WOUB Center for Public Media

A Public Media Entity
(A Department of Ohio University)

Financial Statements as of and for the
Years Ended June 30, 2019 and 2018 and
Independent Auditor's Report

OHIO AUDITOR OF STATE
KEITH FABER

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Board of Trustees
Ohio University
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We have reviewed the *Independent Auditor's Report* of the WOUB Center for Public Media, Athens County, prepared by Plante & Moran, PLLC, for the audit period July 1, 2018 through June 30, 2019. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. Ohio University is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

January 8, 2020

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Independent Auditor's Report

To the Board of Trustees
WOUB Center for Public Media

Report on the Financial Statements

We have audited the accompanying financial statements of WOUB Center for Public Media (the "Center"), a public media entity (a department of Ohio University), as of and for the years ended June 30, 2019 and 2018 and the related notes to the financial statements, which collectively comprise WOUB Center for Public Media's basic financial statements, as listed in the table of contents.

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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WOUB Center for Public Media as of June 30, 2019 and 2018 and the changes in its financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We draw attention to Note 1, which explains that these financial statements of the Center are intended to present the net position, changes in net position, and changes in cash flows of only that portion of Ohio University's business-type activities that are attributable to the transactions of the department. They do not purport to, and do not, present fairly the net position of Ohio University as of June 30, 2019 and 2018, the changes in its net position, or the changes in its cash flows thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

To the Board of Trustees
WOUB Center for Public Media

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of the Center's proportionate share of the net pension and net OPEB liabilities, and the schedule of Center pension and OPEB contributions 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, which 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise WOUB Center for Public Media's basic financial statements. The consolidating statements of revenues, expenses, and changes in net position are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The consolidating statements of revenues, expenses and changes in net position are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating statements of revenues, expenses and changes in net position are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2019 on our consideration of WOUB Center for Public Media's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering WOUB Center for Public Media's internal control over financial reporting and compliance.

Plante & Moran, PLLC

December 18, 2019

The discussion and analysis of WOUB Center for Public Media's (WOUB or the "Center") financial statements provides an unaudited overview of the Center's financial activities for the fiscal years ended June 30, 2019, 2018, and 2017. Management has prepared the financial statements and the related note disclosures along with this discussion and analysis. Responsibility for the completeness and fairness of this information rests with the Center's management.

Using This Report

In June 1999, the Governmental Accounting Standards Board (GASB) released Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. This statement requires a comprehensive look at the Center as a whole. In November 1999, the GASB issued Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*, which applies those standards to public colleges and universities. The WOUB Center for Public Media is a department of Ohio University (the "University"), a public university. The GASB has not yet developed accounting standards for presentation of auxiliary (or departmental) entities. For the purpose of this reporting, the Center is considered a special-purpose government engaged only in business-type activities as defined by GASB Statements No. 34 and No. 35. In addition, the Center's accounting policies and practices conform to those permitted or allowed by the Corporation for Public Broadcasting, which generally follows published *Governmental Accounting Standards*.

The overview presented below highlights the significant financial activities that occurred during the past year and describes changes in financial activity from the prior year. The financial report includes basic financial statements that provide information on the Center: the statements of net position; revenue, expenses, and changes in net position; and cash flows.

This annual financial report includes the report of the independent auditors, this management's discussion and analysis, the three basic financial statements referenced above, and the notes to the financial statements.

Financial Highlights

In the current year, revenue increased slightly by $33,262, or 0.4% and expenses increased $1,070,821, or 15.8%. $608,749 of the increase in expense is related to the change in pension and OPEB expenses arising from GASB Nos. 68 and 75. Net position increased $717,515 in fiscal year 2019.

Changes in net position represent the Center's results for the year and are summarized for the years ended June 30, 2019, 2018 and 2017 as follows:

	2019	2018	2017
Operating revenue	$ 6,284,282	$ 6,311,239	$ 24,070,336
Operating expenses excluding adjustments for unfunded pension & OPEB	7,944,366	7,482,294	8,494,613
Subtotal	(1,660,084)	(1,171,055)	15,575,723
Nonoperating revenue	2,298,773	2,238,554	1,549,056
Increase in net position excluding adjustments for unfunded pension & OPEB	638,689	1,067,499	17,124,779
Adjustment for changes in unfunded pension and OPEB liabilities not included in total expenses above	78,826	687,575	-
Adjustment for change in accounting principle	-	(948,709)	-
Increase in Net Position	$ 717,515	$ 806,365	$ 17,124,779

Statements of Net Position

The statements of net position present the net position of the Center as of the end of the fiscal year. It classifies assets and liabilities as current or noncurrent. Generally, current liabilities are those that will be paid within one year of the date of the statement. Current assets are those that are available to satisfy current liabilities.

Accounts receivable - Ohio University represents amounts available in the cash account of the University for the benefit of the Center. All of the Center's receipts and disbursements are recorded in this account. The amounts are $19,305,337, $18,871,321, and $311,192 for the University for the years ended June 30, 2019, 2018, and 2017, respectively.

The following chart depicts the breakdown of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position for the Center as of June 30, 2019, 2018, and 2017:

	2019	2018	2017
Assets:			
Current assets:			
Accounts receivable and prepaid expenses	$ 3,907	$ 593,959	$ 18,416,256
Accounts receivable - Ohio University	19,305,337	18,871,321	311,192
Noncurrent assets - Capital assets - Net	3,782,018	3,372,654	2,798,784
Total assets	23,091,262	22,837,934	21,526,232
Deferred outflows of resources	843,860	781,480	937,444
Liabilities:			
Current liabilities	364,752	760,513	169,602
Noncurrent liabilities	3,557,940	3,597,486	4,227,242
Total liabilities	3,922,692	4,357,999	4,396,844
Deferred inflows of resources	448,942	415,442	27,224
Net position	$ 19,563,488	$ 18,845,973	$ 18,039,608

The net position is further displayed as follows:

	2019	2018	2017
Net investment in capital assets	$ 3,782,018	$ 3,372,654	$ 2,450,627
Unrestricted	15,781,470	15,473,319	15,588,981
Total net position	$ 19,563,488	$ 18,845,973	$ 18,039,608

The most notable change for fiscal year 2019 was the decrease in the Center's accounts receivable and prepaid expenses of $590,052. The Center's share of cash accounts increased from a receivable position of $18,871,321 at fiscal year end 2018 to a receivable position of $19,305,337 from the University at fiscal year end 2019. This balance is mainly composed of proceeds from the FCC Spectrum Auction from fiscal year 2017 that were transferred to capital and endowment funds within the University for reinvestment into new equipment and construction for future Center endeavors. In accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* (OPEB), the Center (through the University) is required to carry its proportionate share of the net liability for the pension plans in which it participates and carry its proportionate share of the net OPEB liability. The unfunded pension and OPEB liabilities will change each year based on the University's proportionate share of contributions to total contributions of all participating employers to the plans. The net pension and OPEB liabilities are determined by actuarial valuations as of the measurement dates of the retirement plans. The effect of changes in the net pension and OPEB liabilities due to the differences between projected and actual investment earnings, differences between expected and actual experience, change in assumptions about economic and demographic factors, and change in the employer's proportionate share of net pension and OPEB liabilities result in changes to deferred outflows of resources and deferred inflows of resources. The current year impact from these factors is an increase in net position of $78,826. Deferred outflows of resources relating to pensions increased for fiscal year 2019, while deferred inflows of resources relating to pensions decreased. The net OPEB liability and corresponding deferred outflows and inflows relating to OPEB were recorded for the first time in fiscal year 2018, as required by GASB No. 75. Deferred outflows of resources and deferred inflows of resources relating to OPEB increased in fiscal year 2019 (see details in Note 8).

Participation in the FCC Spectrum Auction

Radio frequency spectrum is used to transmit electromagnetic signals for a wide range of uses, including broadband services, satellite communications, and radio and television broadcasting. The FCC manages this natural resource, assigning spectrum rights to specific license holders. In 2012, Congress instructed the FCC to reorganize the radio frequency spectrum to free up bandwidth to expand high-speed wireless internet service nationwide.

The FCC's plan called for freeing more spectrum for wireless broadband use by using less spectrum for broadcast television. They decided to reorganize the channels to which TV broadcasters are assigned. The FCC held an auction, which began in March 2016, to buy spectrum rights from those television licensees who were willing to sell their spectrum. The auction took several months to complete.

In consultation with the Administrators of its licensee, Ohio University, and the Ohio University Board of Trustees, WOUB Administrators decided to protect WOUB-TV's UHF spectrum and the future technologies that it may bring by not participating in the FCC spectrum auction.

However, it was decided that WOUC-TV (Cambridge) would participate in the auction by offering to move to a lower frequency on the broadcast spectrum (from UHF to a low VHF band). The bid was accepted by the FCC and WOUC was awarded $18,412,349 in the spring of 2017 with the actual receipt of funds in July 2017.

The majority of these funds, $14.1 million, were placed in a term endowment when received in order to ensure the future financial health of WOUB/WOUC and to safeguard and sustain public broadcasting for viewers of southeastern Ohio and western West Virginia. The remainder of the funds will (by requirement) completely fund WOUC-TV moving to VHF, eliminate outstanding debt to the University, and allow for needed upgrades to aged and failing broadcast equipment for the television and radio public media center.

Statements of Revenue, Expenses, and Changes in Net Position

The statements of revenue, expenses, and changes in net position present the Center's results of operations for the years ended June 30, 2019 and 2018.

Operating Revenue

Charges for goods and services are recorded as operating revenue. In addition, certain grants are classified as operating revenue if they are not for capital purchases and are provided as a contract for services. Essentially, this means that the Center is required by the grant to provide goods or services to the grantor of equal value to the value of the services or dollars received. Operating revenue includes an annual community service grant from the Corporation for Public Broadcasting (the "corporation") and the State of Ohio, administered through an annual grant from the Broadcast Education Media Commission. Operating revenue also includes an appropriation, donated facilities, and administrative support from its licensee (the "University"). Total operating revenue is $6,284,282, $6,311,239, and $24,070,336 for the years ended June 30, 2019, 2018, and 2017, respectively. Total operating revenue remained relatively flat when compared to fiscal year 2018.

Nonoperating Revenue

Certain grants are also classified as nonoperating revenue if the Center is not required under the grant agreement to provide goods or services to the grantor of equal value to the services or dollars received. Total nonoperating revenue is $2,298,773, $2,238,554, and $1,549,056 for the years ended June 30, 2019, 2018, and 2017, respectively. Included in this amount is in-kind contributions of $1,060,266, $891,874, and $939,259 for the years ended June 30, 2019, 2018, and 2017, respectively. Overall, nonoperating revenue was up 2.7%, remaining relatively unchanged compared to fiscal year 2018.

Total Revenue

The following depicts total revenue by source for the years ended June 30, 2019, 2018, and 2017:

	2019	2018	2017
Support from Ohio University	$ 3,770,660	$ 3,248,304	$ 3,203,887
Grants and contracts	1,154,701	1,798,129	1,121,079
Private gifts and other	1,686,999	1,582,502	1,549,056
Investment income, net	611,774	656,052	-
Sales and services	298,655	372,932	18,806,111
In-kind support	1,060,266	891,874	939,259
Total revenue by source	$ 8,583,055	$ 8,549,793	$ 25,619,392

Total Expenses

Operating expenses have been incurred to vendors and employees for providing goods or services for the overall operations of the Center. In addition, depreciation expense of $477,359, $414,816, and $463,946 for the years ended June 30, 2019, 2018 and 2017, respectively, is shown as an operating expense. Operating expenses increased 15.8% primarily due to adjustments for GASB 75 and GASB 68.

The following depicts operating expenses for the Center for the years ended June 30, 2019, 2018, and 2017:

	2019	2018	2017
Program and support services	$ 7,388,181	$ 6,379,903	$ 7,889,892
Depreciation	477,359	414,816	463,946
Disposal of plant facilities	-	-	140,775
Total expenses by source	$ 7,865,540	$ 6,794,719	$ 8,494,613

Change in Net Position

Total change in net position is as follows:

	2019	2018	2017
Operating revenue	$ 6,284,282	$ 6,311,239	$ 24,070,336
Nonoperating revenue	2,298,773	2,238,554	1,549,056
Expenses	(7,865,540)	(6,794,719)	(8,494,613)
Increase in net position	717,515	1,755,074	17,124,779
Beginning net position	18,845,973	18,039,608	914,829
Change in accounting standard	-	(948,709)	-
Adjusted beginning net position	18,845,973	17,090,899	914,829
Ending net position	$ 19,563,488	$ 18,845,973	$ 18,039,608

Statements of Cash Flows

The statements of cash flows present detailed information about the major sources and uses of cash. The Center does not maintain a separate cash account; therefore, all of the Center's receipts and disbursements are reflected in the accounts of the University. The Center's share of cash accounts is reflected on the statements of net position as accounts receivable - Ohio University. For the purpose of the statements of cash flows, this account is considered a cash equivalent.

The three categories of presentation and their respective amounts for the years ended June 30, 2019, 2018, and 2017 are as follows:

	2019	2018	2017
Net cash provided by (used in):			
Operating activities	$ 82,232	$ 18,550,291	$ (103,790)
Noncapital financing activities	626,733	690,628	469,022
Capital and related financing activities	(886,723)	(1,336,842)	(54,040)
Investing activities	611,774	656,052	-
Net increase in cash	434,016	18,560,129	311,192
Cash - Beginning of year	18,871,321	311,192	-
Cash - End of year	$ 19,305,337	$ 18,871,321	$ 311,192

Capital Assets

The Center made certain additions to capital assets during fiscal year 2019. These capital asset additions included replacement of outdated broadcast equipment and upgrades to spectrum channels.

More detailed information about the Center's capital assets is presented in Note 2 to the financial statements.

Economic Outlook and Items of Interest

WOUB Public Media is a multimedia organization dedicated to the distribution of news, sports, weather, perspectives, arts, music, and entertainment through various mediums such as television, radio, and digitally through our website woub.org.

Local Value, Key Services, and Local Impact

During fiscal year 2019, WOUB Center for Public Media ("WOUB") continued to be a valuable part of the southeastern Ohio and western West Virginia area. Local news continues as a mainstay both on the FM radio network, television broadcasts, AM station and social media platforms. Podcast and audio projects tell the stories of our local area and bring localization of national issues and conversations, while maintaining local content via traditional broadcast. WOUB continues to extend the expertise of Ohio University to the local community and beyond.

WOUB provided the following key services to the local area: 1. 136 episodes of local television news production, an annual hour-long historical documentary, and 22 episodes of area high school sports highlights. 2. More than 2.9M minutes of video content uploaded to digital platforms that received 684.8K views on the WOUB YouTube platform. 3. The expansion of podcast production led to a 188% increase in utilizing the variety of content over multiple platforms to 121,180 visitors. 4. Continued partnerships (The Ohio Valley ReSource, Nelsonville Music Festival, The Voinovich School of Leadership and Public Affairs, Barbara Geralds Institute for Storytelling and Social Impact, Athens County Library System, as well as Perry County and St. Clairsville Public Library) to create content for and about the region.

WOUB's local services have a deep impact in the local listening and viewing area. With the expansion to six unique television programming streams, WOUB broadcast more than 40,000 hours of content to an area not all served by traditional commercial television. Social media and digital platforms have allowed for direct conversations with listeners and viewers as it relates to content and local/national news. Regional partnerships allow for content creation and local voices to be heard while showcasing both the arts and the culture of the region.

Financial Highlights

WOUB and WOUC television were both assigned Phase Two in the previous year's completed FCC Spectrum Reverse Auction and following an extensive public information campaign, went through a successful transition in February 2019 to new frequencies.

Fiscal year 2019 led to facility upgrade projects that had been on hold for many years. Along with the installation of two new television transmitters, WOUB was able to upgrade an out-of-service radio/audio automation storage and automation system, replace outdated television broadcast encoders (which allowed for the expansion of television streams) and allowed for multiple staff members to participate in professional development opportunities.

Production Highlights

WOUB News: WOUB news coverage has evolved from just traditional broadcast to include YouTube, Facebook, Twitter, Instagram and online access to content. WOUB relies on college students (who typically leave for the summer) to support production efforts, yet summer of fiscal year 2019 saw the return of television newscasts for the first time since 2014.

FM Radio: The WOUB Public Media FM Radio Network is a five-station system covering more than 30 counties in three states. Listeners can tune in to high quality programming from NPR, PRI and WOUB while at the same time remaining informed with news from their own area from our 60 local news updates per week, available on-air locally and globally via streaming.

***Newswatch*:** In the last fiscal year, WOUB Public Media produced and broadcast 136 unique half-hour episodes of *Newswatch*, WOUB's longest running program on television. Formatted like a commercial newscast, *Newswatch* provides space for national, regional and local news, sports and weather. Much of the WOUB coverage area has no traditional DMA and for some, this is their only access to local television news.

Podcasts:

#457SEO Podcast: Launched in October 2016, WOUB's small team of journalists are dedicated to researching, writing, gathering and producing accurate information on behalf of its audiences in southeast Ohio including "Can Marijuana Grow the #457SEO Economy?"

Jazzed About Work Podcast: Hosted by author and career coach Beverly Jones. *"Jazzed About Work"* features lively, informal conversations about everything it takes to create a resilient and rewarding career. In each segment, host Jones interviews professionals who can share their expertise related to the workplace. Her guests go beyond the research and get personal, as they talk about their interesting and often surprising professionals paths. Jones is an executive coach who wrote the handbook on building career resilience, *"Think Like an Entrepreneur, Act Like a CEO."*

Teaching Matters Podcast: The podcast is an "information resource on teaching and learning in an information-rich world," according to host Dr. Scott Titsworth, Dean of the Scripps College of Communication at Ohio University. He will have conversations with guests who will talk about new teaching techniques geared for the 21st century learner in a technological age.

The Kindness Podcast: Nicole Phillips is a published author, with her first book *Kindness is Contagious: 100 Stories to Remind You God is Good and So are Most People*, having been published November 2016. Phillips is now bringing her stories of human kindness to WOUB and beyond through *"The Kindness Podcast,"* which will be hosted weekly by the author. On the podcast, Phillips interviews various kindness "experts, advocates, and people with incredible kindness stories.""It's amazing to talk to these people, because when I do, I begin to think 'wow, maybe the world will be okay after all,'" said Phillips. "It's inspiring just to talk to them."

Live from Jorma Kaukonen's Fur Peace Ranch Podcast: Hosted by Grammy nominee and Rock & Roll Hall of fame member Jorma Kaukonen (*Jefferson Airplane, Hot Tuna*) introduces each program's featured artist in a series of concerts recorded at the Fur Peace Ranch guitar camp in Meigs County, Ohio. An eclectic blend of performances including blues, folk, Americana, rock, bluegrass, and jazz.

Spectrum Podcast: Spectrum features conversations with an eclectic group of people: journalists, authors, scholars, storytellers, celebrities and just average people with fascinating stories. We will never run out of stories because there is no shortage of captivating people to talk with," says Tom Hodson, host and co-producer. "We try to pick important and timely topics to address but we also intersperse our episodes with interesting new information and riveting stories from the personal perspectives of our guests.

Defining Moments: Conversations about Health and Healing Podcast: Humans tell stories to make sense of birthing and dying and everything in between. Defining Moments Podcast showcases stories about living well in the midst of inescapable illness, suffering, and hardship. Episodes feature an eclectic group of guests who share moments of uncertainty, innovation, and resilience. Host Dr. Lynn Harter draws on twenty years of experience in health contexts to spark conversations that move between personal anecdotes and societal health challenges. Each segment is accompanied by articles published in Health Communication and other online resources. Defining Moments Podcast disrupts the silence that too often surrounds vulnerability, and allows narrators and audiences to imagine new normals.

WOUB News Partnerships:

The Ohio Valley ReSource is a regional journalism collaborative reporting on economic and social change in Kentucky, Ohio, and West Virginia. With support from the Corporation for Public Broadcasting, seven public media outlets across the three states have partnered to form the ReSource in order to strengthen news coverage of the area's most important issues. The ReSource team of eight journalists uses radio, data, online tools and video to craft stories that promote understanding, empathy, and engagement. We tell the human stories behind the region's economy, energy, environment, food, health, and infrastructure. Our work recognizes that dramatic changes to the region's traditional economic base are intertwined with social and cultural challenges. By analyzing these challenges and focusing on creative responses, the ReSource aims to help communities rethink their use of resources in a shifting economy.

WOUB Sports:

As a part of WOUB news coverage, the WOUB sports team covers all Ohio University athletic programs and tells their stories on-air, online and via social media including an hour-long weekly radio sports talk program for the region. Four stations of the WOUB-FM network broadcast Ohio University football and men's basketball games, while baseball and women's basketball games are broadcast via WOUB's AM radio station.

Gridiron Glory: In its 20th season, *Gridiron Glory* continues to cover area high school football across the broadcast area. Maintaining the excellence established early on, season 20 was (again) the recipient of a Student Production Award from the Ohio Valley Chapter of the National Academy of Arts and Sciences (NATAS). Airing live every Friday night during football season, *Gridiron Glory* tells the stories of each week's action – and more.

Hardwood Heroes: Now in its seventh season, *Hardwood Heroes* has a focus on boys and girls high school basketball. The program starts online in the fall, moves to television for eight weeks during conference play and finally back to extensive online coverage for any team advancing in the state tournament.

Audio Books:

WOUB partners our professional staff with community volunteers, (cast, directed and led by volunteer Karen Chan) and college students from the Media Arts and Studies Department in the Scripps College of Communication at Ohio University to produce both public domain and original audio books for listening pleasure. This year's production was:

"Magick & Poison : No Fate You'll Prevent" by Timothy S. Klugh

MAGICK & POISON: NO FATE YOU'LL PREVENT by Timothy S. Klugh is a re-imaging of Beauty and the Beast, Shakespeare and Faust all in one chilling story. This audio drama narrated by Karen M. Chan and brought to life by the featured voices of Christian T. Chan and Margo Tillstrom is beautifully illustrated by Jade Morris and underscored by the spine tingling music of Timothy S. Klugh.

Archives and additional productions available at www.woub.org/ecousticalchemy.

***Our Town* Documentary Production:**

The *Our Town* productions are a series of sixty-minute feature documentaries that discover the heritage and spirit of local cities within WOUB's viewing area. To date, five documentaries have been produced: *Our Town: Lancaster, Our Town: Pomeroy, Our Town: Nelsonville, Our Town: Jackson, Our Town: Athens, and Our Town: Morgan County*. Each documentary presents fascinating stories of the towns' history, personalities and unique contributions to the region, state, and nation. The next production will be *Our Town: Gallipolis.* These documentaries become community events with advance public screenings in their location with local support making them possible.

The WOUB Learning Lab:

WOUB Public Media has rebuilt a formal preschool and K-12 education department, extending learning objectives within the broadcast content directly to teachers, students and day-care providers. These services were formerly provided by an external agency (ETSEO – Educational Technology for South East Ohio). With the closing of ETSEO, WOUB Public Media took on the formal education deliverables and became one of eight Educational Technology agencies in Ohio. This allows WOUB Learning Lab to continue to provide educational resources to schools in the area and also to provide Educational Outreach to parents and learners of all ages.

Summary

WOUB continues to evolve as the habits of its listeners and viewers change in the digital age. As a service to the greater community, one of the tasks is to provide content where the end users expect it to be, and can easily utilize it. Whether using Twitter for breaking news and weather information; radio to broadcast local bluegrass and well known musicians alongside national and local news; television to showcase local documentaries and access to local broadcast news next to *PBS Newshour*, *NOVA* and PBS Kids content; Snapchat and Instagram to reach students in order to build excitement around the locally produced high school sports content; Facebook to share digital only content and to have conversations centered around all WOUB, community or national content; and Smart Speakers for delivery of all WOUB audio podcasts and radio live streams WOUB continues to be a valuable resource across multiple platforms in order to serve the greater community.

Statements of Net Position

	June 30, 2019	June 30, 2018
Assets and Deferred Outflows of Resources		
Current Assets		
Accounts receivable	$ -	$ 590,052
Prepaid expenses	3,907	3,907
Accounts receivable - Ohio University	19,305,337	18,871,321
Total current assets	19,309,244	19,465,280
Noncurrent Assets - Capital assets - Net	3,782,018	3,372,654
Deferred Outflows of Resources		
Deferred outflows of resources related to pensions	779,393	719,454
Deferred outflows of resources related to OPEB	64,467	62,026
Total deferred outflows of resources	843,860	781,480
Total assets and deferred outflows of resources	$ 23,935,122	$ 23,619,414
Liabilities, Deferred Inflows of Resources, and Net Position		
Current Liabilities		
Accounts payable and accrued liabilities	$ 212,896	$ 714,025
Unearned revenue	151,856	46,488
Total current liabilities	364,752	760,513
Noncurrent Liabilities		
Accrued compensated absences	174,572	164,171
Net pension liability	2,812,019	2,533,661
Net OPEB liability	571,349	899,654
Total noncurrent liabilities	3,557,940	3,597,486
Total liabilities	3,922,692	4,357,999
Deferred Inflows of Resources		
Deferred inflows of resources related to pensions	243,876	335,568
Deferred inflows of resources related to OPEB	205,066	79,874
Total deferred inflows of resources	448,942	415,442
Net Position		
Net investment in capital assets	3,782,018	3,372,654
Unrestricted	15,781,470	15,473,319
Total net position	19,563,488	18,845,973
Total liabilities, deferred inflows of resources, and net position	$ 23,935,122	$ 23,619,414

The accompanying notes are an integral part of this financial statement.

Statements of Revenue, Expense, and Changes in Net Position

	Year Ended June 30	
	2019	2018
Operating Revenue		
Federal grants and contracts	$ 97,016	$ 567,562
State grants and contracts	822,468	782,776
Community service grants	1,295,483	1,339,665
Support from Ohio University	3,770,660	3,248,304
Sales and services	298,655	372,932
Total operating revenue	6,284,282	6,311,239
Operating Expenses		
Programming and production	7,388,181	6,379,903
Depreciation	477,359	414,816
Total operating expenses	7,865,540	6,794,719
Operating Loss	(1,581,258)	(483,480)
Nonoperating Revenue		
Private gifts and grants	1,686,999	1,582,502
Investment income, net	611,774	656,052
Total nonoperating revenue	2,298,773	2,238,554
Increase in Net Position	717,515	1,755,074
Net Position - Beginning of year	18,845,973	18,039,608
Adjustment for change in accounting principle	-	(948,709)
Beginning of year, as restated	18,845,973	17,090,899
Net Position - End of year	$ 19,563,488	$ 18,845,973

The accompanying notes are an integral part of this financial statement.

Statements of Cash Flows

	Year Ended June 30	
	2019	2018
Cash Flows from Operating Activities		
Grants and contracts	$ 2,214,967	$ 2,149,951
Support from Ohio University	3,770,660	3,248,304
Payments to suppliers	(2,987,582)	(3,136,564)
Payments to or on behalf of employees	(3,212,718)	(2,494,931)
Payments for scholarships and fellowships	(1,750)	(1,750)
Sales and services	298,655	18,785,281
Net cash provided by operating activities	82,232	18,550,291
Cash Flows from Noncapital Financing Activities -		
Gifts and grants for other-than-capital purposes	626,733	690,628
Cash Flows from Capital Financing Activities		
Payments on related party loan payable	-	(348,156)
Purchases of capital assets	(886,723)	(988,686)
Net cash used in capital financing activities	(886,723)	(1,336,842)
Cash Flows from Investing Activities		
Investment income, net	611,774	656,052
Net Increase in Cash Equivalents	434,016	18,560,129
Cash Equivalents - Beginning of year	18,871,321	311,192
Cash Equivalents - End of year	$ 19,305,337	$ 18,871,321

The accompanying notes are an integral part of this financial statement.

Statements of Cash Flows (Continued)

	Year Ended June 30	
	2019	2018
Reconciliation of Operating Loss to Net Cash		
Provided by Operating Activities		
Operating loss	$ (1,581,258)	$ (483,480)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation	477,359	414,816
In-kind gifts	1,060,266	891,874
Changes in assets and deferred outflows of resources and liabilities and deferred inflows of resources:		
Accounts receivable	590,052	17,822,297
Deferred outflows of resources	(62,380)	155,964
Deferred inflows of resources	33,500	388,218
Accounts payable and accrued liabilities	(502,903)	589,244
Unearned revenue	105,368	34,120
Accrued compensated absences	12,175	(31,002)
Net pension and OPEB liabilities	(49,948)	(1,231,760)
Net cash provided by operating activities	$ 82,232	$ 18,550,291

The accompanying notes are an integral part of this financial statement.

Note 1 - Organization and Summary of Significant Accounting Policies

Organization - The WOUB Center for Public Media (the "Center" or WOUB) is owned and operated by Ohio University (the "University") in Athens, Ohio and is a unit of the Scripps College of Communication. The Center manages two noncommercial public television stations: WOUB-TV in Athens, Ohio, and WOUC-TV in Cambridge, Ohio and one cable channel, WOUB II - channel 25 on Time Warner in Athens, Ohio. WOUB-TV consists of digital channels/streams, 20.1 WOUB-HD, 20.2 WOUB Classic, and 20.3 WOUB-Life. WOUC-TV consists of digital channels/streams, 44.1 WOUC-HD, 44.2 WOUC Unlimited, and 44.3 WOUC World. The Center also manages six noncommercial public radio stations, WOUB-AM and WOUB-FM in Athens, Ohio; WOUC-FM in Cambridge, Ohio; WOUL-FM in Ironton, Ohio; WOUH-FM in Chillicothe, Ohio; and WOUZ-FM in Zanesville, Ohio.

Other services provided by the Center include the following: audio and video productions; a nightly news program; regular radio news and sports reports; a media distribution center for Ohio University; student professional development for approximately 200 students a year; teleconferencing, streaming, and engineering consulting services; and complete web/interactive services through www.woub.org. The website is continually updated with current news, sports, music, and arts. It also contains educational interactive pages with content geared for K-12 teachers and students and provides streaming and programming of WOUB-TV, WOUB-Radio, PBS, and NPR.

The Center is not a separate legal entity and operates as a department of the University. The accompanying separate financial statements of the Center are prepared solely to meet the reporting requirements of the Corporation for Public Broadcasting, a major funding organization. These financial statements include only the activities of the Center and therefore, they are not intended to present fairly the financial position, change in net position, and cash flows of the University in conformity with accounting principles generally accepted in the United States of America. For a more extensive disclosure of significant accounting policies, refer to the University's financial statements available by contacting the Ohio University Controller's Office, 204 West Union Street Office Center, Athens, OH 45701.

Financial Statement Presentation - The financial statement presentation required by Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and GASB Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*, as amended, provides a comprehensive, department-wide (in this instance) perspective of the Center's assets, liabilities, net position, revenue, expenses, changes in net position, and cash flows. It replaces fund groups with net position groups, and requires the direct method of cash flow presentation.

Basis of Accounting - As a department of the University, the Center's financial statements are presented using an economic resources measurement focus and are presented on the accrual basis of accounting. Under the accrual basis, revenue is recognized when earned, and expenses are recorded when incurred.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America may require management to make estimates and assumptions that affect certain amounts reported in the financial statements. The estimates and assumptions are based on currently available information and actual results could differ from those estimates.

Cash and Cash Equivalents - Cash consists primarily of petty cash, cash in banks, and money market accounts. Cash equivalents are short-term highly liquid investments readily convertible to cash with original maturities of three months or less. The cash and cash equivalents are held at the University and are recorded as accounts receivable or payable to the University on the statements of net position.

Accounts Receivable - Accounts receivable consist of amounts due for tower leases, production services, and advertising. All amounts are deemed to be collectible; therefore, no allowance has been established as of June 30, 2019 or 2018. Accounts receivable from the University for both fiscal years 2018 and 2019 include the amount of $14.1M held at the University as board-designated endowment investments. This endowment investment is actively generating investment income which is distributed to the Center.

Capital Assets - If purchased or constructed, capital assets are recorded at cost in the year of purchase or construction. If donated, they are recorded at their acquisition value as of the date received. Depreciation is computed using the straight-line method over the estimated useful life of the asset.

The following are the capitalization levels and estimated useful lives of the asset classes:

Asset Class	Capitalize at	Estimated Useful Life
Land	Any amount	N/A
Infrastructure	$100,000	10-50 years
Buildings	Any amount	40 years
Machinery and equipment	$5,000	5-25 years

The costs of normal maintenance and repairs that do not materially increase the value of the capital asset or materially extend its life are not capitalized. Land and land improvements are not depreciated.

Deferred Outflows and Deferred Inflows of Resources - In addition to assets and liabilities, the statements of net position report a separate section for deferred outflows and inflows of resources. These separate financial statement elements represent a consumption (outflows) and acquisition (inflows) of net position that apply to future periods and so will not be recognized as an outflow of resources (expense/expenditure) or inflow of resources (revenue) until that time. The Center's deferred outflows and inflows of resources are related to its pensions and other postemployment benefits (OPEB) (see Note 8 for more information). The Center recorded total deferred outflows of resources of $843,860 and $781,480 at June 30, 2019 and 2018, respectively, and total deferred inflows of resources of $448,942 and $415,442 at June 30, 2019 and 2018, respectively.

Compensated Absences - University employees earn vacation and sick leave benefits based, in part, on length of service. Upon separation from service, employees are paid their accumulated vacation and sick pay based upon the nature of separation (termination, retirement, or death). Certain limitations are placed on the hours of vacation and sick leave that employees may accumulate and carry over for payment at termination, retirement, or death. Unused hours exceeding their limitations are forfeited.

Certain employees are also eligible for compensatory time off in lieu of overtime pay. This is either used or paid out upon separation. The liability incurred is recorded at year end as a noncurrent liability in the statements of net position and the change over the prior year is recorded as a component of operating expense in the statements of revenue, expense, and changes in net position.

Pensions and OPEB - For the purpose of measuring the net pension liability, net OPEB liability, deferred outflows of resources, deferred inflows of resources related to pensions and OPEB, and pension and OPEB expenses, information about the fiduciary net position of the Ohio Public Employees Retirement System (OPERS) and State Teachers Retirement System of Ohio (STRS) Pension Plans, and additions to/deductions from OPERS' and STRS' fiduciary net position have been determined on the same basis as they are reported by OPERS and STRS. Both OPERS and STRS use the economic resources measurement focus and the full accrual basis of accounting. Contribution revenue is recorded as contributions are due, pursuant to legal requirements. Benefit payments (including refunds of employee contributions) are recognized as expense when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position - The Center's net position is categorized as described below:

- **Net Investment in Capital Assets** - This represents the Center's position in property, plant, and equipment, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

- **Unrestricted Net Position** - Unrestricted net position includes resources derived primarily from operating funds provided by the University, which are designated for use by the Center, and from third parties whose only restriction over the use of resources provided is for the benefit of the Center as determined by management. Also included in this category are Board-designated endowment investments held by the University.

Income Taxes - The University is an organization described in Section 115 of the Internal Revenue Code of 1986 (the "Code") and has further been classified as an organization that is not a private foundation in accordance with Sections 509(a)(1) and 170(b)(1)(A)(ii) of the Code. As such, the Center is exempt from income taxes other than taxes on certain revenue, which is considered unrelated business income.

Classification of Revenue - Revenue is classified as either operating or nonoperating according to the following:

- **Operating Revenue** - Operating revenue includes revenue from activities that have characteristics similar to exchange transactions. These include sales, services, and certain grants, which require that the Center provide goods or services to the grantor of equal value to the grant dollars received. Operating revenue also includes an appropriation, donated facilities, and administrative support from its licensee (the University).

- **Nonoperating Revenue** - Nonoperating revenue includes revenue from activities that have characteristics of nonexchange transactions such as private gifts and certain grants, which do not require the Center to provide goods or services to the grantor of equal value to the grant dollars received.

Support from the University - The University provides indirect support to the Center through its administration and physical plant support. Indirect support is recorded as revenue and expense as incurred in the accompanying statements of revenue, expenses, and changes in net position.

Administrative support is derived from the percentage of the Center's operating expenditures over the University's total educational and general expenditures, excluding separately budgeted research, public service, scholarships, and fellowships. This percentage is applied against the University's overall institutional support to determine the administrative support expense to allocate to cost centers, based on the direct operating expenses.

Physical plant support is determined by an assessment of the square footage assigned the Center and the cost per square foot of providing types of physical plant support. Expenses are allocated to cost centers according to estimated square footage.

In-kind Support - In-kind support is provided by the Broadcast Education Media Commission (BEMC). In-kind amounts are based on the value of access to and use of educational broadcasting services and are summarized on a statement provided by BEMC. Expenses are allocated to cost centers based on the nature of the in-kind support provided. In-kind support is included in revenue and expenses in the accompanying statements of revenue, expenses, and changes in net position.

Related Parties - Contributions received by The Ohio University Foundation (the "Foundation"), which are restricted as to use for the Center, are managed by the Foundation. The Center records cash received by the Foundation as both revenue and expense when monies are used by the Foundation to pay expenses.

The Center does not maintain a separate cash account; therefore, all of the Center's receipts and disbursements are reflected in the accounts of the University. The Center's share of cash accounts is reflected on the statements of net position as accounts receivable - Ohio University. For the purpose of the statements of cash flows, this account is considered a cash equivalent.

Newly Adopted Accounting Pronouncement

Reporting for Asset Retirement Obligations - In November 2016, the GASB issued Statement No. 83, *Certain Asset Retirement Obligations*, which establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations. The Center has reviewed the tangible capital assets associated with its operations and determined that no liability relating to asset retirement is required to be recognized in its books in fiscal year 2019.

Reporting for Interest Costs Incurred before the End of a Construction Period - Effective July 1, 2018, the Center adopted Governmental Accounting Standards Board (GASB) Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, which simplifies accounting for interest cost incurred before the end of construction and requires those costs to be expensed in the period incurred. As a result, interest cost incurred before the end of a construction period is not capitalized and included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. The standard was adopted prospectively and resulted in increased interest expense during periods of construction.

Reporting for Postemployment Benefits Other Than Pensions - In June 2015, the GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which addresses reporting by governments that provide postemployment benefits other than pensions (OPEB) to their employees and for governments that finance OPEB for employees of other governments. This OPEB standard requires the University to recognize on the face of the financial statements its proportionate share of the net OPEB liability related to its participation in the OPERS and STRS plans. The statement also enhances accountability and transparency through revised note disclosures and required supplementary information (RSI). In accordance with the statement, the Center has reported a change in accounting principle adjustment to unrestricted net position of $948,709 which is the net of the net OPEB liability and related deferred outflows of resources as of July 1, 2017.

Note 2 - Capital Assets

Capital assets reported by the Center are assets of the State of Ohio, with the University having custodial responsibility. The building values have been prorated based upon the Center's percentage usage of the net assignable square footage, applied to the actual cost plus improvements of the buildings. Equipment represents items listed on the University's general ledger as equipment for the Center with a unit value of at least $5,000 and an estimated useful life of one year or more. Transfers represent either fully depreciated machinery and equipment no longer in use being transferred back to the University as surplus which may be sold in the future, or completed construction in progress being moved to infrastructure, buildings or machinery and equipment.

The following tables present the changes in the various capital asset categories for the years ended June 30, 2019 and 2018:

	Balance July 1, 2018	Additions	Transfers	Retirements	Balance June 30, 2019
Capital assets not being depreciated:					
Land	$ 69,235	$ -	$ -	$ -	$ 69,235
Construction in progress	842,219	15,082	(814,708)	-	42,593
Total capital assets not being depreciated	911,454	15,082	(814,708)	-	111,828
Capital assets being depreciated:					
Infrastructure	5,861,312	274,990	233,449	-	6,369,751
Buildings	3,054,061	1,824	41,208	-	3,097,093
Machinery and equipment	8,472,527	594,826	540,052	(401,696)	9,205,709
Total capital assets being depreciated	17,387,900	871,641	814,708	(401,696)	18,672,553
Total capital assets	18,299,354	886,723	-	(401,696)	18,784,381
Less accumulated depreciation:					
Infrastructure	5,034,746	214,435	-	-	5,249,181
Buildings	2,556,443	46,848	-	-	2,603,291
Machinery and equipment	7,335,511	216,076	-	(401,696)	7,149,891
Total accumulated depreciation	14,926,700	477,359	-	(401,696)	15,002,363
Total capital assets being depreciated - Net	2,461,200	394,282	814,708	-	3,670,190
Capital assets - Net	$ 3,372,654	$ 409,364	$ -	$ -	$ 3,782,018

	Balance July 1, 2017	Additions	Transfers	Retirements	Balance June 30, 2018
Capital assets not being depreciated -					
Land	$ 69,235	$ -	$ -	$ -	$ 69,235
Construction in progress	1,727	842,219	-	(1,727)	842,219
Total capital assets not being depreciated	70,962	842,219	-	(1,727)	911,454
Capital assets being depreciated:					
Infrastructure	5,861,312	-	-	-	5,861,312
Buildings	3,046,488	7,573	-	-	3,054,061
Machinery and equipment	8,980,503	140,621	(549,646)	(98,951)	8,472,527
Total capital assets being depreciated	17,888,303	148,194	(549,646)	(98,951)	17,387,900
Total capital assets	17,959,265	990,413	(549,646)	(100,678)	18,299,354
Less accumulated depreciation:					
Infrastructure	4,837,345	197,401	-	-	5,034,746
Buildings	2,510,688	45,755	-	-	2,556,443
Machinery and equipment	7,812,448	171,660	(549,646)	(98,951)	7,335,511
Total accumulated depreciation	15,160,481	414,816	(549,646)	(98,951)	14,926,700
Total capital assets being depreciated - Net	2,727,822	(266,622)	-	-	2,461,200
Capital assets - Net	$ 2,798,784	$ 575,597	$ -	$ (1,727)	$ 3,372,654

Certain equipment was purchased with grants from the National Telecommunications and Information Administration (NTIA) under their Public Telecommunications Facilities Program (PTFP). The equipment is considered to be owned by the University and is included in the books at net book value. Each piece of equipment is subject to a 10-year lien with the United States Department of Commerce NTIA/PTFP named as the secured party.

Note 3 - Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities as of June 30, 2019 and 2018 consist of the following:

	2019	2018
Accounts payable	$ 152,735	$ 659,472
Accrued payroll	37,392	33,558
Accrued compensated absences - Current portion	22,769	20,995
Total	$ 212,896	$ 714,025

Note 4 - Accrued Compensated Absences

Per University policy, eligible salaried administrative appointments and administrative hourly employees earn vacation at the rate of 21 days per year with a maximum accrual of 32 days. Upon termination, they are entitled to a payout of their accumulated balance up to a maximum of 32 days. Hourly classified employees earn vacation at rates per years of service, ranging from 10 to 25 days per year. The accrual is equal to the amount earned in three years, up to a maximum of 600 hours, which is subject to payout upon termination.

Other hourly, nonexempt employees are also eligible to elect compensatory time off in lieu of overtime pay. The use of compensatory time is scheduled with supervisory approval or subject to payout upon termination or transfer to another department.

The estimated liability for accrued vacation and compensatory time at June 30, 2019 and 2018 was $163,792 and $148,964, respectively.

All eligible University employees are entitled to a sick leave credit equal to 15 days per year (earned on a pro-rata monthly basis for salaried employees and on a pro-rata hourly basis for classified hourly and administrative hourly employees). Salaried and administrative hourly employees with 10 or more years of service are eligible to receive a payout upon retirement of 25% of unused days up to a maximum of 30 days. Hourly classified employees with 10 or more years of service are eligible for payout upon retirement of 50% of unused days up to a maximum of 60 days, except for hourly classified employees under an American Federation of State, County, and Municipal Employees contract, where the maximum is 80 days.

The estimated liability for accrued sick leave at June 30, 2019 and 2018 was $33,549 and $36,202, respectively.

Compensated absences at June 30, 2019 and 2018 are summarized as follows:

	Beginning Balance	Additions (Reductions)	Ending Balance	Current Portion
For the year ended:				
June 30, 2019	$ 185,166	$ 12,175	$ 197,341	$ 22,769
June 30, 2018	216,168	(31,002)	185,166	20,995

Note 5 - Loan Payable - Related Party

The University entered into an agreement with the Center to provide an internal loan in the amount of $951,162 as a match for a 2003 Public Telecommunications Facilities Program (PTFP) grant from the U.S. Department of Commerce. The purpose of the grant was to assist with construction and installation of a tower to support a new broadband antenna at WOUC in Cambridge, Ohio. The bid for the tower project came in at less than the estimate, thereby reducing the match that was needed. Of the original loan amount of $951,162, only $185,958 was needed for the tower project. In early calendar year 2004, the Center requested that $250,042 of the unused loan funds be applied to the new digital master control project, another phase of the digital conversion. In July 2004, additional loan funds of $159,200 were requested and the borrowing limit was increased to $595,200. The internal loan carries an interest rate of 5.5% payable over 20 years at the rate of

$4,094 per month. Interest-only payments occurred until July 30, 2006, at which time principal payments began. The loan was fully repaid during 2018 from the proceeds of the FCC WOUC Spectrum Auction.

The loan payable at June 30, 2019 and 2018 is shown as follows:

	Beginning Balance	Borrowed	Retired	Ending Balance	Current
For the year ended:					
June 30, 2019	$ -	$ -	$ -	$ -	$ -
June 30, 2018	348,156	-	(348,156)	-	-

Note 6 - In-kind Support

The operations of WOUB Center for Public Media are supported in part by the general revenue of the University. The University provides for the general operating costs of WOUB operations. The University's direct support amounted to $3,100,105 and $2,598,114 for the years ended June 30, 2019 and 2018, respectively. In addition, the University provided $670,555 and $650,190 in indirect administrative support during fiscal years 2019 and 2018, respectively. The indirect administrative support revenue was calculated using the "basic method" rate of 1.04% and 1.07% for the fiscal years ended 2019 and 2018, respectively.

Note 7 - Nonfederal Financial Support (NFFS)

The Corporation for Public Broadcasting (CPB) allocates a portion of its funds annually to public broadcasting entities, primarily based on nonfederal financial support (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 in the TV CSG grant program precipitated by extraordinary infusions of new capital investments in DTV, all capital contributions received for the purpose 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 or 2018 NFFS. This change excludes all revenue 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 includable as NFFS: (1) the source 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 broadcasting entity on behalf of a public broadcast station.

Reported NFFS for WOUB was $5,538,516 and $5,329,820 for fiscal years 2019 and 2018, respectively.

Note 8 - Retirement Plans

Based on rules governed by the Ohio Revised Code (ORC), employees of WOUB are covered under one of three retirement plans, unless eligible for exemption as is the case with most student employees. The particular system in which an employee is eligible to enroll is dependent on his or her position with the University. Generally, faculty appointments are eligible for enrollment in a defined benefit plan, administered by STRS, and all other employees are eligible for enrollment in a defined benefit plan, administered by OPERS. In addition, full-time employees may opt out of the state retirement system and choose a defined contribution plan, also referred to as an Alternative Retirement Plan (ARP), with one of seven independent providers. STRS and OPERS also offer a defined contribution plan and a combined plan with features of both a defined contribution plan and a defined benefit plan. All options are discussed below in more detail.

Retirement Plan Funding - Chapter 3307 of the ORC limits the maximum rate of contributions. The retirement boards of the systems individually set contribution rates within the allowable limits. The adequacy of employer contribution rates is determined annually by actuarial valuation using the entry age normal cost method. Under these provisions, each employer entity's contribution is expected to finance the costs of benefits earned by its employees during the year, with an additional amount to finance a portion of the defined benefit plans' unfunded accrued liability.

The employee and employer rates are the same for ARP employees as the retirement system under which they would otherwise be covered. However, for those who would otherwise be covered by STRS and who instead elect the ARP, 4.47% of the employer contribution goes to the STRS retirement system and 2.44% of the employer contribution goes to the OPERS systems at June 30, 2019 and 2018. The Center's contributions each year are equal to its required contributions.

Member contributions, set at the maximums authorized by the ORC, are 10% of gross wages for OPERS state employees and 13% of gross wages for OPERS law enforcement at June 30, 2019 and 2018. Member contributions, set at the maximums authorized by the ORC, are 14% of gross wages for STRS at June 30, 2019 and 2018.

The plans' 2019 contribution rates on covered payroll to each system are as follows:

	Employer Contribution Rate			
	Pension	Postretirement Health Care	Death Benefit	Total
STRS - Faculty	14.00%	0.00%	0.00%	14.00%
OPERS - State Employees	14.00%	0.00%	0.00%	14.00%
OPERS - Law Enforcement	18.10%	0.00%	0.00%	18.10%

The plans' 2018 contribution rates on covered payroll to each system are as follows:

	Employer Contribution Rate			
	Pension	Postretirement Health Care	Death Benefit	Total
STRS - Faculty	14.00%	0.00%	0.00%	14.00%
OPERS - State Employees	13.00%	1.00%	0.00%	14.00%
OPERS - Law Enforcement	17.10%	1.00%	0.00%	18.10%

The Center receives an allocation of the University's required and actual contributions to the plans, which are summarized as follows:

	Employer Contributions - for the years ended June 30			
	2019		2018	
Plan	Pension	OPEB	Pension	OPEB
STRS	$ 16,832	$ -	$ 19,328	$ -
OPERS	203,157	-	202,517	7,000
ARP	65,796	-	64,549	-
	$ 285,785	$ -	$ 286,394	$ 7,000

The payroll for employees covered by OPERS and STRS for the year ended June 30, 2019 was $1,353,511 and $116,696, respectively. The payroll for employees covered by OPERS and STRS for the year ended June 30, 2018 was $1,399,918 and $136,861, respectively. Contributions made to OPEB were $0, $7,000 and $21,590 for the years ended June 30, 2019, 2018 and 2017, respectively.

Benefits Provided

STRS - Plan benefits are established under Chapter 3307 of the Revised Code, as amended by Substitute Senate Bill 342 in 2012, which gives the retirement board the authority to make future adjustments to the member contribution rate, retirement age and service requirements, and the cost-of-living adjustment as the need or opportunity arises, depending on the retirement system's funding progress.

The requirement to retire depends on years of service (5-35 years) and age depending on when the employee became a member. The maximum annual retirement allowance, payable for life, considers years of credited service, final average salary (3-5 years) and multiplying by a factor ranging from 2.2 % to 2.6% with 0.1% incremental increases for years greater than 30-31, depending on retirement age.

A defined benefit plan or combined plan member with five or more years of credited service who is determined to be disabled (illness or injury preventing the individual's ability to perform regular job duties for at least 12 months) may receive a disability benefit. Additionally, eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013 must have at least 10 years of qualifying service credit to apply for disability benefits.

A death benefit of $1,000 is payable to the beneficiary of each deceased retired member who participated in the plan. Death benefit coverage of up to $2,000 can be purchased by participants in all three of the plans. Various other benefits are available to members' beneficiaries.

OPERS - Plan benefits are established under Chapter 145 of the Ohio Revised Code, as amended by Substitute Senate Bill 343 in 2012. The requirements to retire depend on years of service (5 to 32 years) and from attaining the age of 48 to 62, depending on when the employee became a member. Members retiring before age 65 with less than 30 years of service credit receive a percentage reduction in benefit, except for public safety and law enforcement participants. Member retirement benefits are calculated on a formula that considers years of service (5-32 years), age (48-62 years), and final average salary, using a factor ranging from 1.0% to 2.5%.

A plan member who becomes disabled before age 60 or at any age, depending on when the member entered the plan, and has completed 60 contributing months is eligible for a disability benefit.

A death benefit of $500 to $2,500 is determined by the number of years of service credit of the retiree. Benefits may transfer to a beneficiary upon death with 1.5 years of service credits with the plan obtained within the last 2.5 years, except for law enforcement and public safety personnel, who are eligible immediately upon employment.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance subsequent to the employee's retirement date. The annual adjustment, if applicable, is 3%, or an amount based on the average percentage increase in the Consumer Price Index, capped at 3%.

Defined Benefit Plans - The defined benefit plans of STRS and OPERS are cost-sharing, multiple-employer public employee retirement plans. Both systems provide retirement, survivor and disability benefits to plan members and their beneficiaries. The systems also provide post-employment health care benefits (including Medicare B premiums) to retirees and beneficiaries who elect to receive those benefits. The authority to establish and amend benefits is provided by the ORC.

Each retirement system issues a publicly available financial report that includes financial statements and required supplementary information for the pension and postemployment healthcare plans. Interested parties may obtain a copy of the STRS report by making a written request to STRS, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling toll free 888-227-7877, or by visiting the STRS website at www.strsoh.org. The OPERS report may be obtained by making a written request to OPERS, 277 East Town Street, Columbus, OH 43215-4642, or by calling 614-222-5601 or 800-222-7377.

Net Pension Liability, Deferrals, and Pension Expense - At June 30, 2019 and 2018, the Center reported a liability for its allocated share of the University's net pension liability of both STRS and OPERS. For June 30, 2019, the net pension liability was measured as of June 30, 2018 for the STRS plan and December 31, 2018 for the OPERS plan. For June 30, 2018, the net pension liability was measured as of June 30, 2017 for the STRS plan and December 31, 2017 for the OPERS plan. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates, except STRS' net pension liability's actuarial valuation was dated July 1, 2018 and 2017, respectively, which was rolled forward to the measurement date. The University's proportion of the net pension liability was based on a projection of its long-term share of contributions to the pension plan relative to the projected contributions of all participating reporting units, actuarially determined.

At June 30, 2019 and 2018, the University's proportionate share of the net pension liability for OPERS was 0.80% and 0.88%, respectively. At June 30, 2019 and 2018, the University's proportionate share of the net pension liability for STRS was 0.96% and 1.00%, respectively. The amount the University allocated to the Center is based on total retirement contributions for the Center's employees as a percentage of the total retirement contributions for the University. At June 30, 2019 and 2018, the Center's allocation of the University's proportion was 0.65% and 0.67%, respectively.

For the years ended June 30, 2019 and 2018, the Center's proportionate shares of the net pension liability are as follows:

Plan	Measurement Date	Net Pension Liability 2019	Net Pension Liability 2018	Proportionate Share 2019	Proportionate Share 2018	Percent Change 2018-19	Percent Change 2017-18
STRS	June 30	$ 215,160	$ 213,992	0.0010%	0.0009%	0.0001%	0.000%
OPERS	December 31	2,596,859	2,319,669	0.0095%	0.0149%	-0.005%	0.000%
		$ 2,812,019	$ 2,533,661				

For the years ended June 30, 2019 and 2018, the Center recognized pension expense of $412,512 and ($362,976) respectively.

For the years ended June 30, 2019 and 2018, the Center reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2019	2018
Deferred outflows of resources:		
Differences between expected and actual experience	$ 32,225	$ 63,190
Changes in assumptions	370,442	463,165
Net difference between projected and actual earnings on pension plan investments	196,253	-
Changes in proportion and differences between the Center's contributions and proportionate share of contributions	20,769	33,228
Center's contributions subsequent to the measurement date	159,704	159,871
Total	$ 779,393	$ 719,454

	2019	2018
Deferred inflows of resources:		
Differences between expected and actual experience	$ 29,702	$ 33,130
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	83,552	254,813
Changes in proportion and differences between the Center's contributions and proportionate share of contributions	130,622	47,625
Total	$ 243,876	$ 335,568

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as increases or decreases in pension expense as follows:

Years Ending June 30	Amount
2020	$ 198,630
2021	104,863
2022	9,538
2023	62,737
2024	(40)
Thereafter	85
	$ 375,813

In addition, the contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the next year (2020).

Net OPEB Liability/(Asset), Deferrals, and OPEB Expense - At June 30, 2019, the Center reported a liability for its allocated share of the University's net OPEB liability/(asset) of both STRS and OPERS. For June 30, 2019, the net OPEB liability/(asset) was measured as of June 30, 2018 for the STRS plan, and December 31, 2018 for the OPERS plan. For June 30, 2018, the net OPEB liability/(asset) was measured as of June 30, 2017 for the STRS plan, and December 31, 2017 for the OPERS plan. The total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of those dates, except OPERS which used an actuarial valuation dated December 31, 2017 and 2016, respectively, rolled forward to the measurement date by incorporating the expected value of health care cost accruals, the actual health care payments, and interest accruals during the year for the defined benefit health care plans. Typically, the University's proportion of the net OPEB liability/(asset) would be based on a projection of its long-term share of contributions to the OPEB plan relative to the projected contributions of all participating reporting units, actuarially determined. For the plan years ended June 30, 2018 and 2017, STRS did not allocate employer contributions to the OPEB plan. Therefore, STRS' calculation of the employers' proportionate share is based on total contributions to the plan for both pension and OPEB. For the plan years ended December 31, 2018 and 2017, OPERS allocated 0% and 1%, respectively, of the total 14% employer contributions to the OPEB plan. Therefore, OPERS' calculation of the employers' proportionate share is based on total contributions to the plan for both pension and OPEB.

At June 30, 2019 and 2018, the University's proportionate share of the net OPEB liability for OPERS was 0.79% and .87%, respectively. At June 30, 2019 and 2018, the University's proportionate share of the net OPEB liability/(asset) for STRS was 0.96% and 1.00%, respectively. The amount the University allocated to the Center is based on total retirement contributions for the Center's employees as a percentage of the total retirement contributions for the University. At June 30, 2019 and 2018, the Center's allocation of the University's proportion was 0.65% and 0.67%, respectively.

For the years ended June 30, 2019 and 2018, the Center's proportionate share of the net OPEB liability/(asset) is as follows:

Plan	Measurement Date	Net OPEB Liability/(Asset) 2019	Net OPEB Liability/(Asset) 2018	Proportionate Share 2019	Proportionate Share 2018	Percent Change 2018-19
STRS	June 30	$ (7,182)	$ 75,984	0.0004%	0.0019%	-0.001%
OPERS	December 31	578,531	823,670	0.0044%	0.0076%	-0.003%
		$ 571,349	$ 899,654			

For the years ended June 30, 2019 and 2018, the Center recognized OPEB expense of ($205,553) and ($31,206).

For the years ended June 30, 2019 and 2018, the Center reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2019	2018
Deferred outflows of resources:		
Differences between expected and actual experience	$ 11,990	$ 15,702
Changes in assumptions	21,668	46,324
Net difference between projected and actual earnings on OPEB investments	30,809	-
Total	$ 64,467	$ 62,026
Deferred inflows of resources:		
Differences between expected and actual experience	$ 7,688	$ -
Changes in assumptions	137,210	21,220
Net difference between projected and actual earnings on OPEB investments	11,501	58,654
Changes in proportion and differences between the Center's contributions and proportionate share of contributions	48,667	-
Total	$ 205,066	$ 79,874

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as increases or decreases in OPEB expense as follows:

Years Ending June 30	Amount
2020	$ (22,151)
2021	(40,044)
2022	(22,760)
2023	(9,122)
2024	(23,726)
Thereafter	(22,796)
	$ (140,599)

In addition, the contributions subsequent to the measurement date (if any) will be included as a reduction of the net OPEB liability/(asset) in the next year (2020).

Actuarial Assumptions - The total pension liability and OPEB liability/(asset) in the actuarial valuations were determined using the following actuarial assumptions, applied to all periods included in the measurement as of June 30, 2019:

	STRS	OPERS
Valuation date - Pension	July 1, 2018	December 31, 2018
Valuation date - OPEB	June 30, 2018	December 31, 2017
Actuarial cost method	Entry age normal	Individual entry age
Cost of living	None	3.0 percent Simple through 2018, then 2.15 percent Simple
Salary increases, including inflation	2.50 percent - 12.50 percent	3.25 percent - 10.75 percent
Inflation	2.50 percent	3.25 percent
Investments rate of return - Pension	7.45 percent, net of investment expense, including inflation	7.20 percent, net of investment expense, including inflation
Investments rate of return - OPEB	7.45 percent, net of investment expense, including inflation	6.00 percent, net of investment expense, including inflation
Health care cost trend rates	Minus 5.23 percent - 9.62 percent initial, 4.0 percent ultimate	10.00 percent initial, 3.25 percent ultimate in 2029
Experience study date	Period of 5 years ended June 30, 2016	Period of 5 years ended December 31, 2015
Mortality basis	RP-2014 Annuitant and Disabled Mortality Table with varying percentage of rates through age ranges (healthy retirees) and with 90% of rates for males and 100% of rates for females (disabled), projected forward generationally using mortality improvement scale MP-2016	RP-2014 Healthy Annuitant/Disabled mortality table (MP-2015 mortality improvement scale)

The following actuarial assumptions, applied to all periods included in the measurement as of June 30, 2018, were as follows:

	STRS	OPERS
Valuation date - Pension	July 1, 2017	December 31, 2017
Valuation date - OPEB	June 30, 2017	December 31, 2016
Actuarial cost method	Entry age normal	Individual entry age
Cost of living	None	3.0 percent
Salary increases, including inflation	2.50 percent - 12.50 percent	3.25 percent - 10.75 percent
Inflation	2.50 percent	3.25 percent
Investments rate of return - Pension	7.45 percent, net of investment expense, including inflation	7.50 percent, net of investment expense, including inflation
Investments rate of return - OPEB	7.45 percent, net of investment expense, including inflation	6.50 percent, net of investment expense, including inflation
Health care cost trend rates	6.0 percent - 11.0 percent initial, 4.5 percent ultimate	7.5 percent initial, 3.25 percent ultimate in 2028
Experience study date	Period of 5 years ended June 30, 2016	Period of 5 years ended December 31, 2015
Mortality basis	RP-2014 Annuitant and Disabled Mortality Table with varying percentage of rates through age ranges (healthy retirees)and with 90% of rates for males and 100% of rates for females (disabled), projected forward generationally using mortality improvement scale MP-2016	RP-2014 Healthy Annuitant/Disabled mortality table (MP-2015 mortality improvement scale)

Discount Rate - The discount rates used to measure the total pension liabilities at June 30, 2019 were 7.45% for STRS and 7.20% for OPERS. The discount rates used to measure the total pension liabilities at June 30, 2018 were 7.45% for STRS and 7.50% for OPERS. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at contractually required rates for all plans. Based on those assumptions, each pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rates used to measure the total OPEB liabilities/(assets) at June 30, 2019 were 7.45% for STRS and 3.96% for OPERS. The discount rates used to measure the total OPEB liabilities/(assets) at June 30, 2018 were 4.13% for STRS and 3.85% for OPERS. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that employer contributions will be made at contractually required rates for all plans. Plans that project fiduciary net position to be insufficient to make all projected future benefit payments for current active and inactive employees used a blended discount rate between the long-term expected rate of return on plan investments and a 20-year municipal bond rate applied to all periods of projected benefit payments to determine the total OPEB liability/(asset). At plan year June 30, 2018, STRS' fiduciary net position was projected to be available to make all projected future benefit payments for current and inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability/(asset). At plan year June 30, 2017 for STRS and plan years December 31, 2018 and 2017 for OPERS, the fiduciary net position was projected to become insufficient to make all projected future benefit payments for current and inactive employees. Therefore, a blended rate was used, which consisted of the long-term expected rate of return on OPEB plan investments for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 3.58% for STRS, and the Fidelity 20-year Municipal General Obligation AA Index rate of 3.71% and 3.31% at December 31, 2018 and 2017, respectively, for OPERS.

At June 30, 2017 for STRS, the long-term expected rate of return on health care investments was applied to projected costs through the year 2037, and the municipal bond rate was applied to all health care costs after that date. At December 31, 2018 for OPERS, the long-term expected rate of return on health care investments was applied to projected costs through the year 2031, and the municipal bond rate was applied to all health care costs after that date. At December 31, 2017 for OPERS, the long-term expected rate of return on health care investments was applied to projected costs through the year 2034, and the municipal bond rate was applied to all health care costs after that date.

The long-term expected rate of return on pension plan and OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. OPERS has two different portfolios of investment, a defined benefit portfolio for pension and health care portfolio for OPEB. As a result, there are different target allocations and long-term expected real rates of return disclosed for each portfolio.

The target allocation and best estimates of arithmetic (geometric for STRS) real rates of return for each major asset class are summarized in the following tables:

STRS - as of 7/1/18			OPERS - as of 12/31/18				
				Defined Benefit Portfolio		Health Care Portfolio	
Investment Category	Target Allocation	Long-term Expected Real Rate of Return	Investment Category	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	28.00%	5.10%	Domestic Equities	19.00%	6.21%	21.00%	6.21%
International Equity	23.00%	5.30%	International Equities	20.00%	7.83%	22.00%	7.83%
Alternatives	17.00%	4.84%	Private Equity	10.00%	10.81%	-	-
Fixed Income	21.00%	0.75%	Fixed Income	23.00%	2.79%	34.00%	2.42%
Real Estate	10.00%	3.75%	Real Estate	10.00%	4.90%	-	-
Liquidity Reserves	1.00%	-	REITs	-	-	6.00%	5.98%
			Other Investments	18.00%	5.50%	17.00%	5.57%
	100.00%			100.00%		100.00%	

STRS - as of 7/1/17			OPERS - as of 12/31/17				
				Defined Benefit Portfolio		Health Care Portfolio	
Investment Category	Target Allocation	Long-term Expected Real Rate of Return	Investment Category	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	28.00%	5.10%	Domestic Equities	19.00%	6.37%	21.00%	6.37%
International Equity	23.00%	5.30%	International Equities	20.00%	7.88%	22.00%	7.88%
Alternatives	17.00%	4.84%	Private Equity	10.00%	8.97%	-	-
Fixed Income	21.00%	0.75%	Fixed Income	23.00%	2.20%	34.00%	1.88%
Real Estate	10.00%	3.75%	Real Estate	10.00%	5.26%	-	-
Liquidity Reserves	1.00%	-	REITs	-	-	6.00%	5.91%
			Other Investments	18.00%	5.26%	17.00%	5.39%
	100.00%			100.00%		100.00%	

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the Center, calculated using the discount rate listed below, as well as what the Center's net pension liability would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate:

2019									
Plan	1% Decrease			Current Discount Rate			1% Increase		
STRS	6.45%	$	314,213	7.45%	$	215,160	8.45%	$	131,325
OPERS	6.20%		3,848,747	7.20%		2,596,859	8.20%		1,557,228
		$	4,162,960		$	2,812,019		$	1,688,553

2018

Plan	1% Decrease		Current Discount Rate		1% Increase	
STRS	6.45%	$ 306,750	7.45%	$ 213,992	8.45%	$ 135,857
OPERS	6.50%	4,144,792	7.50%	2,319,669	8.50%	799,359
		$ 4,451,542		$ 2,533,661		$ 935,216

Sensitivity of the Net OPEB Liability/(Asset) to Changes in the Discount Rate - The following presents the net OPEB liability/(asset) of the Center, calculated using the discount rate listed below, as well as what the Center's net OPEB liability/(asset) would be if it were calculated using a discount rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate:

2019

Plan	1% Decrease		Current Discount Rate		1% Increase	
STRS	6.45%	$ (6,156)	7.45%	$ (7,182)	8.45%	$ (8,045)
OPERS	2.96%	740,157	3.96%	578,531	4.96%	449,996
		$ 734,001		$ 571,349		$ 441,951

2018

Plan	1% Decrease		Current Discount Rate		1% Increase	
STRS	3.13%	$ 102,008	4.13%	$ 75,984	5.13%	$ 55,417
OPERS	2.85%	1,094,281	3.85%	823,670	4.85%	604,748
		$ 1,196,289		$ 899,654		$ 660,165

Sensitivity of the Net OPEB Liability/(asset) to Changes in the Health Care Cost Trend Rate - The following presents the net OPEB liability/(asset) of the Center, calculated using the health care cost trend rate listed below, as well as what the Center's net OPEB liability/(asset) would be if it were calculated using a health care cost trend rate that is 1.00 percentage point lower or 1.00 percentage point higher than the current rate:

2019

Plan	1% Decrease	Current Trend Rate	1% Increase
STRS	$ (7,996)	$ (7,182)	$ (6,355)
OPERS	556,094	578,531	604,373
	$ 548,098	$ 571,349	$ 598,018

2018

Plan	1% Decrease	Current Trend Rate	1% Increase
STRS	$ 52,791	$ 75,984	$ 106,510
OPERS	788,077	823,670	860,437
	$ 840,868	$ 899,654	$ 966,947

Pension Plan and OPEB Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued STRS and OPERS financial reports.

Payable to the Pension Plan and OPEB Plan - At June 30, 2019, the Center reported a payable of $12,881 and $0 for the outstanding amount of contributions to the pension plan and OPEB plan, respectively, required for the year ended June 30, 2019. At June 30, 2018, the Center reported a payable of $9,743 and $0 for the outstanding amount of contributions to the pension plan and OPEB plan, respectively, required for the year ended June 30, 2018.

Changes in Assumptions - During the current measurement period, the STRS Board adopted certain assumption changes that impacted the annual actuarial valuation for OPEB prepared as of June 30, 2018. The most significant changes were an increase in the OPEB discount rate from 4.13% to 7.45% and a reduction in the health care cost trend rates.

During the plan year ended December 31, 2018, OPERS modified the long-term investment return assumption for pension from 7.50% to 7.20% based on changes in the market outlook. In addition, the long-term investment return assumption for the Health Care portfolio was reduced from 6.50% to 6.00%.

Changes Between Measurement Date and Report Date – None.

Defined Contribution Plans - The ARP is a defined contribution pension plan, under IRS Section 401(a), and established by Ohio Amended Substitute House Bill 586 (ORC 3305.02) on March 31, 1998, for public institutions of higher education. Ohio University's board of trustees adopted the University's plan on April 18, 1998. Full-time employees are eligible to choose a provider, in lieu of STRS or OPERS, from the list of seven providers currently approved by the Ohio Department of Insurance and who hold agreements with the University. Employee and employer contributions equal to those required by STRS and OPERS are required for the ARP, less any amounts required to be remitted to the state retirement system in which the employee would otherwise have been enrolled.

Eligible employees have 120 days from their date of hire to make an irrevocable election to participate in the ARP. Under this plan, employees who would have otherwise been required to be in STRS or OPERS, and who elect to participate in the ARP, must contribute the employee's share of retirement contributions to one of seven private providers approved by the Ohio Department of Insurance.

The legislation mandates that the employer must contribute an amount to the state retirement system to which the employee would have otherwise belonged, based on an independent actuarial study commissioned by the Ohio Retirement Study Council and submitted to the Ohio Board of Regents. That amount is 4.47% for STRS and 2.44% for OPERS for the years ended June 30, 2019 and 2018. The employer also contributes what would have been the employer's contribution under STRS or OPERS, less the aforementioned percentages, to the private provider selected by the employee. The University plan provides these employees with immediate plan vesting.

The ARP does not provide disability benefits, survivor benefits, or postretirement healthcare. Benefits are entirely dependent on the sum of contributions and investment returns earned by each participant's choice of investment options.

STRS and OPERS also offer a defined contribution plan and a combined plan with features of both a defined contribution plan and a defined benefit plan. Contributions made to defined contribution plans were $65,796 and $64,549 for the years ended June 30, 2019 and 2018, respectively.

Other Postemployment Benefits - In addition to the pension benefits described above, Ohio law provides that the University fund postretirement healthcare benefits to retirees and their dependents through employer contributions to OPERS and STRS.

OPERS provides retirement, disability, and survivor benefits as well as postemployment healthcare coverage to qualifying members of its plans. A portion of each employer's contribution to OPERS is set aside for funding of postretirement health care. The portion of employer contributions, for all employers, allocated to health care was 0% during calendar year 2018.

STRS provides access to healthcare coverage to retirees who participated in the defined benefit or combined plans and their dependents. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare Part B premiums. Pursuant to the ORC, the State Teachers Retirement Board (the "Board") has discretionary authority over how much, if any, of the healthcare costs will be absorbed by STRS. All benefit recipients pay a portion of the healthcare cost in the form of a monthly premium.

The ORC grants authority to STRS to provide healthcare coverage to eligible benefit recipients, spouses, and dependents. By Ohio law, healthcare benefits are not guaranteed and the cost of the coverage paid from STRS funds shall be included in the employer contribution rate, currently 14% of covered payroll.

The Board allocates employer contributions to the Health Care Stabilization Fund from which healthcare benefits are paid. Effective July 1, 2014, the Board discontinued allocating 1% of employer contributions to the Health Care Stabilization Fund. The balance in the Health Care Stabilization Fund was $3.7 billion as of June 30, 2018.

For the fiscal year ended June 30, 2018, the date of the most recent information available from STRS, net healthcare costs paid by STRS were $517 million. There were 157,422 eligible benefit recipients.

Required Supplementary Information

Schedule of the Center's Proportionate Share of the Net Pension and Net OPEB Liability, and Schedule of Center Contributions
June 30, 2019

STRS

Schedule of the Center's Proportionate
Share of the Net Pension Liability - STRS

	2019	2018	2017	2016	2015
Center's proportion of the collective STRS net pension liability:					
As a percentage	0.0009785%	0.0009008%	0.0010217%	0.0014680%	0.0014085%
Amount	$ 215,160	$ 213,992	$ 341,992	$ 405,712	$ 342,596
Center's covered payroll	$ 136,861	$ 149,246	$ 152,636	$ 143,457	$ 135,514
Center's proportionate share of the collective pension liability (amount), as a percentage of the Center's covered payroll	157.21%	143.38%	224.06%	282.81%	252.81%
Plan fiduciary net position as a percentage of the total pension liability	77.31%	75.29%	66.78%	72.09%	74.71%

Schedule of the Center's Pension Contributions - STRS

	2019	2018	2017	2016	2015
Statutorily required contribution	$ 16,832	$ 19,328	$ 20,894	$ 21,443	$ 20,084
Contributions in relation to the actuarially determined contractually required contribution	$ 16,832	$ 19,328	$ 20,894	$ 21,443	$ 20,084
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 116,696	$ 136,861	$ 149,246	$ 152,636	$ 143,457
Contributions as a percentage of covered payroll	14.42%	14.12%	14.00%	14.05%	14.00%

Schedule of the Center's Proportionate Share of the Net Pension and Net OPEB Liability, and Schedule of Center Contributions (Continued)
June 30, 2019

OPERS

Schedule of the Center's Proportionate
Share of the Net Pension Liability - OPERS

	2019	2018	2017	2016	2015
Center's proportion of the collective OPERS net pension liability:					
As a percentage	0.009521%	0.014919%	0.014896%	0.011937%	0.012024%
Amount	$ 2,596,859	$ 2,319,669	$ 3,374,373	$ 2,061,785	$ 1,450,229
Center's covered payroll	$ 1,376,714	$ 1,419,629	$ 1,482,026	$ 1,498,672	$ 1,497,282
Center's proportionate share of the collective pension liability (amount), as a percentage of the Center's covered payroll	188.63%	163.40%	227.69%	137.57%	96.86%
Plan fiduciary net position as a percentage of the total pension liability	74.91%	84.85%	77.39%	81.19%	86.53%

Schedule of the Center's Pension Contributions - OPERS

	2019	2018	2017	2016	2015
Statutorily required contribution	$ 203,157	$ 202,517	$ 184,571	$ 218,059	$ 206,137
Contributions in relation to the actuarially determined contractually required contribution	$ 203,157	$ 202,517	$ 184,571	$ 218,059	$ 206,137
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 1,353,511	$ 1,399,918	$ 1,439,341	$ 1,524,712	$ 1,472,633
Contributions as a percentage of covered payroll	15.01%	14.47%	12.82%	14.30%	14.00%

Notes to Required Supplementary Information – Pension Plans

Schedule of the Center's Pension Contributions – OPERS. The OPERS pension contribution is presented net of OPEB allocation starting in 2017. 2017 OPEB allocation was higher compared to 2018 consequently, the OPERS net pension contribution was lower in 2017. 2016 and 2015 OPERS contribution numbers were not adjusted to exclude OPEB allocation. No OPEB allocation in 2019.

Changes in benefit terms: There were no changes in benefit terms affecting the STRS and OPERS plans for the plan years ended June 30, 2018 and December 31, 2018, respectively.

Changes in assumptions:

- STRS: During the plan year ended June 30, 2017, there were changes to several assumptions for STRS. The cost-of-living adjustment dropped from 2.00% to 0.00%. The wage inflation dropped from 2.75% to 2.50%. The investment rate of return decreased from 7.75% to 7.45%. The mortality tables used changed from RP-2000 to RP-2014.

- OPERS: During the plan year ended December 31, 2016, there were changes to several assumptions for OPERS. The long-term pension investment return assumption was reduced from 8.00% to 7.50%. The wage inflation dropped from 3.75% to 3.25%. The projected salary increase range changed from 4.25-10.05% to 3.25-10.75%. The mortality tables used changed from RP-2000 to RP-2014.

During the plan year ended December 31, 2018, the long-term investment return assumption for pension was modified from 7.50% to 7.20% based on changes in the market outlook.

Schedule of the Center's Proportionate Share of the Net Pension and Net OPEB Liability, and Schedule of Center Contributions (Continued)
June 30, 2019

STRS

Schedule of the Center's Proportionate Share of the Net OPEB Liability - STRS

	2019	2018
Center's proportion of the collective STRS net OPEB liability/(asset):		
Percentage	0.000447%	0.001948%
Amount	$ (7,182)	$ 75,984
Center's covered payroll	$ 136,861	$ 149,246
Center's proportionate share of the collective OPEB liability/(asset), as a percentage of the Center's covered payroll	-5.25%	50.91%
Plan fiduciary net position as a percentage of the total OPEB liability	176.00%	47.11%

Schedule of the Center's OPEB Contributions - STRS

	2019	2018
Statutorily required contribution	$ -	$ -
Contributions in relation to the actuarially determined contractually required contribution	$ -	$ -
Contribution deficiency (excess)	$ -	$ -
Covered payroll	$ 116,696	$ 136,861
Contributions as a percentage of covered payroll	0.00%	0.00%

Schedule of the Center's Proportionate Share of the Net Pension and Net OPEB Liability, and Schedule of Center Contributions (Continued)
June 30, 2019

OPERS

Schedule of the Center's Proportionate Share of the Net OPEB Liability - OPERS

	2019	2018
Center's proportion of the collective OPERS net OPEB liability:		
Percentage	0.004437%	0.007585%
Amount	$ 578,531	$ 823,670
Center's covered payroll	$ 1,376,714	$ 1,419,629
Center's proportionate share of the collective OPEB liability, as a percentage of the Center's covered payroll	42.02%	58.02%
Plan fiduciary net position as a percentage of the total OPEB liability	46.33%	54.14%

Schedule of the Center's OPEB Contributions - OPERS

	2019	2018
Statutorily required contribution	$ -	$ 7,000
Contributions in relation to the actuarially determined contractually required contribution	$ -	$ 7,000
Contribution deficiency (excess)	$ -	$ -
Covered payroll	$ 1,353,511	$ 1,399,918
Contributions as a percentage of covered payroll	0.00%	0.50%

Notes to Required Supplementary Information – OPEB

Changes in benefit terms: There were no significant changes in benefit terms affecting the STRS and OPERS plans for the plan years ended June 30, 2018 and December 31, 2018, respectively.

Changes in assumptions:

Schedule of the Center's Proportionate Share of the Net Pension and Net OPEB Liability, and Schedule of Center Contributions (Continued)
June 30, 2019

- STRS: During the plan year ended June 30, 2018, there were changes to several assumptions for STRS. The health care cost trend rates decreased from 6.00% to 11.00% initial and 4.50% ultimate to minus 5.23% to 9.62% initial and 4% ultimate. The discount rate increased from 4.13% to 7.45%.

- OPERS: During the plan year ended December 31, 2018, the long-term investment return assumption for the Health Care portfolio was reduced from 6.50% to 6.00%.

Supplementary Information

Consolidating Statements of Revenues, Expenses and Changes in Net Position
June 30, 2019 and 2018

	Year Ended					
	June 30, 2019			June 30, 2018		
	Television	Radio	Total	Television	Radio	Total
Operating Revenue						
Federal grants and contracts	$ 94,467	$ 2,549	$ 97,016	$ 567,562	$ -	$ 567,562
State grants and contracts	722,180	100,288	822,468	679,052	103,724	782,776
Community service grants	1,083,170	212,313	1,295,483	1,177,636	162,029	1,339,665
Support from Ohio University	3,037,313	733,347	3,770,660	2,577,906	670,398	3,248,304
Sales and services	170,986	127,669	298,655	249,885	123,047	372,932
Total operating revenue	5,108,116	1,176,166	6,284,282	5,252,041	1,059,198	6,311,239
Operating Expenses						
Programming and production	5,441,815	1,946,366	7,388,181	4,902,190	1,477,713	6,379,903
Depreciation	367,566	109,793	477,359	319,408	95,408	414,816
Total operating expenses	5,809,381	2,056,159	7,865,540	5,221,598	1,573,121	6,794,719
Operating Income (Loss)	(701,265)	(879,993)	(1,581,258)	30,443	(513,923)	(483,480)
Nonoperating Revenue						
Private gifts and grants	1,072,781	614,218	1,686,999	1,027,324	555,178	1,582,502
Investment income, net	610,692	1,082	611,774	654,326	1,726	656,052
Total nonoperating revenue	1,683,473	615,300	2,298,773	1,681,650	556,904	2,238,554
Increase (Decrease) in Net Position	982,207	(264,692)	717,515	1,712,093	42,981	1,755,074
Net Position - Beginning of year	14,872,085	3,973,888	18,845,973	13,890,498	4,149,110	18,039,608
Adjustment for change in accounting principle	-	-	-	(730,506)	(218,203)	(948,709)
Beginning of year, as restated	14,872,085	3,973,888	18,845,973	13,159,992	3,930,907	17,090,899
Net Position - End of year	$ 15,854,292	$ 3,709,196	$ 19,563,488	$ 14,872,085	$ 3,973,888	$ 18,845,973

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To Management and the Board of Trustees
WOUB Center for Public Media

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of WOUB Center for Public Media (the "Center"), a public media entity (a department of Ohio University), which comprise the statements of net position as of June 30, 2019 and the related statements of revenue, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated December 18, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Center's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Center's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

To Management and the Board of Trustees
WOUB Center for Public Media

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Center's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Plante & Moran, PLLC

December 18, 2019

OHIO AUDITOR OF STATE
KEITH FABER

WOUB CENTER FOR PUBLIC MEDIA

ATHENS COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
JANUARY 21, 2020

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