>316,385</u>
Total accumulated depreciation	<u>312,372</u>	<u>4,013</u>	<u>-</u>	<u>316,385</u>
Total capital assets, being depreciated, net	<u>\$ 29,079</u>	<u>(\$ 4,013)</u>	<u>\$ -</u>	<u>\$ 25,066</u>

Current depreciation expense of \$4,013 was charged to the programming and production function of the primary government.

Capital asset activity for the year ended August 31, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Equipment	\$324,816	\$ 16,635	\$ -	\$341,451
Total capital assets being depreciated	<u>324,816</u>	<u>16,635</u>	<u>-</u>	<u>341,451</u>
Less accumulated depreciation for:				
Equipment	<u>306,713</u>	<u>5,659</u>	<u>-</u>	<u>312,372</u>
Total accumulated depreciation	<u>306,713</u>	<u>5,659</u>	<u>-</u>	<u>312,372</u>
Total capital assets, being depreciated, net	<u>\$ 18,103</u>	<u>\$10,976</u>	<u>\$ -</u>	<u>\$ 29,079</u>

Current depreciation expense of \$5,659 was charged to the programming and production function of the primary government.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

III. PENSION PLAN OBLIGATIONS

The State of Texas has joint contributory retirement plans for substantially all its employees. The primary plan the A&M System (of which Prairie View A&M University is a member) participates in is the cost-sharing, multiple-employer defined benefit pension plan with a special funding situation administered by the Teacher Retirement System of Texas. All employees of the A&M System who are employed for one-half or more of the standard work load and not exempted from membership under the Texas Government Code, Title 8, Section 822.002 are covered by the plan.

The TRS plan provides retirement, disability annuities and death and survivor benefits. The benefit and contribution provisions of the TRS Plan are authorized by state law and may be amended by the Legislature. The pension benefits formulas are based on members' average annual compensation and years of service credit. The standard annuity is 2.3% of the average of the five highest annual salaries multiplied by years of service credit. For grandfathered employees who were hired on or before August 31, 2005 and meet certain criteria, the standard annuity is based on the average of the three highest annual salaries. The plan does not provide automatic cost of living adjustments.

During the 2018 measurement period for fiscal year 2019 reporting, the amount of KPVU-FM contributions recognized by the plan was \$10,986. KPVU-FM's contributions to TRS for the year ended August 31, 2018 were \$9,572. Contributions by employees were 7.7% of gross earnings.

Depending upon the source of funding for the employee's compensation, the state or the A&M System members contribute a percentage of participant salaries totaling 6.8% of annual compensation for 2019 and 2018.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

III. PENSION PLAN OBLIGATIONS-CONTINUED

The total pension liability is determined by the annual actuarial valuation. The table below presents the actuarial methods and assumptions used to measure the total pension liability as of the August 31, 2018 measurement date for fiscal year 2019.

Summary of Actuarial Methods and Assumptions*-TRS Plan	
Actuarial Valuation Date	August 31, 2017 rolled forward to August 31, 2018
Actuarial Cost Method	Individual Entry Age Normal
Amortization Method	Level Percent of Payroll, Floating
Asset Valuation Method	Market Value
Actuarial Assumptions	
Discount Rate	6.907%
Investment Rate of Return	8.00%
Long-term Expected Rate of Return	7.25%
Municipal Bond Rate as of August 2018	3.69%**
Inflation	2.30%
Salary Increase	3.50% to 9.05% including inflation
Mortality	
Active	90% of the RP 2014 Employees Mortality Tables for Males and Females with full generational mortality using Scale BB
Post-Retirement	2018 TRS Healthy Pensioner Mortality Tables with full generation projection using Scale BB
Ad Hoc Post-Employment Benefit Changes	None

* The assumptions used to determine the ADC are those in effect for the August 31, 2017 actuarial valuation. Due to the lag between valuation data and the measurement date, they may not be the same assumptions used to measure the net pension liability.

** Source for the rate is Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."

KPVU-FM
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Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

III. PENSION PLAN OBLIGATIONS – Continued

The actuarial assumptions used in valuation were primarily based on the result of an actuarial experience study for the three-year period ending August 31, 2017 and adopted July 2018. The mortality rates were based on 90 percent of the RP 2014 Employee Mortality Tables for males and females. The Post-retirement mortality rates were based on 2018 TRS Healthy Pensioner Mortality Tables.

Furthermore, assumptions, methods, and plan changes were updated from the prior year's report. The net pension liability increased significantly since the prior measurement date due to a change in the following assumptions:

- the total pension liability as of August 31, 2018 was developed using a roll forward method from the August 31, 2017 valuation;
- demographic assumptions including post-retirement mortality, termination rates, and rates of retirement was updated based on the experience study performed for TRS for the period ending August 31, 2017;
- economic assumption including rates of salary increase for individual participants was updated based on the same experience study;
- the discount rate changed from 8.000% as of August 31, 2017 to 6.907% as of August 31, 2018;
- the long term assumed rate of return changed from 8.00% to 7.25%; and;
- the change in the long term assumed rate of return combined with the change in the discount rate was the primary reason for the increase in the net pension liability

There have been no changes to the benefit provisions of the plan since the prior measurement date.

The discount rate of 6.907% was applied to measure the total pension liability. The discount rate was based on the expected rate of return on pension plan investments of 7.25% and a municipal bond rate of 3.69%. The projected cash flows into and out of the pension plan assumed that members, employers, and non-employer contributing entity make their contributions at the statutorily required rates. It is assumed that future employer and state contributions will be 7.76% of payroll. This includes a factor for the rehired retirees and the Non-OASDI surcharge. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments until the year 2069. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2069, and the municipal bond rate was applied to all benefit payments after that date.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

III. PENSION PLAN OBLIGATIONS – Continued

The long-term expected rate of return on plan investments was developed using a building-block method in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The target allocation and best estimates of arithmetic real rates of return for each major asset class for the plan's investment portfolio are presented below.

TRS Asset Class	TRS Target Allocation	TRS Long-term Expected Arithmetic Real Rate of Return
Global Equity		
U.S.	18%	5.70%
Non-U.S. Developed	13%	6.90%
Emerging Markets	9%	8.95%
Directional Hedge Funds	4%	3.53%
Private Equity	13%	10.18%
Stable Value		
U.S. Treasury	11%	1.11%
Absolute Return	0%	0.00%
Stable Value Hedge Funds	4%	3.09%
Cash	1%	-0.30%
Real Return		
Global Inflation Linked Bonds	3%	0.70%
Real Assets	14%	5.21%
Energy and Natural Resources	5%	7.48%
Commodities	0%	0.00%
Risk Parity	5%	3.70%
Total	100%	

Sensitivity analysis was performed on the impact of changes in the discount rate on the proportionate share of the A&M System's net pension liability. The result of the analysis is presented in the table below:

Sensitivity of A&M System's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate		
1% Decrease (5.907%)	Current Discount Rate (6.907%)	1% Increase (7.907%)
\$1,075,199,253	\$712,411,150	\$418,712,662

KPVU-FM
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Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

III. PENSION PLAN OBLIGATIONS – Continued

The pension plan's fiduciary net position is determined using economic resources measurement focus and the accrual basis of accounting, which is the same basis used by TRS. Benefits and refunds of contributions are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value. Fair value is a market-based measurement, not an entity-specific measurement. TRS utilizes one or more of the following valuation techniques in order to measure fair value: the market approach, the cost approach, and the income approach. More detailed information on the plan's investment policy, assets, and fiduciary net position, may be obtained from TRS' fiscal 2019 Comprehensive Annual Financial Report.

At August 31, 2019, the A&M System reported a liability of \$712,411,150 for its proportionate share of the collective net pension liability. The collective net pension liability was measured as of August 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The A&M System's proportion at August 31, 2019 was 1.2942945800% which was an increase from the 1.2265394995% measured at the prior measurement date. The A&M System's proportion of the collective net pension liability was based on its contributions to the pension plan relative to the contributions of all the employers and non-employer contributing entity to the plan for the period September 1, 2017 through August 31, 2018.

KPVU-FM was allocated a portion of the pension liability based on its salaries and wages in proportion to the TAMU System's total salaries and wages. The pension liability recognized by KPVU-FM for the year ended August 31, 2019 and 2018 is \$62,528 and \$34,633, respectively.

For the year ending August 31, 2019, KPVU-FM recognized pension expense of \$11,134. At August 31, 2019, KPVU-FM reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 390	\$ 1,534
Changes in assumptions	22,544	705
Net difference between projected and actual investment return	-	1,186
Change in proportion and contribution difference	6,173	2,101
Contributions subsequent to the measurement date	10,986	
Total	\$40,093	\$5,526

KPVU-FM
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Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

III. PENSION PLAN OBLIGATIONS – Continued

The \$10,986 reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending August 31, 2020.

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense for the Texas A&M System in the following years.

Portions of Deferred Outflows and Inflows in Pension Expense	
2020	\$56,519,117
2021	\$28,072,882
2022	\$22,517,893
2023	\$50,370,085
2024	\$46,596,595
Thereafter	\$30,484,513

Further information regarding actuarial assumptions and conclusions, together with the audited Comprehensive Annual Financial Report (CAFR) for TRS may be obtained from the address below or on the TRS website.

Teacher Retirement System of Texas
1000 Red River Street
Austin, Texas 78701-2698

IV. OTHER POSTEMPLOYMENT BENEFITS

Plan Description and Funding Policy

In addition to providing pension benefits, the State provides certain health care and life insurance benefits for retired employees in accordance with State statutes. The A&M System is a single-employer defined benefit Other Post Employment (OPEB) plan.

OPEB is provided to the A&M System’s retirees under the A&M System group insurance program. The authority under which the obligations of the plan members and the A&M System are established, and may be amended, is Chapter 1601, Texas Insurance Code. Retiree eligibility for insurance continuation is determined by the Legislature and is subject to change. This plan does not provide automatic cost of living adjustments.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
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August 31, 2019 and 2018

IV. OTHER POSTEMPLOYMENT BENEFITS – Continued

Substantially all of the employees may become eligible for those benefits if they reach normal retirement age while working for the State. Those and similar benefits for active employees are provided through the group insurance program, and premiums are based on benefits and administrative costs expected to be incurred. The rates are determined annually by the System in consultation with actuary.

Proportionate Share

Chapter 1551 of the Texas Insurance Code, Sections 310 and 311, require the State contribute to the cost of each participant’s insurance coverage. The funds are appropriated under the General Appropriations Act Higher Education Employees Group Insurance (HEGI) Contributions. The State’s proportion was 45.15% and 48.84% for fiscal year 2019 and 2018, respectively. This percentage was applied to all elements of OPEB including the OPEB related liabilities, deferred outflows and inflows, and expense based on higher education group insurance contributions made during the measurement period.

The A&M System’s proportion was 54.85 % and 51.16% as of August 31, 2019 and 2018, respectively. At August 31, 2019, the proportionate share of the OPEB liability related to the System reported by the State was \$1,852,526,441 and it was \$2,313,866,921 in fiscal year 2018.

Employees Covered by Benefit Terms

At the measurement dates below, the following employees were covered by the benefit terms. This was a rollover year in which the calculation was based upon the same employees as the September 1, 2017 measurement date.

	09/01/2017	09/01/2016
a. Inactive employees or beneficiaries currently receiving benefit payments	10,299	10,024
b. Inactive employees entitled to but not yet receiving benefit payments	7,630	7,860
c. Active employees	24,917	24,737
Total	42,846	42,621

KPVU-FM
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Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

IV. OTHER POSTEMPLOYMENT BENEFITS – Continued

The employer and retiree contribution rates are presented below. The rates remained the same from fiscal year 2018.

Required Contribution Rates		
Retiree Health and Basic Life Premium		
Level of Coverage	Employer	Retiree (Health Premium Only)
Retiree Only	\$ 593.77	\$ 0.00
Retiree/Spouse	\$1,155.88	\$281.05
Retiree/Children	\$ 984.27	\$195.25
Retiree/Family	\$1,384.71	\$395.47

The A&M System and member contribution rates are determined annually by the A&M System based on the recommendations of the A&M System Office of Risk Management and Benefits Administration staff and consulting actuary. The contribution rates are determined based on the benefit and administrative costs that are expected to be incurred, the funds appropriated for the plans, and the funding policy established by the Texas Legislature in connection with benefits provided through the plan. The A&M System revises benefits when necessary to match expected benefit and administrative costs with available revenue.

Proportionate Share of the OPEB Liability

As permitted under Paragraph No. 146 of GASB No. 75, the A&M System has elected to use a measurement date that is twelve months in advance of the fiscal year end. The A&M System’s proportional share of the OPEB liability of \$1,852,526,441, current portion of \$48,228,913 and a long-term portion of \$1,804,297,528, reported for the fiscal year ending August 31, 2019 was measured as of September 1, 2018 and was determined by an actuarial valuation as of that same date. KPVU-FM was allocated a portion of the OPEB liability based on its salaries and wages in proportion to Prairie View A&M University’s total salaries and wages. The OPEB liability recognized by KPVU-FM for the years ended August 31, 2019 and 2018 is \$153,128 and \$201,183, respectively.

Actuarial Assumptions and Other Inputs

The collective OPEB liability as of September 1, 2018 was determined by an actuarial valuation as of that same date using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

KPVU-FM
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Notes to the Basic Financial Statements - Continued
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IV. OTHER POSTEMPLOYMENT BENEFITS - Continued

Summary of Actuarial Assumptions and Other Inputs	
Actuarial Valuation Date (Biennial Valuation)	September 1, 2018
Inflation	2.50%
Salary Increases	3.50% to 9.50% (includes inflation)
Discount Rate*	3.96%
Healthcare Cost Trend Rates	7.00% for FY2019, 8.00% for FY2020, then decreasing 0.50% per year to an ultimate rate of 4.50% for FY2027 and later years
Mortality	<ul style="list-style-type: none"> a. <u>Service Retirees, Survivors and Other Inactive Members</u>: Tables based on TRS experience with full generational projection using Scale BB from Base Year 2014. b. <u>Disability Retirees</u>: Tables based on TRS experience with full generational projection using Scale BB from Base Year 2014 using a 3-year set forward and minimum mortality rates of four per 100 male members and two per 100 female members. c. <u>Active Members</u>: Sex Distinct RP-2014 Employee Mortality multiplied by 90% with full generational projection using Scale BB.

***Discount Rate**

- a. The discount rate used to measure the OPEB liability as of September 1, 2018 was 3.96%.
- b. Municipal Bond Rate: 3.96% as of September 1, 2018; the source of the municipal bond rate is the Bond Buyer Index of general obligation bonds with 20 years to maturity and mixed credit quality. In describing their index, the Bond Buyer notes that the bonds' average credit quality is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA.

Many of the actuarial assumptions used in this valuation were based on the results of an actuarial experience study performed by the TRS retirement plan actuary for the period September 1, 2010 to August 31, 2014.

KPVU-FM
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Notes to the Basic Financial Statements - Continued
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IV. OTHER POSTEMPLOYMENT BENEFITS - Continued

Other Information

The benefit and eligibility provisions used in this valuation have changed since the prior valuation. Adopted in January 2018 and effective January 1, 2019, prescription drug coverage for all Medicare-primary participants is provided through a self-funded Employer Group Waiver Plan with Commercial Wrap (EGWP plus Wrap).

The EGWP plus Wrap provides coverage that is equivalent to that previously provided but at significantly lower cost since it allows the plan to take direct advantage of subsidies provided to the administrator by the federal government under Medicare Part D and discounts provided by drug manufacturers as required under the Affordable Care Act.

Under paragraph 149 of GASB No. 75, projected benefit payments should include all benefits to be provided through the OPEB plan in accordance with the benefit terms and any additional legal agreements to provide benefits that are in force at the measurement date. According to the A&M System, the decision to adopt the EGWP plus Wrap provisions was made in January 2018. Since the EGWP plus Wrap was in force on the measurement date of September 1, 2018, it is reflected in the total OPEB liability for fiscal year 2019.

Medicare Part D

In fiscal year 2019 the plan received payments from the federal government pursuant to the retiree drug subsidy provisions of Medicare Part D. These on-behalf payments were recorded as revenues and expenses of each plan. In fiscal year 2019 the TAMU System received \$5,251,450.54 of Medicare Part D payments from the federal government.

Sensitivity of the A&M System’s Proportionate Share of the OPEB Liability to Changes in the Discount Rate

The following presents the A&M System’s proportionate share of the OPEB liability reported as of August 31, 2019 and measured as of September 1, 2018, as well as what the A&M System’s proportionate share of the OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.96%) or 1 percentage point higher (4.96%) than the FY19 discount rate.

	1% Decrease (2.96%)	FY2019 Discount Rate (3.96%)	1% Increase (4.96%)
A&M System’s Proportionate Share of OPEB Liability	\$2,839,206,949	\$1,852,526,441	\$1,569,348,968

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

IV. OTHER POSTEMPLOYMENT BENEFITS - Continued

Sensitivity of the A&M System’s Proportionate Share of the OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the A&M System’s proportionate share of the OPEB liability reported as of August 31, 2019 and measured as of September 1, 2018, as well as what the A&M System’s proportionate share of the OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the FY19 healthcare cost trend rate.

	1% Decrease	FY2019 Healthcare Cost Trent Rates*	1% Increase
A&M System’s Proportionate Share of OPEB Liability	\$1,532,386,341	\$1,852,526,441	\$2,276,416,361

*Healthcare Cost Trend Rates used for FY19 and -1%/+1% sensitivities are shown below:

Fiscal Year	1% Decrease	FY2018⁹Healthcare Cost Trend Rates	1% Increase
2019	6.00%	7.00%	8.00%
2020	7.00%	8.00%	9.00%
2021	6.50%	7.50%	8.50%
2022	6.00%	7.00%	8.00%
2023	5.50%	6.50%	7.50%
2024	5.00%	6.00%	7.00%
2025	4.50%	5.50%	6.50%
2026	4.00%	5.00%	6.00%
2027 and beyond	3.50%	4.50%	5.50%

KPVU-FM
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Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

IV. OTHER POSTEMPLOYMENT BENEFITS – Continued

Changes in the A&M System’s Proportionate Share of the OPEB Liability

	Increase (Decrease) in A&M System’s Proportionate Share of OPEB Liability
Beginning Balance of Measurement Year	\$2,313,866,921
Changes for the Year:	
Service Cost	95,228,755
Interest	89,731,375
Changes of benefit terms	(576,118,675)
Differences between expected and actual experience	-
Changes of assumptions or other inputs	(198,049,045)
Benefit payments (employer)	(38,973,287)
Other Changes	166,840,397
Net Changes	(461,340,480)
Ending Balance of Measurement Year*	\$1,852,526,441

*Information for the fiscal year ending August 31, 2019 was taken as of the measurement date of September 1, 2018 based on an actuarial valuation of the same date as permitted by Paragraph No. 146 of GASB No. 75.

The A&M System recognized its proportionate share of OPEB expense of (\$423,484,148) for the fiscal year ended August 31, 2019. KPVU-FM recognized its allocated OPEB expense of \$(39,858) for the fiscal year ended August 31, 2019.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

IV. OTHER POSTEMPLOYMENT BENEFITS - Continued

Deferred Outflows and Inflows of Resources

For the year ending August 31, 2019, KPVU-FM reported deferred outflows and deferred inflows of resources related to OPEB from the sources listed in the table below.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,970
Changes of assumptions or other inputs	24,533	57,931
Effect of change in proportion and contribution difference	12,384	-
Contributions subsequent to the measurement date	3,223	-
Total	\$40,140	\$60,901

Amounts reported as deferred outflows and inflows of resources will be recognized in OPEB expense for the Texas A&M System as follows:

	Amount
2020	\$32,604,318
2021	\$32,604,318
2022	\$32,604,318
2023	\$37,890,909
2024	\$32,559,426
Thereafter	\$14,102,564

IV. COMPENSATED ABSENCES

	Balance Outstanding <u>September 1, 2018</u>	<u>Earned</u>	Taken/ <u>Paid</u>	Balance Outstanding <u>August 31, 2019</u>
Accrued Vacation Payable	\$ 7,799	\$ 8,311	\$ (5,345)	\$ 10,765
	<u>\$ 7,799</u>	<u>\$ 8,311</u>	<u>\$ (5,345)</u>	<u>\$ 10,765</u>

KPVU-FM
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Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

VI. NONFEDERAL FINANCIAL SUPPORT (NFFS)

The Corporation for Public Broadcasting (CPB) allocates a portion of its funds annually to public broadcasting entities, primarily based on NFFS. NFFS is defined as the total value of cash and the fair market value of property and services received as either a contribution or a payment and meeting all of the respective criteria for each.

A “contribution” is cash, property or services given to a public broadcasting entity for general operational purposes. Support received as a contribution by a public broadcasting entity must meet the following criteria to be includable as NFFS: (1) the source may be an entity except the federal government or any other public broadcasting entity; (2) the contribution may take the form of a gift, grant, bequest, donation or appropriation; (3) the purpose must be for the construction or operation of a noncommercial, educational public broadcast station or for the production, acquisition, distribution or dissemination of educational television or radio program and related activities; and (4) the recipient must be a public broadcasting entity on behalf of a public broadcast station. However, to eliminate distortions the TV CSG grant program precipitated by extraordinary infusions of new capital investments in DTV, all capital contributions received for purposes of acquiring new equipment or upgrading existing or building new facilities regardless of source or form of the contribution are not included in calculating the 2019 NFFS. This change excludes all revenues received for any capital purchases.

A “payment” is cash, property or services received by a public broadcasting entity from specific sources in exchange for specific services or materials. Support received as a payment by a public broadcasting entity must meet the following criteria to be included as NFFS: (1) the sources must be a state, any agency or political subdivision of a state, an educational institution or organization or a nonprofit entity; (2) the form of the payment must be appropriations or contract payments in exchange for specific services or materials; (3) the purpose must be for any related activity of the public broadcast station; and (4) the recipient must be a public broadcast entity on behalf of a public broadcast station.

Reported NFFS for KPVU-FM was \$394,732 and \$362,059 for 2019 and 2018 respectively.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

VII. COMMUNITY SERVICE GRANTS (CSGs)

KPVU-FM receives a Community Service Grant from the Corporation for Public Broadcasting annually. The Community Service Grants received and expended during the most recent fiscal years were as follows:

Grant Period	Amounts Received	Expended			Uncommitted
		2017 & Prior	2018	2019	Balance at August 31, 2019
2016-2018	\$129,111	\$ -	\$113,998	\$ 15,113	\$ -
2017-2019	127,686	-	-	102,512	25,174
2018-2020	108,469	-	-	19,799	88,670

Grant Period	Amounts Received	Expended			Uncommitted
		2016 & Prior	2017	2018	Balance at August 31, 2018
2015-2017	\$126,731	\$13,702	\$102,500	\$ 10,529	\$ -
2016-2018	129,111	-	-	113,998	15,113
2017-2019	127,686	-	-	-	127,686

In November 2019, KPVU received a letter from the CPB stating that KPVU did not meet the Audience Service Criteria (ASC) for the Community Service Grant year 2020 based on information provided in KPVU's FY2018 financial report. According to CPB policy, a grantee not meeting the ASC is placed in a three-year transition plan that will lead to its eventual removal from the CSG program should it continue to fail the ASC. KPVU-FM did not meet the ASC for fiscal year 2020 and finds itself in ASC year 2 of the transition plan. Grantees in year two of this transition will receive their full CSG but will be required to set aside 25 percent of this grant as ASC funds to fund special projects designed to help it return to compliance with the ASC. KPVU-FM will need to report the nature and status of these project to the CPB at the end of the fiscal year 2020 CSG fiscal year (September 30, 2021).

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Notes to the Basic Financial Statements - Continued
August 31, 2019 and 2018

VIII. INDIRECT ADMINISTRATIVE SUPPORT

Indirect support from the University consists of allocated institutional support and physical plant costs incurred by various other divisions of the University for which KPVU-FM receives benefits. Indirect administrative support not included in the financial statements amounted to \$93,450 (\$111,663 in 2018).

IX. CONTRIBUTED IN-KIND SUPPORT

Contributed support represents expenses paid on behalf of KPVU-FM by others outside the reporting entity, and includes contributed professional services, donated materials or facilities, and indirect administrative support. The amount of contributed services is reflected as revenues in the accompanying statements of revenues, expenses and changes in net assets. As expenses of an equivalent amount are also recognized, there is no impact on net assets.

A summary of contributed support received in 2019 and 2018 is as follows:

Contributed support from the University consists of certain administrative and other expenses incurred on behalf of KPVU-FM. These costs for 2019 and 2018, respectively, were \$20,098 and \$29,854.

X. SUBSEQUENT EVENTS

KPVU has evaluated subsequent events through March 9, 2020, the date which the financial statements were issued.

REQUIRED SUPPLEMENTARY INFORMATION

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Required Supplementary Information
August 31, 2019 and 2018

Schedule of Proportionate Share of Net Pension Liability

The information on the schedules of proportionate share of net pension liability was determined as of the August 31, 2015 measurement date of the collective net pension liability. The schedules of proportionate share of the net pension liability for the state's Teacher Retirement System of Texas Plan (TRS Plan) for the A&M System as an employer and as a non-employer contributing entity are presented below.

	Schedule of the A&M System's Proportionate Share of the Net Pension Liability*				
	2019	2018	2017	2016	2015
A&M System's percentage proportionate share of the net pension liability	1.294294580%	1.2265395%	1.2107484%	1.1294397%	1.3190594%
A&M System's proportionate share of the net pension liability	\$712,411,150	\$392,181,254	\$457,523,817	\$399,241,902	\$352,410,894
A&M System's covered payroll-non General Revenue**	\$690,738,796	\$635,888,799	\$594,339,736	\$434,248,377	\$483,491,868
A&M System's proportionate share of the net pension liability as a percentage of covered payroll	103.14%	61.67%	76.98%	91.94%	72.89%
Plan fiduciary net position as a percentage of the total pension liability	73.74%	82.17%	78.00%	78.43%	83.25%

*This schedule is intended to present 10 years of information. Currently, only five years of information is available. Information for future years will be added when it becomes available.

**Source of Covered Payroll-non General Revenue varied for Fiscal Year 2017. TRS values were unavailable; these numbers are provided by the A&M System payroll reports.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Required Supplementary Information-Continued
August 31, 2019 and 2018

Schedule of Employer Contributions

The information on the schedule of employer contributions was determined as of the end of the fiscal years presented. The schedules of employer contributions comparing the actuarially determined contributions and the contributions recognized by the pension plan in relation to the actuarially determined contributions for the state's Teacher Retirement System of Texas Plan (TRS Plan) are presented below.

	Schedule of A&M System's Contributions*					
	2019	2018	2017	2016	2015	2014
Statutorily required contributions	\$ 47,806,811	\$ 42,838,933	\$ 38,633,263	\$ 38,024,480	\$ 34,182,243	\$ 33,176,668
Contributions in relation to the statutorily required contributions	\$ 47,806,811	\$ 42,838,933	\$ 38,633,263	\$ 38,024,480	\$ 34,182,243	\$ 33,176,668
Contribution deficiency	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
A&M System's covered payroll-non General Revenue**	\$690,738,796	\$635,888,799	\$594,339,736	\$434,248,377	\$483,491,868	\$498,135,206
Contributions as a percentage of covered payroll	6.92%	6.74%	6.80%	8.76%	7.07%	6.66%

*This schedule is intended to present 10 years of information. Currently, only six years of information is available. Information for future years will be added when it becomes available.

**Source of Covered Payroll-non General Revenue varied for Fiscal Year 2017. TRS values were unavailable; these numbers are provided by the A&M System payroll reports.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Required Supplementary Information-Continued
August 31, 2019 and 2018

Schedule of Changes in the Employer's Total OPEB Liability and Related Ratios-Last 10 years^{1, 2, 3}

The information on the schedule below was determined as of the measurement date of the OPEB liability. The schedule contains the first year of data and data will be collected for the next 9 years.

	2019	2018
1. OPEB Liability Beginning Balance	\$2,313,866,921	\$2,768,919,058
Changes for the Year:		
Service Cost	95,228,755	127,342,039
Interest	89,731,375	81,716,351
Changes of benefit terms ⁴	(576,118,675)	-
Differences between expected and actual experience	-	(48,754,146)
Changes of assumptions or other inputs ⁵	(198,049,045)	(577,506,807)
Benefit payments (employer)	(38,973,287)	(37,849,574)
Other changes	166,840,397	-
Net Changes	(461,340,480)	(455,052,137)
OPEB Liability Ending Balance	\$1,852,526,441	\$2,313,866,921
2. Covered Employee Payroll	\$ 888,380,104	\$ 822,477,489
3. Total OPEB Liability as a Percentage of Covered Employee Payroll	208.53%	281.33%

Notes to the Schedule:

- 1 This schedule is presented using the optional format of combining the required schedules in Paragraph Nos. 170.a. and 170.b. of GASB No. 75. Until a full 10-year trend is compiled, governments should present information for those years for which information is available.
- 2 Information is presented using a measurement date which precedes the fiscal year end by twelve months.
- 3 No assets are accumulated in a trust that meets the criteria in Paragraph No. 4 of GASB No. 75 to pay related benefits.
- 4 Changes in benefit terms: benefit and eligibility provisions used in this valuation have changed since the prior valuation. Adopted in January 2018 and effective January 1, 2019, prescription drug coverage for all Medicare-primary participants is provided through a self-funded Employer Group Waiver Plan with Commercial Wrap (EGWP plus Wrap). The EGWP plus Wrap provides coverage that is equivalent to that previously provided but at significantly lower cost since it allows the plan to take direct advantage of subsidies provided to the administrator by the Federal government under Medicare Part D and discounts provided by drug manufacturers as required under the Affordable Care Act. year 2018, amounts reflect a 1-percentage-point decrease in the assumed
- 5 Changes in assumptions or other inputs: changes of assumptions and other inputs reflect the changes in the discount rate each period. The discount rate for 2019 is 3.96%.

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended August 31, 2019

	<u>Budgeted Amounts</u>		
	<u>Original and Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
SUPPORT AND REVENUES			
Support:			
Community service grant from the Corporation for Public Broadcasting	\$ 108,469	\$ 137,424	\$ 28,955
Membership donations	<u>-</u>	<u>6,093</u>	<u>6,093</u>
Total support	<u>108,469</u>	<u>143,517</u>	<u>35,048</u>
Revenues:			
State funds furnished by Prairie View A&M University	254,583	292,339	37,756
Underwriting	350	350	-
Sponsorships	-	2,500	2,500
Concert Ticket Sales	<u>47,030</u>	<u>38,437</u>	<u>(8,593)</u>
Total revenues	<u>301,963</u>	<u>333,626</u>	<u>31,663</u>
Total support and revenues	<u>410,432</u>	<u>477,143</u>	<u>66,711</u>
TOTAL EXPENDITURES	<u>592,616</u>	<u>473,129</u>	<u>119,487</u>
Excess (deficiency) of revenues over (under) expenditures	(182,184)	4,014	186,198
Fund balances - beginning, as restated	<u>(18,771)</u>	<u>(18,771)</u>	<u>-</u>
Fund balances - ending	<u>\$ (200,955)</u>	<u>\$ (14,757)</u>	<u>\$ 186,198</u>

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended August 31, 2018

	<u>Budgeted Amounts</u>		
	<u>Original and Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
SUPPORT AND REVENUES			
Support:			
Community service grant from the Corporation for Public Broadcasting	\$ 127,686	\$ 127,686	\$ -
Membership donations	<u>14,015</u>	<u>10,598</u>	<u>(3,417)</u>
Total support	<u>141,701</u>	<u>138,284</u>	<u>(3,417)</u>
Revenues:			
State funds furnished by Prairie View A&M University	184,692	237,798	53,106
Underwriting	<u>2,000</u>	<u>2,000</u>	<u>-</u>
Total revenues	<u>186,692</u>	<u>239,798</u>	<u>53,106</u>
Total support and revenues	<u>328,393</u>	<u>378,082</u>	<u>49,689</u>
TOTAL EXPENDITURES	<u>767,487</u>	<u>569,780</u>	<u>197,707</u>
Excess (deficiency) of revenues over (under) expenditures	(439,094)	(191,698)	247,396
Fund balances - beginning, as restated	<u>315,726</u>	<u>315,726</u>	<u>-</u>
Fund balances - ending	<u>\$ (123,368)</u>	<u>\$ 124,028</u>	<u>\$ 247,396</u>

SUPPLEMENTARY INFORMATION

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Schedule of Functional Expenses
For the Year Ended August 31, 2019

	Programming and Production	Broadcasting	Fund Raising	Management and General	August 31, 2019 Total
Salaries and wages	\$ 47,133	\$ 48,108	\$ 48,050	\$ 26,096	\$ 169,387
Fringe benefits	11,841	9,388	9,386	4,664	35,279
Travel	2,426	2,651	2,629	1,123	8,829
Membership fees and dues	16,162	-	1,483	1,121	18,766
Professional services	-	-	-	12,250	12,250
Maintenance and repair of equipment	624	917	-	1,106	2,647
Advertising	2,484	-	22,738	-	25,222
Administrative fees	-	-	-	613	613
Postal services	-	-	-	1,078	1,078
⌘ Reproduction services	-	-	2,706	1,156	3,862
Electronic parts and non-capital equipment	-	2,977	-	1,141	4,118
Utilities	-	-	-	23,677	23,677
Connection and programming fees	16,500	-	-	-	16,500
Program distribution	-	363	-	-	363
Contracted services	19,734	51,142	44,619	8,962	124,457
Supplies	2,187	1,723	1,351	1,262	6,523
Telephone	-	-	-	7,472	7,472
Depreciation	4,013	-	-	-	4,013
Postemployment benefits	-	-	-	(39,858)	(39,858)
Pension benefits	-	-	-	11,134	11,134
Other	-	-	1,524	2,770	4,294
Total	<u>\$ 123,104</u>	<u>\$ 117,269</u>	<u>\$ 134,486</u>	<u>\$ 65,767</u>	<u>\$ 440,626</u>

KPVU-FM
A Public Telecommunications Entity Operated by Prairie View A&M University
Schedule of Functional Expenses
For the Year Ended August 31, 2018

	Programming and Production	Broadcasting	Fund Raising	Management and General	August 31, 2018 Total
Salaries and wages	\$ 28,330	\$ 14,121	\$ 20,620	\$ 115,593	\$ 178,664
Fringe benefits	5,304	4,455	6,058	26,092	41,909
Travel	2,044	708	1,922	24,237	28,911
Membership fees and dues	-	-	-	17,112	17,112
Professional services	-	-	-	18,781	18,781
Maintenance and repair of equipment	-	7,562	-	1,879	9,441
Advertising	-	-	735	-	735
Administrative fees	-	-	-	909	909
Postal services	-	-	-	965	965
46 Reproduction services	-	-	-	2,412	2,412
Electronic parts and non-capital equipment	-	10,333	-	1,031	11,364
Utilities	-	-	-	26,670	26,670
Connection and programming fees	30,634	-	-	-	30,634
Program distribution	-	6,819	-	-	6,819
Contracted services	45,960	97,414	570	-	143,944
Conference dues	-	-	-	3,245	3,245
Published materials	99	-	-	-	99
Supplies	-	-	-	4,733	4,733
Telephone	-	-	-	4,869	4,869
Depreciation	5,659	-	-	-	5,659
Postemployment benefits	-	-	-	12,630	12,630
Pension benefits	-	-	-	13,191	13,191
Other	-	-	473	8,110	8,583
	<u>-</u>	<u>-</u>	<u>473</u>	<u>8,110</u>	<u>8,583</u>
Total	<u>\$ 118,030</u>	<u>\$ 141,412</u>	<u>\$ 30,378</u>	<u>\$ 282,459</u>	<u>\$ 572,279</u>