

***University of Missouri
KBIA-FM Radio***

*Financial Statements as of and for the Years Ended
June 30, 2013 and 2012, Supplemental Schedule for
the Year Ended June 30, 2013, and Independent
Auditors' Report*

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University of Missouri
KBIA-FM RADIO

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University of Missouri
KBIA-FM RADIO

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and for the Years Ended June 30, 2013 and 2012

This Management's Discussion and Analysis ("MD&A") of KBIA-FM Radio (the "Station") provides an overview of the Station's financial performance for the fiscal years ended June 30, 2013 and 2012. Please read it in conjunction with the basic financial statements for the period and the annual report to the Corporation for Public Broadcasting ("CPB") that accompanies the basic financial statements.

OVERVIEW OF THE OPERATIONS

The Station is a department of the Columbia campus of the University of Missouri (the "University") and operates under a FCC license issued to the Curators of the University of Missouri. The University provides on-going, line item funding as well as indirect institutional support (e.g., studio and office space, custodial, and human resource support). The University's indirect institutional support to the Station is significant to the Station's financial activities and is fully described in the annual report to CPB.

The University is classified by the IRS as an entity of the State of Missouri and is chartered under Missouri state law. The Station's financial activities are managed under policies and procedures of the University and are subject to internal audit and control by the University. The University and the Station both receive annual external audits. For the Station, the external audit is a condition of annual grant funding from CPB. CPB is a private, nonprofit corporation created by Congress in 1967. CPB is not a governing agency. It promotes public telecommunications services (television, radio and on-line) for the American people.

KBIA ACCOUNTING AND FINANCIAL REPORTING

This report includes three financial statements: the Statements of Net Position, the Statements of Revenues, Expenses, and Changes in Net Position, and the Statements of Cash Flows. The financial statements of the Station are prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board ("GASB").

The notes to the financial statements provide required disclosures and other information that are essential to fully understand the material data provided in the statements. The notes present information about the Station's accounting policies, significant account balances and activities, material risks, obligations, commitments, contingencies, and subsequent events, if any.

The Station's annual basic financial statements and reports to CPB are available for public inspection during business hours in the Station's public file located at 409 Jesse Hall, Columbia, MO.

STATEMENTS OF NET POSITION

The Statements of Net Position present the financial position of the Station as of June 30, 2013 and 2012, including all assets and liabilities of the Station. The Net Position presents the current financial condition of the Station. Assets and liabilities are generally measured using current values with certain exceptions, such as capital assets, which are stated at cost less accumulated depreciation, and long-term debt, which is stated at cost.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and for the Years Ended June 30, 2013 and 2012

A summary of the Station's assets, liabilities, and net position at June 30, 2013, 2012, and 2011, is as follows:

	Fiscal Year 2013	Fiscal Year 2012	Fiscal Year 2011
Assets			
Current Assets	\$ 421,217	\$ 474,910	\$ 596,649
Long-Term Investments	772,393	693,241	750,284
Capital Assets, Depreciable, Net	199,325	238,643	279,767
Total Assets	<u>\$ 1,392,935</u>	<u>\$ 1,406,794</u>	<u>\$ 1,626,700</u>
Liabilities and Net Position			
Current Liabilities	\$ 247,963	\$ 258,222	\$ 272,102
Noncurrent Liabilities	18,018	14,594	15,243
Total Liabilities	<u>265,981</u>	<u>272,816</u>	<u>287,345</u>
Net Position:			
Invested in Capital Assets	199,325	238,643	279,767
Unrestricted -			
Other	132,297	152,690	268,269
Board Designated	795,332	742,645	791,319
Total Net Position	<u>1,126,954</u>	<u>1,133,978</u>	<u>1,339,355</u>
Total Liabilities and Net Position	<u>\$ 1,392,935</u>	<u>\$ 1,406,794</u>	<u>\$ 1,626,700</u>

Fiscal Year 2013 Compared to Fiscal Year 2012

Total assets decreased by \$13,859 to \$1,392,935, which primarily is due to a decrease in current assets, most notably cash and cash equivalents.

Capital assets, depreciable for the year ended June 30, 2013, decreased by \$39,318 from \$238,643 to \$199,325.

Total liabilities decreased \$6,835 over the prior year due primarily to a decrease in Unexpended Grants.

Net position decreased by \$7,024 reflecting the station's operating results for the year.

Fiscal Year 2012 Compared to Fiscal Year 2011

Total assets decreased by \$219,906 to \$1,406,794, which primarily is due to a decrease in current assets, most notably cash and cash equivalents.

Capital assets, depreciable decreased by \$41,154 from \$279,797 to \$238,643.

Total liabilities decreased \$14,529 over the prior year due primarily to a decrease in Unexpended Grants.

Net position decreased by \$205,377 reflecting the station's operating results for the year.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and for the Years Ended June 30, 2013 and 2012

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The Statements of Revenues, Expenses, and Changes in Net Position present the Station's results of operations. The Statements distinguish between operating and non-operating revenues and expenses, and provide the Station's operating margin and changes in net position for the years ended June 30, 2013, 2012, and 2011.

	Fiscal Year 2013	Fiscal Year 2012	Fiscal Year 2011
Operating Revenues:			
Membership Contributions and Contributed Support	\$ 512,494	\$ 429,018	\$ 469,711
Underwriting Income	283,732	257,086	309,284
Community Service Grants from Corporation for Public Broadcasting	242,064	243,066	287,793
Other	3,982	1,052	942
Total Operating Revenues	<u>1,042,272</u>	<u>930,222</u>	<u>1,067,730</u>
Operating Expenses:			
Program Services -			
Broadcasting	124,595	117,935	117,490
Promotions	29,500	29,500	24,644
Programming and Production	733,132	669,837	676,085
Total Program Services	<u>887,227</u>	<u>817,272</u>	<u>818,219</u>
Support Services -			
Management and General	328,031	336,082	310,750
Fundraising and Membership Development	282,021	256,774	282,385
Total Support Services	<u>610,052</u>	<u>592,856</u>	<u>593,135</u>
Depreciation Expense	<u>39,318</u>	<u>41,123</u>	<u>44,448</u>
Total Operating Expenses	<u>1,536,597</u>	<u>1,451,251</u>	<u>1,455,802</u>
Operating Loss Before Non-operating Revenues	<u>(494,325)</u>	<u>(521,029)</u>	<u>(388,072)</u>
Nonoperating Revenues:			
Support from the University of Missouri	303,621	233,790	230,776
Donated Facilities and Administrative Support from the University of Missouri	98,129	96,431	101,853
Investment Income (Loss)	85,551	(14,569)	133,904
Total Non-operating Revenues	<u>487,301</u>	<u>315,652</u>	<u>466,533</u>
Increase (Decrease) in Net Position	(7,024)	(205,377)	78,461
Net Position, Beginning of Year	<u>1,133,978</u>	<u>1,339,355</u>	<u>1,260,894</u>
Net Position, End of Year	<u>\$ 1,126,954</u>	<u>\$ 1,133,978</u>	<u>\$ 1,339,355</u>

Fiscal Year 2013 Compared to Fiscal Year 2012

Total **Operating Revenues** for fiscal year 2013 increased \$112,050 from fiscal year 2012. The Station's operating revenues are derived from three primary sources: 1) membership contributions; 2) program support from area businesses in exchange for on-air recognition; and 3) operating grants from CPB and other granting agencies.

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MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and for the Years Ended June 30, 2013 and 2012

Membership contributions for fiscal year 2013 increased \$83,476 or 19% due to adding a one day capital pledge drive during fiscal year 2013 and an increase in major donors. **Underwriting Income** for fiscal year 2013 increased 10% or \$26,646 from fiscal year 2012. During fiscal year 2013, **Grants from the Corporation for Public Broadcasting** stayed relatively flat at \$1,002, under fiscal year 2012.

Total **Non-operating Revenues** for fiscal year 2013 increased by \$171,649 from fiscal year 2012. Certain significant revenue streams that the Station relies upon for its operations are defined as non-exchange transactions by GASB Statement No. 35, and recorded as non-operating revenues. These include investment income, and donated facilities and administrative support from the University. **Support from the University of Missouri** increased 30% in fiscal year 2013 from \$233,790 in fiscal year 2012 to \$303,621 in fiscal year 2013. **Donated facilities and administrative support from the University of Missouri** increased \$1,698 or 2% in fiscal year 2013 from fiscal year 2012, due primarily to a change in Institutional Support expenditures. In fiscal year 2013, **Investment Income** increased \$100,120 from fiscal year 2012 due primarily to net realized and unrealized gains in the University's pooled investments.

Total **Operating Expenses** increased \$85,346 to \$1,536,597 in fiscal year 2013 compared to \$1,451,251 in the previous year. **Program services** represented 58% and 56% of total operating expenses for fiscal years 2013 and 2012, respectively. **Support services** represented 40% and 41% of total operating expenses for fiscal years 2013 and 2012, respectively.

Fiscal Year 2012 Compared to Fiscal Year 2011

Total **Operating Revenues** for fiscal year 2012 decreased \$137,508 from fiscal year 2011. The Station's operating revenues are derived from three primary sources: 1) membership contributions; 2) program support from area businesses in exchange for on-air recognition; and 3) operating grants from CPB and other granting agencies. Membership contributions for fiscal year 2012 decreased \$40,693 or 9% due to the still uncertain economic outlook during fiscal year 2012. **Underwriting Income** for fiscal year 2012 decreased 17% or \$52,198 over fiscal year 2011. During fiscal year 2013, **Grants from the Corporation for Public Broadcasting** decreased by almost 16%, or \$44,727, over fiscal year 2011.

Total **Non-operating Revenues** for fiscal year 2012 decreased by \$150,881 from fiscal year 2011. Certain significant revenue streams that the Station relies upon for its operations are defined as non-exchange transactions by GASB Statement No. 35, and recorded as non-operating revenues. These include investment income, and donated facilities and administrative support from the University. **Support from the University of Missouri** increased 1% in fiscal year 2012 from \$233,790 from \$230,776 in fiscal year 2011. **Donated facilities and administrative support from the University of Missouri** decreased \$5,422 or 5% in fiscal year 2012 from fiscal year 2011, due primarily to a change in Institutional Support expenditures. In fiscal year 2012, **Investment Income** decreased \$148,473 from fiscal year 2011 due primarily to net realized and unrealized losses in the University's pooled investments.

Total **Operating Expenses** decreased \$4,551 to \$1,451,251 in fiscal year 2012 compared to \$1,455,802 in the previous year. **Program services** represented 56% and 56% of total operating expenses for fiscal years 2012 and 2011, respectively. **Support services** represented 41% and 41% of total operating expenses for fiscal years 2012 and 2011, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of and for the Years Ended June 30, 2013 and 2012

ECONOMIC OUTLOOK

The Station's economic outlook is dependent on various influences of the Station's funding sources.

- **Corporation for Public Broadcasting:** The federal government's fiscal year 2012 appropriation for CPB was \$444 million, and decreased \$22 million for fiscal year 2013. The appropriation for 2013 is \$422 million. CPB had requested a \$460 million advance appropriation for fiscal year 2013, a 4% increase over the fiscal year 2012 funding. Stations have been faced with flat CPB funding for the better part of the past decade, which is actually a decline when inflation is considered. The impact of this lack of even an inflationary increase has been magnified by the economic conditions of the last few years. CPB funding source should remain stable during fiscal year 2013. Because of the current economic and/or political climate, all federal funding appropriations are being reviewed, requiring CPB to prepare funding justifications. CPB funding beyond 2014 is not guaranteed at this time.
- **Underwriting support:** Underwriting increased in fiscal year 2013. The Station has worked for a number of years to increase private business funding and cultivated underwriting so when the economy did start to recover, the Station was in a good position to capitalize on the situation.
- **Special event funding:** The Station does not rely on special event funding, but if a situation presents itself, the Station evaluates whether the event is to the Station's advantage.
- **Support from University of Missouri:** The Station does not have reason to believe that an adverse change in funding will occur in fiscal year 2014 for annual appropriation, but in fiscal year 2013, the Station did receive one time funding for special projects and the funding will not continue into fiscal year 2014. Indirect funding remains dependent on Institutional Support expenditures.
- **Investment income:** The Station's investments are directed by the University. Investment income is dependent on market viability, and current market conditions are turbulent.
- **Private donations:** Because of the strong support of public broadcasting, membership donations increased in fiscal year 2013. The Station, to meet one of the new CPB criteria, created a major donor program in fiscal year 2009 and implemented it in fiscal year 2012. For fiscal year 2013, The Station saw a 15% increase in major donors and a 50% increase in funding.
- **Other funding in prior fiscal years have included state grant funding and miscellaneous revenue:** The Station did not receive State funding in fiscal year 2012 because of the negative economic condition in the State. Funds were received at a much reduced rate for fiscal year 2013 and it is anticipated the funding will stay depressed.
- **Public Telecommunications Facilities Program funding** was eliminated in fiscal year 2013 so those funds are no longer available.
- For fiscal year 2013, The Station received one new grant from CPB. The grant was for the third year funding for the Local Journalism Center. KBIA does not anticipate funding for fiscal year 2014.
- KBIA received one time funding in fiscal year 2013 for a capital project from two local granting agencies. The project will be completed and funds expended in fiscal year 2014. It is not anticipated additional funding from the agencies will be forthcoming.

INDEPENDENT AUDITORS' REPORT

To the Board of Curators
University of Missouri

We have audited the accompanying financial statements of the *University of Missouri KBIA-FM Radio* (the "Station"), as of and for the years ended June 30, 2013 and 2012, 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 opinions 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Basis for Adverse Opinion

As discussed in Note 1, the financial statements present only the Station. Accounting principles generally accepted in the United States of America require that the University of Missouri's financial statements present the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the University of Missouri.

Adverse Opinion

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion" paragraph, the financial statements referred to above do not present fairly the financial position of the University of Missouri as of June 30, 2013 and 2012, or the changes in financial position or cash flows thereof for the year then ended.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Station as of June 30, 2013 and 2012, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 1-5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Station's basic financial statements. The Supplemental Schedule of Non-Federal Financial Support for the year ended June 30, 2013, required by the Public Telecommunication Financing Act of 1978, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Supplemental Schedule of Non-Federal Financial Support is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

December 19, 2013
St. Louis, Missouri



Certified Public Accountants

University of Missouri
KBIA-FM RADIO

STATEMENTS OF NET POSITION
As of June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 248,859	\$ 322,520
Short-Term Investments	3,974	5,264
Accounts Receivable, Net	50,223	46,826
Pledges Receivable	76,440	62,221
Prepaid Expense	41,721	38,079
Total Current Assets	<u>421,217</u>	<u>474,910</u>
Noncurrent Assets:		
Long-Term Investments	772,393	693,241
Capital Assets, Depreciable, Net	199,325	238,643
Total Noncurrent Assets	<u>971,718</u>	<u>931,884</u>
Total Assets	<u>\$ 1,392,935</u>	<u>\$ 1,406,794</u>
LIABILITIES AND NET POSITION		
Current Liabilities:		
Accounts Payable and Other Accrued Expenses	\$ 46,448	\$ 31,489
Accrued Vacation	49,565	45,391
Unexpended Grants	149,200	179,293
Deferred Revenue	2,750	2,049
Total Current Liabilities	<u>247,963</u>	<u>258,222</u>
Noncurrent Liabilities:		
Accrued Vacation	18,018	14,594
Total Noncurrent Liabilities	<u>18,018</u>	<u>14,594</u>
Total Liabilities	<u>265,981</u>	<u>272,816</u>
Net Position:		
Invested in Capital Assets	199,325	238,643
Unrestricted		
Other	132,297	152,690
Board Designated	795,332	742,645
Total Net Position	<u>1,126,954</u>	<u>1,133,978</u>
Total Liabilities and Net Position	<u>\$ 1,392,935</u>	<u>\$ 1,406,794</u>

See accompanying notes to basic financial statements.

University of Missouri
KBIA-FM RADIO

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Years Ended June 30, 2013 and 2012

	2013	2012
Operating Revenues:		
Membership Contributions and Contributed Support	\$ 512,494	\$ 429,018
Community Service Grants from Corporation for Public Broadcasting	242,064	243,066
Underwriting Income	283,732	257,086
Other	3,982	1,052
Total Operating Revenues	1,042,272	930,222
Operating Expenses:		
Program Services -		
Broadcasting	124,595	117,935
Promotions	29,500	29,500
Programming and Production	733,132	669,837
Total Program Services	887,227	817,272
Supporting Services -		
Management and General	328,031	336,082
Depreciation Expense	39,318	41,123
Fundraising and Membership Development	282,021	256,774
Total Supporting Services	649,370	633,979
Total Operating Expenses	1,536,597	1,451,251
Operating Loss Before Non-operating Revenues	(494,325)	(521,029)
Nonoperating Revenues:		
Support from the University of Missouri	303,621	233,790
Donated Facilities and Administrative Support from the University of Missouri	98,129	96,431
Investment Income (Loss)	85,551	(14,569)
Total Non-operating Revenues	487,301	315,652
Decrease in Net Position	(7,024)	(205,377)
Net Position, Beginning of Year	1,133,978	1,339,355
Net Position, End of Year	\$ 1,126,954	\$ 1,133,978

See accompanying notes to basic financial statements.

University of Missouri
KBIA-FM RADIO

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2013 and 2012

	2013	2012
Cash Flows from Operating Activities:		
Membership Contributions and Contributed Support	\$ 498,275	\$ 419,408
Corporation for Public Broadcasting and Other Grants	215,953	216,347
Underwriting Income	281,036	289,643
Payments to Suppliers and Employees	(1,380,235)	(1,295,979)
Net Cash Used in Operating Activities	(384,971)	(370,581)
Cash Flows from Non-capital Financing Activities:		
Payments and Contributions from University of Missouri	303,621	233,790
Net Cash Provided by Non-capital Financing Activities	303,621	233,790
Cash Flows from Investing Activities:		
Sale (Purchase) of Investments, Net	(77,862)	61,018
Investment Income (Loss)	85,551	(14,569)
Net Cash Provided by Investing Activities	7,689	46,449
Net Decrease in Cash and Cash Equivalents	(73,661)	(90,342)
Cash and Cash Equivalents, Beginning of Year	322,520	412,862
Cash and Cash Equivalents, End of Year	\$ 248,859	\$ 322,520
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:		
Operating Loss	\$ (494,325)	\$ (521,029)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities -		
Depreciation Expense	39,318	41,123
Donated Facilities and Administrative Support	98,129	96,431
Changes in Assets and Liabilities:		
Accounts Receivable, Net	(3,397)	30,759
Pledges Receivable	(14,219)	(9,611)
Prepaid Expense	(3,642)	6,275
Accounts Payable and Other Accrued Expenses	14,959	14,031
Accrued Vacation	7,598	(2,588)
Unexpended Grants and Deferred Revenue	(29,392)	(25,972)
Net Cash Used in Operating Activities	\$ (384,971)	\$ (370,581)
Noncash Activity - Administrative Support from the University of Missouri	\$ 98,129	\$ 96,431

See accompanying notes to basic financial statements.

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NOTES TO BASIC FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2013 and 2012

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The major policies followed by KBIA-FM Radio (the “Station”) are presented below to assist the reader and to enhance the usefulness of the financial statements.

Organization – The Station is a non-profit, non-commercial radio station operated by the University of Missouri (the “University”) on its Columbia campus in Columbia, Missouri. The Station operates with a power of 100,000 watts, reaching a potential audience in a 75-mile radius. The financial activity of the Station is included in the financial statements of the University. The accompanying basic financial statements were prepared based on the combination of various accounts associated with the Station and its related operations and do not present the financial position or changes in financial position or cash flows of the University. The Station is dependent upon support from the Corporation for Public Broadcasting, the University, and the public.

Financial Statement Presentation – In accordance with GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, the Station is required to follow all applicable GASB pronouncements. In addition, the Station applies all applicable FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989, except those that conflict with a GASB pronouncement. The Station has elected not to apply FASB pronouncements issued after November 30, 1989.

The Station has adopted GASB Statement No. 35, *Basic Financial Statement—and Management’s Discussion and Analysis—for Public Colleges and Universities*, as amended by GASB Statements No. 37 and No. 38. GASB Statement No. 35 establishes standards for external financial reporting for public colleges and universities. The basic financial statement presentation provides a comprehensive entity-wide perspective of the Station’s net position, revenues, expenses and changes in net position and cash flows replacing the fund-group perspective previously required.

Basis of Accounting – The Station’s basic financial statements have been prepared using the economic resource focus and the accrual basis. The Station reports as a Business Type Activity, as defined by GASB Statement No. 34. Business Type Activities are those that are financed in whole or in part by funds received from external parties for goods or services.

The Station’s policy for defining operating activities as reported on the Statements of Revenues, Expenses and Changes in Net Position are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Membership Contributions and Contributed Support are deemed program revenue and therefore operating revenue as prescribed by the Corporation for Public Broadcasting. Certain significant revenue streams relied upon for operations are recorded as non-operating revenue as defined by GASB Statement No. 34. Non-operating revenues include revenues from activities that have the characteristics of non-exchange transactions, such as support from the University, permanent endowment contributions, and investment income.

Cash and Cash Equivalents – The Station participated in the University’s pooled cash accounts for fiscal years 2013 and 2012 and pooled investment accounts for fiscal years 2013 and 2012. For fiscal years 2013 and 2012 cash and cash equivalents are held as cash by the University on behalf of the Station. For purposes of the basic financial statements for fiscal year 2013, cash and cash equivalents consist of funds held by the University on behalf of the Station.

Accounts Receivable – Accounts receivable are presented at the net amount. Accounts receivable consists of amounts due to the Station for underwriting contracts and other miscellaneous revenue sources. An allowance of \$9,620 and \$8,225 as of June 30, 2013 and 2012, respectively, has been made for uncollectible accounts receivable based upon management’s expectations regarding the collectability of the accounts and the Station’s historical collection experience.

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NOTES TO BASIC FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2013 and 2012

Pledges Receivable – The Station receives unconditional promises to give (pledges) through private donations from corporations, alumni, and various other supporters of the Station. These pledges have been recorded as pledges receivable on the Statements of Net Position and as a portion of Membership Contributions and Contributed Support on the Statements of Revenues, Expenses and Changes in Net Position, at the present value of the estimated future cash flows. No allowance for doubtful accounts has been provided as management has determined no write offs are expected for pledges receivable.

Capital Assets – These assets are carried, if purchased, at cost, or if donated, at fair value at date of gift. Depreciation of capital assets is provided on a straight-line basis over the estimated useful lives of the respective assets – generally seven to fifteen years. Expenditures for repairs and maintenance are charged to operating expenses as incurred.

Deferred Revenue and Unexpended Grants – Amounts reflected in the Statements of Net Position as of June 30, 2013 and 2012, represent cash the Station has received under contracts that have services to be performed by the Station in future years. Grant revenues are recognized as eligibility requirements are met.

Net Position – The Station's net position is classified for financial reporting in the following net position categories:

- **Invested in Capital Assets:** Capital assets, net of accumulated depreciation and outstanding principal balances of debt, if any, attributable to the acquisition, construction or improvement of those assets.
- **Unrestricted:** Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specified purposes by action of the Board of Curators (the "Board") or may otherwise be limited by contractual agreements with outside parties.

Underwriting Income – Underwriting income consists of advertising spots purchased by sponsors and are recognized when the spots are aired by the Station.

In-Kind Contributions – In-kind contributions are recorded as revenue and expense in the accompanying Statements of Revenues, Expenses, and Changes in Net Position. In-kind contributions consist of donated property and professional services. These donations are recorded at fair value at the time of the gift.

Donated Facilities and Administrative Support – Donated facilities from the University consist of office and studio space. The cost of these facilities, together with the related occupancy cost, is recorded in revenues and expenses at depreciable value in accordance with valuation guidelines established by the Corporation for Public Broadcasting. Indirect administrative support from the University is included in revenues under donated facilities and administrative support. Support from the University consists of allocated general and administrative expenses incurred by the institution on behalf of the Station.

Use of Estimates – The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Accounting Pronouncements – Effective for fiscal year 2013, the Station adopted GASB Statement No.60, Accounting and Financial Reporting for Service Concession Arrangements, which applies to service concession arrangements (SCAs) defined as public private partnerships where the public institution retains specific control criteria. The Station has evaluated this statement and does not currently have any SCAs that meet the criteria set forth. Adoption of GASB Statement No. 60 had no effect on the Station's financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2013 and 2012

Effective for fiscal year 2013, the Station adopted GASB Statement No. 61, The Financial Reporting Entity: Omnibus (an amendment of GASB Statements No. 14 and No. 34), which intends to improve financial reporting for a governmental financial reporting entity. The Statement amends the requirements of Statement No. 14. Adoption of GASB Statement No. 62 had no effect on the Station's financial statements.

Effective for fiscal year 2013, the Station adopted GASB Statement No. 63, Reporting Deferred Outflows, Deferred Inflows and Net Position, which addresses how to report elements of financial statements that are deferrals, and explains that net position is the residual of all other elements presented in a statement of net position. Adoption of GASB Statement No. 6 has no effect on the Station's financial statements other than renaming various report titles and certain line items. These changes have been incorporated in the Station's financial statements presented.

In March 2012, GASB issued GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, which intends to improve financial reporting by clarifying the appropriate use of the financial statement elements deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reports. The Station has not yet determined the effect that adoption of GASB Statement No. 65 will have on its financial statements.

In June 2012, GASB issued GASB Statement No. 67, Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25, which intends to improve financial reporting by state and local governmental pension plans. Also, in June 2012, GASB issued GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment to GASB Statement No. 27, which will enhance accounting and financial reporting by state and local governments for pensions and improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. The adoption of Statements No. 67 and No. 68 will require the Station to record a Net Pension Liability on its Statement of Net Position. The Station has determined adoption will not have a significant impact on its financial statements.

Effective for fiscal year 2012, the Station adopted GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which incorporated into the GASB's authoritative literature certain accounting and financial reporting guidance issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements. Adoption of GASB Statement No. 62 had no effect on the Station's financial statements.

Effective for fiscal year 2012, the Station adopted GASB Statement No. 64, Derivative Instruments: application of Hedge Accounting Termination Provisions - an amendment to GASB No. 53, which provided clarification on determining if an effective hedging relationship still exists for derivative instruments. Adoption of GASB Statement No. 64 had no effect on the Station's financial statements.

2. CASH AND CASH EQUIVALENTS RISK

Custodial Credit Risk – Deposits – The custodial credit risk for deposits is the risk that in the event of bank failure, the University's deposits may not be recovered. State law requires collateralization of all deposits with federal depository insurance, bonds and other obligations of the U.S. Treasury, U.S. Agencies and instrumentalities of the state of Missouri; bonds of any city, county, school district or special road district of the state of Missouri; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits. The University's cash deposits were fully insured or collateralized at June 30, 2013 and 2012, respectively.

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NOTES TO BASIC FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2013 and 2012

3. INVESTMENTS

Investments – The Station participates in the University’s pooled investment accounts, which are stated at fair value, and holds an equity investment in the pool. The investment policies of the University are established by the Board. The policies are established to ensure that the University funds are managed in accordance with Section 105.688 of the Revised Statutes of Missouri and prudent investment. The University’s investment securities are held in book-entry form in brokerage, custody, and safe keeping accounts in the University’s name. The endowment pool, managed by the University, averaged a total return of 12.6% and (0.9%), including unrealized gains and losses, for the years ended June 30, 2013 and 2012, respectively. The general pool, managed by the University, averaged a total return of (0.9%) and 2.4%, including unrealized gains and losses, for the years ended June 30, 2013 and 2012, respectively.

At June 30, 2013 and 2012, the Station held the following types of investments:

	Carrying Value as of June 30, 2013	Carrying Value as of June 30, 2012
Debt Securities	\$ 151,292	\$ 242,902
Corporate Stocks	491,341	390,099
Cash and Cash Equivalents held by the University	229,894	278,381
Real Estate	39,888	31,161
Absolute Return	93,846	34,343
Money Market Funds	15,732	36,098
Other Cash Equivalents	3,233	8,041
Total Investments and Cash and Cash Equivalents	<u>\$ 1,025,226</u>	<u>\$ 1,021,025</u>

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates over time will adversely affect their fair value of an investment. Debt securities with longer maturities are likely to be subject to more variability in their fair values as a result of future changes in interest rates. The University does not have a formal policy that addresses interest rate risk; rather, such risk is managed by each individual investment manager, as applicable. The University has investments in asset-backed securities guaranteed by U.S. agencies and corporate collateralized mortgage obligations. These securities are based on cash flows from principal and interest payments on the underlying securities. An asset-backed security may have repayments that vary significantly with changes in market interest rates.

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NOTES TO BASIC FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2013 and 2012

At June 30, 2013 and 2012, the Station's portion of the University's debt securities matures as follows:

	As of June 30, 2013					
	Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years	No Maturity	Fair Value
U.S. Agency Obligations	\$ -	\$ -	\$ 273	\$ -	\$ -	\$ 273
U.S. Treasury Obligations	-	-	-	4,525	-	4,525
Commingled Debt Securities	-	-	-	-	83,791	83,791
Asset-Backed Securities	-	6,272	-	-	-	6,272
Foreign Government Obligations	-	-	18,810	-	-	18,810
U.S. Corporate Bonds & Notes	-	-	19,141	-	-	19,141
Foreign Corporate Bonds & Notes	-	-	18,480	-	-	18,480
Total	<u>\$ -</u>	<u>\$ 6,272</u>	<u>\$ 56,704</u>	<u>\$ 4,525</u>	<u>\$ 83,791</u>	<u>\$ 151,292</u>
	As of June 30, 2012					
	Less than 1 Year	1-5 Years	6-10 Years	More than 10 Years	No Maturity	Fair Value
U.S. Agency Obligations	\$ 376	\$ 1,018	\$ 221	\$ 119	\$ -	\$ 1,734
U.S. Treasury Obligations	829	15,091	13,117	14,508	-	43,545
Commingled Debt Securities	-	-	-	-	65,963	65,963
Asset-Backed Securities	-	17	2,117	25,296	-	27,430
Foreign Government Obligations	1,180	13,159	21,254	9,746	-	45,339
U.S. Corporate Bonds & Notes	1,028	7,289	18,438	3,960	-	30,715
Foreign Corporate Bonds & Notes	1,852	17,227	4,135	4,962	-	28,176
Total	<u>\$ 5,265</u>	<u>\$ 53,801</u>	<u>\$ 59,282</u>	<u>\$ 58,591</u>	<u>\$ 65,963</u>	<u>\$ 242,902</u>

Credit Risk – Investments - An investment's credit risk is the risk that the issuer or other counterparty will not meet its obligations. For investments in debt securities, this credit risk is typically measured by the credit quality ratings provided by a nationally recognized statistical rating organization such as Moody's Investors Service (Moody's) or Standard & Poor's Ratings Group (S&P). For general investments, the University's policy is to hold corporate bonds rated A or better by S&P. Also within general investments, commercial paper and other short-term securities should be rated A-1/P-1 or better. Disposition of securities whose ratings have been downgraded after purchase is generally left to the discretion of the respective investment manager after consideration of individual facts and circumstances.

All holdings of commercial paper and variable rate demand notes were rated A-1/P-1 or better at June 30, 2013 and 2012, respectively. All holdings of money market funds were rated AAA at June 30, 2013 and 2012, respectively.

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NOTES TO BASIC FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2013 and 2012

Based on investment ratings provided by Moody's or S&P, the Station's portion of the University's credit risk exposure as of June 30, 2013 and 2012, is as follows:

	As of June 30, 2013						Total
	U.S. Treasury Obligations	U.S. Agency Obligations	Foreign Government Obligations	U.S. Corporate Debt	Foreign Corporate Debt	Commingled Debt Securities	
U.S. Agency Obligations	\$ -	\$ 273	\$ -	\$ -	\$ -	\$ -	\$ 273
U.S. Treasury Obligations	4,525	-	-	-	-	-	4,525
Mortgage-Backed Securities	-	-	-	-	-	-	-
Guaranteed by U.S. Agencies	-	3,511	-	-	-	-	3,511
Debt Securities in Commingled Funds	-	-	-	-	-	83,791	83,791
Aaa/AAA	-	78	4,228	750	6,370	-	11,426
Aa/AA	-	1,097	4,174	92	3,524	-	8,887
A/A	-	127	4,942	444	3,127	-	8,640
Baa/BBB	-	167	369	1,053	1,783	-	3,372
Less than Baa/BBB	-	890	-	15,331	2,470	-	18,691
Unrated	-	402	5,097	1,471	1,206	-	8,176
Total	\$ 4,525	\$ 6,545	\$ 18,810	\$ 19,141	\$ 18,480	\$ 83,791	\$ 151,292

	As of June 30, 2012						Total
	U.S. Treasury Obligations	U.S. Agency Obligations	Foreign Government Obligations	U.S. Corporate Debt	Foreign Corporate Debt	Commingled Debt Securities	
U.S. Agency Obligations	\$ -	\$ 1,734	\$ -	\$ -	\$ -	\$ -	\$ 1,734
U.S. Treasury Obligations	43,545	-	-	-	-	-	43,545
Mortgage-Backed Securities	-	-	-	-	-	-	-
Guaranteed by U.S. Agencies	-	24,189	-	-	-	-	24,189
Debt Securities in Commingled Funds	-	-	-	-	-	-	-
Aaa/AAA	-	302	14,974	632	13,780	65,963	95,651
Aa/AA	-	1,107	7,432	1,563	3,550	-	13,652
A/A	-	414	5,386	4,428	5,435	-	15,663
Baa/BBB	-	345	2,280	2,373	1,592	-	6,590
Less than Baa/BBB	-	695	-	19,622	1,176	-	21,493
Unrated	-	378	15,267	2,097	2,643	-	20,385
Total	\$ 43,545	\$ 29,164	\$ 45,339	\$ 30,715	\$ 28,176	\$ 65,963	\$ 242,902

Custodial Credit Risk – For investments, custodial credit risk is the risk that in the event of failure of the counterparty to a transaction, the University will not be able to recover the value of the investments held by an outside party. In accordance with its policy, the University minimizes custodial credit risk by establishing limitations on the types of instruments held with qualifying institutions. Repurchase agreements must be collateralized by U.S. Government issues and/or U.S. Government Agency issues. All University investments are insured or registered and are held by the University or an agent in its name.

Foreign Currency Risk – The risk that changes in exchange rates will adversely affect the fair value of a foreign investment is referred to as foreign currency risk. The University's investment policy allows for exposure to non-U.S. dollar denominated equities and fixed income securities. Exposure to foreign currency risk from these securities is permitted and it may be fully or partially hedged using forward foreign currency exchange contracts. At June 30, 2013 and 2012, 33.8% and 27.7% respectively, of the Station's total investments and cash and cash equivalents were denominated in foreign currencies.

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NOTES TO BASIC FINANCIAL STATEMENTS
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The Station's portion of the University's exposure to foreign currency risk is as follows:

Foreign Currency Risk					
International Investment Securities at Fair Value					
Currency	Debt Securities	Equity Securities	Cash and Cash Equivalents	2013 Total	2012 Total
Euro	\$ 9,252	\$ 5,428	\$ 118	\$ 14,798	\$ 47,015
Japanese Yen	1,604	10,399	26	12,029	15,068
British Pound Sterling	5,824	12,295	71	18,190	25,489
Australian Dollar	2,210	1,847	114	4,171	8,731
Canadian Dollar	1,953	617	-	2,570	7,197
Swiss Franc	-	7,861	-	7,861	7,046
Hong Kong Dollar	-	4,459	-	4,459	3,770
Swedish Krona	-	2,894	-	2,894	3,849
Mexican New Peso	1,371	-	106	1,477	4,375
Danish Krone	615	-	1	616	-
New Zealand Dollar	1,427	-	-	1,427	-
Brazil Real	1,390	-	800	2,190	-
Israel Shekel	524	-	-	524	-
Other	49,182	224,195	30	273,407	160,724
Total	<u>\$ 75,352</u>	<u>\$ 269,995</u>	<u>\$ 1,266</u>	<u>\$ 346,613</u>	<u>\$ 283,264</u>

Concentration of Credit Risk – The risk of loss attributed to the magnitude of investments in a single issuer is known as the concentration of credit risk. Investments issued or guaranteed by the U.S. government, investments in mutual funds, or external investment pools are excluded from this category. The University investment policies all specify diversification requirements across asset sectors. The investment policy for the general pool has specific single issuer limits in place for corporate bonds and commercial paper.

4. CHANGES IN UNEXPENDED GRANTS

The balance of unexpended grants at June 30, 2013 and 2012, consists of unexpended grant awards from the Corporation for Public Broadcasting.

	Unexpended Grants	
	2013	2012
Balance, Beginning of Year	\$ 179,293	\$ 207,064
Grants	213,966	243,066
Deductions, Amount Expended	<u>(244,059)</u>	<u>(270,837)</u>
Balance, End of Year	<u>\$ 149,200</u>	<u>\$ 179,293</u>

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NOTES TO BASIC FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2013 and 2012

5. CAPITAL ASSETS

Capital asset activity for the years ended June 30, 2013 and 2012, is as follows:

2013	Beginning Balance	Additions	Transfers	Ending Balance
Capital Assets, Depreciable:				
Transmission, Antenna and Tower	\$ 639,058	\$ -	\$ -	\$ 639,058
Studio and Other Broadcast Equipment	281,944	-	-	281,944
Total Capital Assets, Depreciable	921,002	-	-	921,002
Accumulated Depreciation:				
Transmission, Antenna and Tower	369,657	-	-	369,657
Studio and Other Broadcast Equipment	312,702	39,318	-	352,020
Total Accumulated Depreciation	682,359	39,318	-	721,677
Total Capital Assets, Depreciable, Net	<u>\$ 238,643</u>	<u>\$ (39,318)</u>	<u>\$ -</u>	<u>\$ 199,325</u>
2012	Beginning Balance	Additions	Transfers	Ending Balance
Capital Assets, Depreciable:				
Transmission, Antenna and Tower	\$ 639,058	\$ -	\$ -	\$ 639,058
Studio and Other Broadcast Equipment	281,944	-	-	281,944
Total Capital Assets, Depreciable	921,002	-	-	921,002
Accumulated Depreciation:				
Transmission, Antenna and Tower	369,657	-	-	369,657
Studio and Other Broadcast Equipment	271,579	41,123	-	312,702
Total Accumulated Depreciation	641,236	41,123	-	682,359
Total Capital Assets, Depreciable, Net	<u>\$ 279,766</u>	<u>\$ (41,123)</u>	<u>\$ -</u>	<u>\$ 238,643</u>

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NOTES TO BASIC FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2013 and 2012

6. OPERATING LEASE OBLIGATIONS

The Station leases an above-ground broadcast tower. Future minimum payments are as follows:

<u>Fiscal Year</u>	<u>Amount</u>
2014	\$ 6,152
2015	<u>1,538</u>
Total Future Minimum Payments	<u>\$ 7,690</u>

Total lease payments for the years ended June 30, 2013 and 2012, were \$6,152 and \$6,152, respectively.

7. BOARD-DESIGNATED QUASI-ENDOWMENT

The Station's quasi-endowment was established on April 9, 1998 by the University of Missouri – Columbia as the KBIA Unrestricted Endowment Fund to provide unrestricted support to the Station. As of June 30, 2013 and 2012, the balance of the quasi-endowment was \$795,332 and \$742,645, respectively.

8. RISK MANAGEMENT

The Station is a part of the University's overall risk management program, for which it is charged an annual premium by the University. The University is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; natural disasters; and various medically related benefit programs for employees. The University funds these losses through a combination of self-insured retentions and commercially purchased insurance. The amount of self-insurance funds and commercial insurance maintained are based upon analysis of historical information and actuarial estimates. Settled claims have not exceeded commercial coverage in any of the past three fiscal years. The University does not maintain a separate liability reserve for claims relating to the Station.

9. RETIREMENT PLAN

Plan Description – All qualified employees of the Station participate in the University of Missouri Retirement, Disability, and Death Benefits Plan (the "Plan"), a single-employer defined benefit plan.

All full-time employees of the University are eligible for benefits after five years of service. The annual lifetime pension of a member is calculated by multiplying the number of years of service by 2.2% of the compensation base for employees hired before October 1, 2012 or 1.0% for employees hired after September 30, 2012. The compensation base is the average regular annual salary of the member for the five consecutive highest salary years. Benefits to pensioners may be increased at certain times by the University's Board of Curators. Early retirement benefits are available at reduced rates to members age 55 to 60 with at least ten years of credited service and members age 60 to 65 with at least five years of credited service.

Contributions – The University's contributions to the Plan are equal to the actuarially determined rates, which is a percent of payroll, which averaged 8.9% and 7.2% for the years ended June 30, 2013 and 2012, respectively. Effective July 1, 2009, employees are required to contribute 1% of their salary up to \$50,000 in a calendar year and 2% of their salary in excess of \$50,000.

Additional Information – Historical trend information and funding status information is designed to provide information about the Plan's progress made in accumulating sufficient assets to pay benefits and disclose "actuarial accrued liability" and the funding excess or unfunded liability. This information is presented in the University's annual report, which can be obtained at the University of Missouri, 1000 W. Nifong, Building 7, Ste. 300, Columbia, Missouri 65211.

NOTES TO BASIC FINANCIAL STATEMENTS

As of and for the Years Ended June 30, 2013 and 2012

10. OTHER POSTEMPLOYMENT BENEFITS

In addition to the pension benefits described in Note 9, the Station participates in the University's postemployment benefits plan. This plan provides postretirement medical, dental, life insurance, and long-term disability benefits to claimants who were vested in the University's retirement plan at the time their disability began and vested employees who retire from the University after attaining age 55 and before reaching age 60 with ten or more years of service, or who retire after attaining age 60 with five or more years of service. Section 172.300 of the Revised Statutes of Missouri gives the Board sole authority and discretion to determine the terms and conditions governing the postemployment benefits to which employees are entitled.

In June 2008, the University established an Other Post-Employment Benefits Trust Fund, the assets of which are irrevocable and legally protected from creditors and dedicated to providing postemployment benefits in accordance with terms of the plan. Postemployment benefits, other than long-term disability, were previously funded on a current basis and expenses were recorded on a pay-as-you-go basis. In fiscal years 2013 and 2012, the University contributed 37.6% and 50.0%, respectively, of the actuarially determined annual required contribution. The fiscal years 2013 and 2012 annual required contribution represented 4.9% and 4.9%, respectively, of annual covered payroll. The Station assumes no liability for postemployment benefits provided by the University other than its departmental charge for employee benefits.

Additional information is presented in the University's annual report, which can be obtained at the University of Missouri, 1000 W. Nifong, Buliding 7, Ste. 300, Columbia, Missouri 65211.

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SUPPLEMENTAL SCHEDULE OF NON-FEDERAL FINANCIAL SUPPORT
For the Year Ended June 30, 2013

Summary of Non-Federal Financial Support

1. Direct Revenue	\$ 1,105,776
2. Indirect Administrative Support	98,129
3. In-Kind Contributions:	
a. Services and Other Assets	-
b. Property and Equipment	-
Total In-Kind Contributions	<u>-</u>
4. Total Non-Federal Financial Support	<u>\$ 1,203,905</u>

See Accompanying Independent Auditors' Report.