

Public Access Corporation of the District of Columbia

February 23, 2017 Submission
Committee on Government Operations
Council of the District of Columbia
Performance Oversight Hearing

- 6) Please provide a chart showing your agency's approved budget and actual spending, by division, for FY16 and FY17, to date. In addition, please describe any variance between fiscal year appropriations and actual expenditures.

Please see attached Budget vs. Actual Comparisons:

- FY16 (July 1, 2015 through June 30, 2016-audited)
- FY17 (July 2016 through January 31, 2017-unaudited).

Please note that DCTV's fiscal year is from July 1 to June 30.

Variances:

FY'16.

There were three unfavorable variances in FY'16. However, these variances did not cause the annual actual expenses to exceed total budgeted expenses.

- **Information Technology - \$16,881**

This variance occurred due to an increase in the following items:

- Web-based software support
- Non-capitalized software
- Offsite data storage

- **NFF Loan Interest and Principal - \$10,414**

This variance occurred due to the payoff of the NFF loan, which was not budgeted.

- **Insurance - \$3,144**

This variance occurred due to an increase in workers compensation and liability insurance

Variances:

FY'17 (July 1, 2016 through January 31, 2017)

There were two unfavorable variances through January 31, 2017. These variances will not have a significant impact on the FY'17 budget.

- **Information Technology - \$6,842**

This variance occurred due to an increase in IT services and web-based software support.

- **Occupancy - \$24,419**

This variance occurred due to an increase in building repairs and utilities.

7) Please list any re-programmings, in or out, which occurred in FY16 or FY17, to date. For each reprogramming, please list the total amount of the reprogramming, the original purposes for which the funds were dedicated, and the reprogrammed use of funds.

Not Applicable.

8) Please provide a complete accounting for all intra-District transfers received by or transferred from the agency during FY16 or FY17, to date.

Not Applicable.

9) Please identify any special purpose revenue accounts maintained by, used by, or available for use by your agency during FY16 or FY17, to date. For each account, please list the following:

- The revenue source name and code
- The source of funding
- A description of the program that generates the funds.
- The amount of funds generated by each source or program in FY16 and FY17, to date
- Expenditures of funds, including the purpose of each expenditure, for FY16 and FY17, to date

Not Applicable.

10) Please provide a complete accounting of federal grants received for FY16 and FY17, to date.

No federal grants were received in FY16 or FY17.

11) What steps were taken during FY16 and FY17 to date to reduce agency energy use?

NATURAL LIGHT

Continuing: The renovation design of Brooks Mansion takes optimum advantage of natural light throughout the day, so all hallways above basement level, all offices, equipment room, IT room, Studio control rooms, two restrooms, conference and education rooms, programming traffic area, and lighting in three edit suites is not required to be turned on. These areas are only turned on rarely before sunset. (All areas are equipped with light control blinds.)

Areas which do not have natural light (two of the four restrooms, three edit suites that do not have natural light, the basement and studios are kept dark except when in use. Signs are posted to turn off lights when not in use. Staff and members regularly enforce turning off lights when leaving rooms in which the lights were turned on. [This has an incidental benefit of reducing eye strain on staff using computers, since most fluorescent lighting has a different, dissonant flicker rate than computer monitors, which results in personal fatigue.]

All non-fire-code lights throughout the building that were in use are extinguished as part of a facility-closing routine at the close of each day.

LOW ENERGY LIGHTS

Wherever possible, low energy consumption bulbs are installed. Beginning in FY15 and FY16, as light bulbs need to be replaced, LED light bulbs are installed. 24-hour emergency lights are prioritized for new LED bulbs, moving working bulbs from those fixtures to non-emergency fixtures. All edit suites were converted to LED lights in FY16, reducing both the need for electricity and the heat load in the rooms.

Outdoor lighting continues to use LED fixtures and bulbs, using one third of the energy as the existing sodium and fluorescent bulbs, and the bulbs need only to be replaced every 50,000 hours, saving the materials needed to produce the bulbs and reducing disposal issues.

AIR CIRCULATION

Continuing: Windows repaired in FY12 are maintained so they can be opened to allow for natural air circulation and cooling in the seasons in between air-conditioning and heating (Fall and Spring). They are regularly used to provide comfort and reduce demand on heating or cooling, as appropriate.

Windows are maintained to seal against weather, resulting in lower heating energy needs.

HEATING SYSTEM

The existing boiler which was not energy efficient and failing was replaced in FY14 with an energy efficient boiler. Like the old boiler, the new boiler uses natural gas. It has an outside thermostat

which turns the boiler off when the outside temperature is high enough that heating the building is not necessary, such as through late Fall and a substantial part of the FY16 and current Winter.

Additionally, the boiler setting was reduced from 75 degrees to 50 degrees, because due to the boiler's increased efficiency, the building did not require the amount of heat the boiler had been producing at the higher temperature.

AIR CONDITIONING

During FY16, Noyes Air Conditioning performed an analysis of the use of air conditioning in the edit suites and Programming office located on the third floor. Like the server room and Master Control where telecasting is located, those rooms require air conditioning in the cold months. In FY16, air conditioning was installed using energy efficient Tripp Lite portable units.

COMPUTERS

All computers and monitors are timed to shut down overnight. All production systems, monitors and monitoring equipment in the facility (including in Master Control) are turned off as part of a facility-closing routine at the close of each day.

RECYCLING

Staff and facility users separate items for recycling. DCTV hires recycling as part of its regular trash pickup.

DCTV uses a lot of carbon batteries, and collects them to provide to a company for recycling.

Toner cartridges are also recycled, and bulk trash is only disposed of through a disposer who sorts it for recycling or environmentally sound disposal.

Most equipment is repurposed and redistributed for use until it is not repairable or useless, then disposed in an environmentally sound manner.

12) Please identify any legislative requirements that the agency lacks sufficient resources to properly implement.

NONE

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III. Policies and Programs

13) Please list all regulations for which the agency is responsible for oversight or implementation. Please list by chapter and subject heading, including the date of the most recent revision.

NONE.

14. Please list each new program implemented by the agency during FY16 or FY17, to date. For each initiative please provide:

- **A description of the initiative**
- **The funding required to implement the initiative**
- **Any documented results of the initiative**

In FY16, DCTV implemented several initiatives to expand or enhance services provided to the community, increase visibility and expand community conversations.

Election FY16 For Political Candidates – “Meet the Candidates” programs

In FY16, DCTV hosted Board of Elections-certified candidates for the DC Council, Delegate to U.S. House of Representatives, and United States Representative in the primary elections, producing a total of 22 “Meet the Candidate” programs. The programs were telecast before the primary and general elections. The programs provided candidates the opportunity to introduce themselves to residents and provide key information about their campaign platforms in a non-debate format. DCTV is the only local television channels to provide candidates such an opportunity since 1988. The programs were available to over 450,000 viewers via cable and to 30,000 viewers online via DCTV. Campaigns were provided a copy of the program for their websites and reached additional viewers through their individual websites. The expenses required for producing (excluding staff and operational time that are part of DCTV’s overall budget):

Primary Election Meet the Candidates – 22 programs \$4,127

Election Programming is planned to continue, including in FY17.

Other Programming

In FY16, DCTV premiered *Laugh But Not Least*, a program that spotlighted DC comedians, hosted by local comedian Niki Moore. The show is currently in production and the first show features local comedians Brandon T. Jackson from films “Roll Bounce,” and “Tropic Thunder”

and Tony Woods who has made appearances on Comedy Central and HBO's Def Comedy Jam. A new season of the show is in pre-production and will begin to tape additional shows in March.

Additionally, DCTV produced two additional series *Gospel Access* and *Studio 901*. Both shows will return to the DCTV programming schedule shortly. Studio 901 is now produced in a magazine style and includes a more inclusive production team consisting of DCTV staff, producing members and other independent content creators. As a result of the new approach, DCTV is able to produce the show more frequently and creates a greater aptitude to gain a larger audience by creating continuity in the programming schedule.

In FY16, DCTV, in partnership with WMATA, began airing *Metro Focus*. This half-hour magazine format show takes viewers on a journey to booming hotspots, hidden gems and behind-the-scenes of destinations the Metro system serves by rail and bus. *Metro Focus* plans to be a two-year series documenting the changes on the WMATA system.

Free Equipment for DC Residents

In FY16, DCTV members who are Washington, DC residents and are certified to use equipment, editing or studios were provided the opportunity to use equipment and facilities at no cost, as a continuation to the pilot program that was launched and approved by the DCTV Board in FY15.

July 1, 2015 – June 30, 2016 675 Programs Equipment Hours 2,196

Youth Media Network

Created in 2003, the Youth Training Institute (YTI) at DCTV built on the previous experience of 15 years providing youth education, internships and opportunities, gives young people in the DC metropolitan area the opportunity and space to learn, understand and create media to make positive changes in their communities.

In FY16, DCTV embarked on an effort to rebrand the youth component to DCTV by giving it a new name, updated tagline and a two-fold approach to youth media education: creating future leaders and connecting practitioners.

Name: DCTV's Youth Media Network (YMN)
Tagline: Creating Future Leaders. Connecting Facilitators.
Mission: Through the creation and development of original, youth-inspired content, **DCTV'S YOUTH MEDIA NETWORK** (YMN) provides hands-on training and career readiness for young people pursuing media related fields and functions as a hub for the DC youth media community.

DCTV continues to serve as a learning environment for young people in the Mayor's Summer Youth Employment Program (SYEP) and has done so for almost 30 years. In FY16, DCTV hosted 9 SYEP participants who gained on-the-job media production experience by creating 6 separate projects focused on DC Statehood, a profile piece on So Others Might Eat (SOME), a

video package about the health benefits of drinking water, and project highlighting resources for homeless LGBTQ youth in DC.

In FY16, DCTV created customized training opportunities for RizeUp Technology program, where participants learned producing and videography and were certified as a result of the boot-camp style education course.

In FY16, DCTV hosted 17 youth from National Capital Area YWCA for a hands-on workshop about media literacy, and how to create media that inspires young girls to be leaders in the world. Participants created an in-studio Public Service Announcement focusing on empowering young women.

In FY16, DCTV welcomed the International Visitor Leadership Program, with 5 youth leaders and policy specialists from the Ukraine, Northern Ireland, Russia and Sweden. The group came to DCTV to exchange ideas around youth using media as an agent of social and political change in the community.

In FY16, for the eighth consecutive year, DCTV participated in the Cesar Chavez Public Charter School for Public Policy Fellowship Program by hosting three students and creating a curriculum which focused on the role of media in public policy. In addition to writing op-ed pieces and creating PowerPoint presentations students created inspiring music videos.

In FY16, youth participated in 11,444 hours of media education.

Training Courses

In FY16, DCTV improved and upgraded its curricula for courses and implemented the improvements to the wide spectrum of classes in media production that were held throughout the year. DCTV's training areas include: Studio Technician, Videography, and Editing. DCTV also conducts training in television production (the Producer's class) that focuses on the non-technical skills required for producing television programs.

The Producer's class is a unique course developed by DCTV in 2010 and the only one of its type in the DC metropolitan area.

To meet the needs of the community, in FY16, DCTV added an advanced-level course: DSLR Production, which focus on narrative, film-style production techniques.

All of DCTV's courses are offered in cycles, organized specifically to allow students from each course to work together to hone newly acquired skills. Students from each of the Producer's classes develop concepts for segments that they produce working with students from the Studio Tech, Videography, and Editing courses. The completed programs have aired on DCTV's series, *Student Exposure*, and going forward will be featured as segments in other DCTV programming.

In FY2016, DCTV's Training Department produced the following original programming:

- Student Exposure #40 *Get Up & Get Out*
- Student Exposure #41 *DC's Underground*
- Student Exposure #42 *Development in DC*
- Student Exposure #43 *Unsung Heroes and Heroines*
- Student Exposure #44 *Servin' DC*
- Student Exposure #45 *Family Fun in DC*
- District Buzz #15 *The Initiative*

District Buzz #16 *Forgotten Pride*
District Buzz #17 *Ride DC*
District Buzz #18 *Ben's Chili Bowl: The Impact on DC*
District Buzz #19 *Capital Bike Share*

DCTV continued its production of DCTV *News Break*, a short-form commercial style vignette to promote DCTV events like Community Day, DCTV's Voice Awards, and membership activities.

In FY16, DCTV created and launched free Adobe Premiere Transition Workshops for DCTV members to get acclimated and certified in DCTV's upgraded editing systems.

In FY16 DCTV's Summer Workshop Series continued to assist members build new skills by focusing on in the Adobe Creative Suite. In addition to the Best Practices in Producing Workshop, DCTV launched the following new learning opportunities:

- After Effects Workshop
- After Effects Boot-Camp
- Photoshop Workshop

Adobe Premiere Transition Workshops
Registrants: 38
Registrants training hours received: 168

Summer Workshops - July 2015
Registrants: 33
Registrants training hours received: 62

Summer Workshops – June 2016
Registrants: 28
Registrants training hours received: 96

In FY16, students received 31,305 hours of training.

DCTV continues to subsidize 75% to 85% of the cost of training for DC residents. Funding for all training (including Youth Training and internships) in FY16 was an estimated \$244,118.

During the organization's strategic planning process, DCTV renamed its Training Department to the Education Department to reflect a progressive learning approach that is more comprehensive and captures the many facets of educational programs and services provided by DCTV.

In FY16 and FY17, DCTV created the curriculum and managed and conducted training for the Mayor Muriel Bowser's Creative Economy Career Access Program (CECAP), a pilot workforce development initiative for DC residents interested in media jobs.

CECAP participants produced 2 videos:

- Black Communities Matter: A short cultural package conferring the dialogue and tends, topics and needs of surrounding communities.

- Dangers of the K2 Drug: A short video educating the community on the dangers of engaging in K2 drug use.

DCTV produced four promotional spots highlighting DCTV's education program using testimonials from CECAP participants. These marketing pieces feature all CECAP participants discussing benefits of DCTV's education program and advice for other novice learners.

CECAP Registrants: 7

Registrants training hours received: 324

15) Please provide a list of all studies, research papers, and analyses ("studies") the agency requested, prepared, or contracted for during FY16 or FY17 to date. Please state the status and purpose of each study.

In FY15, a benchmarking study was conducted assessing DCTV in relation to other community media centers nationwide, and recommendations to support strategic planning. The study was conducted pro bono by a volunteer team of 8 MBA business professionals provided through a grant from Compass, a nonprofit that assesses applications and selects nonprofit organizations to benefit from their volunteer teams' business expertise. The value of the services provided was \$138,000.

In FY16, a benchmarking study and "best practices" analysis of selected public access centers and public broadcasting stations that focus on locally produced programming was researched and prepared by MMP Associates to inform the Strategic Plan that was fleshed out from the work conducted by the Board in FY14, FY15 and FY16; the five-year plan was approved in FY16.

16) Please explain the impact on your agency of any legislation passed at the federal level during FY16 and FY17, to date that significantly affect agency operations. If regulations the shared responsibility of multiple agencies, please note.

NONE

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IV. Contracting & Auditing

17) Please provide a list of all MOUs in place during FY16 and FY17 to date.

In FY17, an MOU started in FY12 continued in place with R. David Hall Real Estate Services to provide expert consulting services to DCTV to assist with negotiating construction and building services contracts, to interview and assess qualifications and skill of potential contractors, to obtain bids on work to be performed, to communicate with and oversee contractors work under the contract, and to assess quality and completeness of work for release of payments.

The MOU was sought in order to ensure that DCTV's needs would be fulfilled in each area of work or service required, and has succeeded.

18) Please list each contract, procurement, lease, and grant ("contract") awarded, entered into, extended and option years exercised, by your agency during FY16 and FY17, to date. For each contract, please provide the following information where applicable.

- **The name of the contracting party;**
- **The nature of the contract, including the end product or service;**
- **The dollar amount of the contract, including budgeted amount and actually spent;**
- **The term of the contract;**
- **Whether the contract was competitively bid or not;**
- **The name of the agency's contract monitor and the results of any monitoring activity;**
- **and**
- **Funding source.**
- **Indicate whether the vendor is a certified business enterprise.**

Alonso Landscaping, LLC – (Minority-Owned Business)

Provides all materials, supervision, labor and equipment for lawn and grounds maintenance service. Grounds maintenance services provided in FY16 was \$10,088. The amount budgeted was \$7,000. The cost of services provided in FY17 to-date is \$4,551. The amount budgeted was \$7,000.

The term of the contract is one year, due to expire 10/31/2017.

This vendor is a minority owned business, but is not a certified business enterprise.

Art Display Co. (Woman-owned Business)

Constructed and installed three custom single-faced post and panel signs. The amount billed for FY'16 was \$5,744.73 for services rendered.

This vendor is a woman-owned business, but is not a certified business enterprise.

Blue Water Media, LLC

Provided upgrade, design, development and integration of the DCTV website with maintenance support and dedicated hosing. The project cost \$50,172 and overlapped into FY2017. The final payment was made in FY2016 for \$17,974. The project was budgeted for \$41,000. In addition, in FY16, web hosting costs were paid for a total of \$9,480 (\$790 p/month). In FY'17 the amount paid was \$5,530.

The term of the contract for website hosting and maintenance is one year and renewed 9/15/2016.

This vendor is not a minority-owned business, nor a certified business enterprise.

Culligan of Annapolis

Water filtration lease agreement of two water dispensers. Cost of contract for services provided in FY16 was \$1,102.80. The amount budgeted was \$1,105. The cost of the leasing services provided in FY17, to date, was \$647.50. The amount budgeted for FY17 is \$1,105.

The term of the contract is one year, due to expire 6/30/2017.

This vendor is not a minority-owned business, nor a certified business enterprise.

District of Columbia Government, Department of General Services

Currently manages the building lease contract with DCTV. In FY16, DCTV paid \$87,726 in rental expense. The amount budgeted was \$87,726. The cost lease expense in FY17, to date, was \$51,937. The amount budgeted for FY17 is \$89,035. This landlord is not a minority-owned business, nor a certified business enterprise.

D*MNGood, LLC –

This consulting consultant firm provided creative services for DCTV's annual report. Consulting services provided in FY16 was \$4,000. The amount budgeted was \$4,000.

The term of the contract was as services rendered.

This vendor is not a minority-owned business, nor a certified business enterprise.

Eccleston & Wolf, PC –

This legal firm provide legal consulting and representation services. The cost of legal services in FY16 was \$12,426. The amount budgeted was \$5,000. The cost of legal services provided in FY17, to date, was \$665. The amount budgeted for FY17 is \$8,500.

The term of the contract was as services rendered.

This vendor is not a minority-owned business, nor a certified business enterprise.

Global High Tech Solutions, LLC – (Minority-owned Business)

This company provides IT services and offsite storage to DCTV. This includes IT equipment upgrades, installation, repairs and maintenance of DCTV's IT systems. The cost of these services provided in FY'16 was \$83,207. The amount budgeted was \$73,615. The cost of the IT services and offsite storage provided in FY17, to date, was \$54,161. The amount budgeted for FY17 is \$86,375.

The cost of the services was evaluated with other vendors and taken into consideration along with other relevant factors in determining to proceed with this contract.

The term of the contract is one year, due to expire 6/30/2017.

This vendor is a minority owned business, but is not a certified business enterprise.

impactHR, LLC – (Woman-owned Business)

Provides onsite human resources consulting by a senior HR consultant and assists DCTV with overall strategy of HR programs and initiatives in support of the organization. The cost of HR services provided in FY16 was \$34,125. The amount budgeted was \$28,800. The cost of the HR services provided in FY17, to date, was \$17,880. The amount budgeted for FY17 is \$30,000.

The term of the contract is as services rendered.

This vendor is a minority and woman owned business, but is not a certified business enterprise.

Konica Minolta Premier

Lease of the bizhub C284 all-in-one copier, printer and scanner. Cost of lease services provided in FY16 was \$4,416. The amount budgeted was \$4,600. The cost of the leasing services provided in FY17, to date, was \$2,576. The amount budgeted for FY17 to date is \$4,600.

The term of the contract was as services rendered.

This vendor is not a minority-owned business, nor a certified business enterprise.

The Maslow Media Group, Inc. – (Woman-owned Business)

Provides contract employment services, payroll services, FORM 1099 processing, expense reimbursements and other staffing services, as needed. The cost of contracting services provided in FY16 was \$85,869. The amount budgeted was \$205,346. The cost of the HR services provided in FY17, to date, was \$30,431. The amount budgeted for FY17 is \$128,691.

The contract is termed biennially and subject for renewal on 6/12/2019.

This vendor is a minority owned business, but is not a certified business enterprise.

MMP Associates – (Woman-owned Business)

Consultant firm provided consulting services in the development of a 5-year strategic planning process and one-to-three implementation plans. The cost of contracting services in FY16 was \$19,748. The amount budgeted was \$23,070.

The term of the contract expired on 6/30/2016.

This vendor is a minority owned business, but is not a certified business enterprise.

Noyes Air Conditioning Contractors, Inc. –

In FY16, Noyes provided maintenance for the facility at a cost of \$33,193. The amount budgeted was \$30,000.

The cost of the HVAC maintenance services for the facility in FY17, to date, was \$25,291. The amount budgeted for FY17 year is \$30,000.

The contract is termed to continue for yearly periods (commencing October 1, 2013) and; thereafter, terminated by either party in writing at least 30 days prior to the anniversary date.

This vendor is not a certified business enterprise.

Pitney Bowes Global Financial

Lease of the Pitney Bowes postage meter. Cost of lease services provided in FY16 was \$657. The amount budgeted was \$700. The cost of the leasing services provided in FY17 was \$335. The amount budgeted for FY16 to date is \$700.

The term of the contract was as services rendered.

This vendor is not a minority-owned business, nor a certified business enterprise.

Spectaveris, Inc.

Consultant utilized to work with DCTV team to develop the 2017 technology plan. The vendor completed Phase IV technological upgrades. This was a sole-source contract to the vendor who had installed DCTV's technical systems; complete knowledge of these systems is necessary to develop the plan effectively—both to contain costs and for technology refreshment recommendations consistent with previous objectives and capabilities. The cost of the service was \$94,217. The amount budgeted for the project was \$355,800.

The term for this contract was as services rendered. The contract has been completed.

This vendor is not minority-owned nor a certified business enterprise.

Steelbeach Postproduction LLC – (Minority-owned Business)

This company provides engineering services to DCTV. This includes television equipment upgrades, installation, repairs and maintenance of DCTV's television production systems. The cost of the engineering services provided in FY16 was \$16,030. The amount budgeted was \$18,000.

The cost of engineering services provided in FY17, to date, was \$10,465. The amount budgeted for FY17 is \$18,200.

This vendor is minority owned but it is not a certified business enterprise.

Tenleytown, LLC – (Certified Business Enterprise)

This company provides trash hauling and recycling. The cost of services provided in FY16 was \$1,975. The amount budgeted was \$2,250. The cost of the services provided in FY17, to date, was \$975. The amount budgeted year to date for FY17 is \$2,250.

This vendor is a certified business enterprise.

Tyco Integrated Security, LLC –

This company provides security monitoring services. The cost of services provided in FY16 was \$5,496. The amount budgeted was \$3,500. The cost of the services provided in FY17 year to date, was \$2,946. The amount budgeted year to date for FY17 is \$4,650.

This vendor is not a certified business enterprise.

Walker & Co., LLP – (Certified Business Enterprise)

This company provided auditing of DCTV's fiscal year financial reports. The cost of services provided in FY16 was \$14,000. The amount budgeted was \$14,400.

This contract was not renewed.

This vendor is a minority owned, certified business enterprise.

F. S. Taylor & Associates – (Certified Business Enterprise)

This company provided auditing of DCTV's fiscal year financial reports. The cost of services provided in FY17 was \$12,930. The amount budgeted was \$14,000.

This vendor is a certified business enterprise.

Warfield & Sanford Elevator Company –

This company provides elevator maintenance services. The cost of services provided in FY16 was \$4,099. The amount budgeted was \$5,000. The cost of the services provided in FY17, to date, was \$3,609. The amount budgeted year to date for FY17 is \$6,000.

This vendor is not a certified business enterprise.

Linkedin Corporation –

This company provides eight licenses for employee online development. The cost of services provided in FY16 was \$3,900. The amount budgeted was \$4,000. The cost of the services provided in FY17, to date, was \$2,800. The amount budgeted year to date for FY17 is \$3,000.

This vendor is not a certified business enterprise.

19) Please list and describe any ongoing investigations, audits, or reports on your agency or any employee of your agency, or any investigations, studies, audits, or reports on your agency or any employee of your agency that were completed during FY16 or FY17, to date.

Each year, DCTV has an audit conducted of its financial statements. In FY16 the audit was conducted by F.S. Taylor & Associates, P.C. DCTV obtained an unqualified “clean” opinion, as it has every year. The audit is sent to every member of the D.C. Council annually; the FY16 audit was delivered on time December 14, 2016.

Although not specifically requested by the Committee, since the audit was delivered before oversight of the Public Access Corporation was changed to the Committee on Government Operations, and the annual audit is a statutory requirement, the audit is included in this section of the submission.

20) Please identify all recommendations identified by the Office of the Inspector General, D.C. Auditor, or other federal or local oversight entities during the previous 3 years. Please provide an update on what actions have been taken to address these recommendations.

NONE

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V. Infrastructure

21) Please identify all electronic databases maintained by your agency, including the following:

- **A detailed description of the information tracked within each system**
- **The age of the system and any discussion of substantial upgrades that have been made or are planned to the system**
- **Whether the public can be granted access to all or part of each system**

1. ProTrack

a. ProTrack is a television program scheduling system. ProTrack is utilized by DCTV to: Schedule, track and report on programs for telecast

As the front end for automated playout of programming via Harmonics and Crispin Systems

b. The system has been online since February 2, 2015.

c. The database is for internal use only, with varying permission levels, and is not accessible to the public or members.

2. Crispin

a. Crispin provides quality control of scheduled programs. Crispin is utilized by DCTV to: Receive playlists from schedules created in Pro Track

Ensure optimum playback quality of programs for telecast

b. The system has been online since February 2, 2015.

c. The system is for internal use only, with varying permission levels, and is not accessible to the public or members.

3. Harmonic

a. Harmonic is an automated playout system of programming. Harmonic is utilized by DCTV to: Play on air the program playlists which are identified by the Crispin system

b. The system has been online since February 2, 2015.

c. The database is for internal use only, with varying permission levels, and is not accessible to the public or members.

4. AlterMedia "Studio Suite 10" (SSX):

a. SSX is a television production management software. SSX is utilized by DCTV to: Schedule, track and report on track facilities/equipment usage

Provide cost estimates and invoices

Manage DCTV's Fixed Assets and Depreciation

Manage projects

Confirm Certifications and permission to utilize production equipment and facilities.

- b. The system is four years old and was partially upgraded in FY16. It will undergo its second phase upgrade later this year.
- c. The database is for internal use only, with varying permission levels, and is not accessible to the public or members.

5. Total Channel

- a. Total Channel is an advanced digital signage system. Total Channel will be utilized by DCTV to Interface with PowerPoint to create Video Bulletin Board announcements, create stagnant and/or video emergency alerts, set automatic appearances of DCTV hashtag on the channel(s), and utilize RSS feed for weather, sports, and news.
- b. The system was installed in December 2016 and training is scheduled to begin in FY17.
- c. This system is for internal use only, with varying permission levels, and will not be accessible to the public or members.

6. SQL Server

- a. SQL Server is a server system, and is utilized by DCTV as the backhand membership information for Studio Suite 10. In addition, as of February 2016, a shared server has been designed and installed as a central documents server. Most enterprise documents have been transferred.
- b. The system is 30 days old (having replaced its five-year-old predecessor) and is upgraded as each upgrade is made available.
- c. The database is for internal use only, with varying permission levels, and is not accessible to the public or members.

7. J&L Systems “Noah”:

- a. Noah is a membership record and member activity management software. It will be utilized by DCTV to:
 - Maintain member records, including training certifications and volunteering
 - Create and track course and workshop enrollments
 - Create, manage, and track program proposals and other documents related to a particular member’s use of DCTV resources and facilities
- b. The system is 5 years old, and full integration was completed in FY12 to allow financial reports and selected data to integrate with AlterMedia Studio Suite 10 and to provide reports to DCTV’s accounting department. The integration was completed in FY14. A newer membership system is scheduled to be implemented in FY17.
- c. DCTV members can: Update their profile, enroll and pay for classes and workshops, submit requests and search for volunteer crew to work on their productions

8. Bluewater – CMS Website at DCTV.org, launched October 2015.

- a. DCTV’s website, launched October, 2015, is a content management system (CMS)-type website, which includes database backhand for content management, and is integrated with JL Systems “Noah.” It is a communication tool used to provide information to and receive information from the public.

- b. The website is about 18-months old and continues to be refreshed. The website connects to the automated telecast system program schedules and allows the public to access DCTV's programming streamed over the internet.
 - c. Since launching the website in October 2015, we received more 2250 visitors on average each month, with an estimated 27,000 visits during the year. Our communications strategy is to drive traffic in two ways: from programming to the website and vice versa.
 - d. The public is granted access as follows:
The general public have access to all information provided via the website that has not been segregated to the member's only sections. Viewers are able to obtain DCTV's channels streamed over the internet and submit membership applications and other editable documents online.
 - e. The public can also access DCTV's Video Bulletin to electronically submit community activities, events, and workshops. Such requests are posted on the channels within 48 hours upon receipt.
- DCTV members are able to submit editable documents to DCTV (e.g. program submissions, program proposals, membership renewals, training classes, and workshops).
9. Quickbooks:
- a. Quickbooks is an accounting and financial database system used to track and record in the general ledger and journals all transactions, to create checks, to create financial reports, and to calculate and disburse payroll.
 - b. The software is fourteen years old and is upgraded every year.
 - c. The system is for Internal use only, with varying permission levels, and is not accessible to the public or members.

22) What has the agency done in the past year to make the activities of the agency more transparent to the public? In addition, please identify ways in which the activities of the agency and information retained by the agency could be made more transparent.

DCTV has an ongoing history of public transparency.

DCTV Programming

DCTV's activities result in programming which is available to all cable subscribers in the District and all programming is made available streamed over the internet to any person anywhere with an internet connection. As of FY12, this also includes tablets and mobile devices. DCTV's website connects to the program schedules for all channels,

In addition to being available on DCTV's website, DCTV's program schedule is provided to cable operators, Comcast and RCN. The schedule is provided via the on-air channel guides to cable subscribers by Comcast and RCN.

DCTV provides information about and promotes its services on DCTV channels. When ad insertion spots become available on other cable channels, DCTV provides information and promotion about its services and programming there as well.

DCTV's Public Reporting

DCTV makes extensive information about its mission, activities, finances, and governance publicly available.

- DCTV annually files IRS Form 990, providing a "snapshot" of the organization's key financial and operating information for the current and prior year, including information about their program service accomplishments, as well as information about governance practices and procedures and financial information. DCTV also makes available for public inspection within three business days after a written request is submitted its IRS exemption application, supporting documents and letters sent from the IRS available.
- DCTV is audited each year, and makes the information available along with an annual report of its activities to the D.C. Council. The annual report is available to the public via DCTV's website, and includes the audited statement of financial position, statement of activities and expenses by functional area. DCTV furnishes to members upon written request a full copy of its audited annual financial statements for the most recent fiscal year.
- DCTV also furnishes to members upon written request a copy of its articles of incorporation, bylaws, minute books for the most recent three years, formal notices or other communications to members for the most recent three years, a current list of the names and business addresses of the corporation's directors and officers, or a copy of the corporation's most recent biennial report.
- DCTV continues to hold an Annual Meeting of Associate Members each year, during which it reports on its activities for the year in the Chair's Report, and offers a Treasurer's report on audited financial statements.
- DCTV reports thoroughly and extensively on its finances and activities during D.C. Council hearings each year. Those hearings are available publicly on Channel 13, and via video on demand.
- The meeting notices and agenda for board meetings are posted to the website prior to the meeting, and after approval of the minutes, they are posted to the website.

DCTV's Web Site, Digital Communications & Social Media Outlets

DCTV's web site was redesigned and upgraded in FY16 to expand the capacity to help the public learn about DCTV's mission, resources and activities, and to promote programming, spotlight DCTV partners and members, and to publish the channel schedule—including a feature that displays "What's Playing Now".

In FY16, DCTV's website design tested and integrated results of optimization for user/viewer-responsiveness and utility. The website was also optimized for access by mobile devices.

DCTV has continued to build its social media presence (Facebook, Twitter, Instagram) to increase awareness of programming, promote community dialogue and as the first steps of increasing viewer engagement with DCTV's programming.

DCTV is taking maximum advantage of its social media presence to also increase the ability of members to:

- **network** with each other,
- **learn** about DCTV's activities
- **learn** about production opportunities, and
- **promote** their programs.

DCTV provides notice to its members, or its entire list of members and former members as appropriate on all events, activities, services and opportunities with DCTV through e-blasts, newsletters and other communications.

In FY16, DCTV had 3,840 Facebook connections, 702 Instagram followers, and 1,250 Twitter followers, and growing. IN FY16, DCTV's social media engagement increased overall by 25% from FY15. As of December 31, 2016 in FY17, DCTV has 3,972 Facebook connections (4% increase), 843 Instagram followers (20% increase), and 1,355 Twitter followers (8% increase).

In addition, the public is granted access as follows:

- The general public have access to all information provided via the website that has not been segregated to the member's only sections, and are be able to obtain DCTV's channels streamed over the Internet, and submit membership applications and payment, and other editable documents.
- DCTV members are able to submit editable documents to DCTV (e.g. program submissions, program proposals, membership renewals and training classes and workshops). DCTV members are be able to pay for services and membership online, update their member profiles, and request and search for volunteer crew to work on their productions. DCTV continues to upgrade these services to be more streamlined and easier for members to use.
- All services are on the website, along with the Policy Manual: Operating Rules and Procedures covering how to use DCTV. These are available to the general public.
- The public can also access DCTV's Video Bulletin to electronically submit community activities, events and workshops. Such requests will be posted on the air within 8 hours upon receipt.
- The public can access DCTV's Public calendar of events (this was via Google in FY15 and through January of FY16; the service is now driven by Microsoft Office 365).

23) Please identify any statutory or regulatory impediments to your agency's operations.

NONE.

Public Access Corporation of the District of Columbia

February 23, 2017 Submission
Committee on Government Operations
Council of the District of Columbia
Performance Oversight Hearing

VI. Agency-Specific

24) How does the agency solicit feedback from customers? Please describe.

- **What has the agency learned from this feedback?**
- **How has the agency changed its practices as a result of such feedback?**

Community needs assessment

As a part of the required cable television franchise renewal process with cable operators, the Office of Cable Television, Film, Music and Entertainment (OCTFME) conducted various interviews and public input forum meetings to determine the current and future cable-related and communications needs for public, educational, and governmental (PEG) access operations in the District, and other needs for franchise renewals with Comcast and RCN. The information obtained from the interviews is extremely important in helping shape the future of all Public, Government and Education channels, including DCTV. More than 50 DCTV members, partners and supporters provided testimony at the various forums - ensuring that DCTV obtains the necessary tools and boosts in capacity to remain a vibrant community network. Subsequently, DCTV participated in the remaining aspects of the Community Needs Assessment conducted by OCTFME, including additional hearings and a survey conducted in 2016 to update the Needs Assessment. OCTFME has been using the information obtained from that study to help determine how to most effectively meet the needs of DC's communities.

DCTV utilized information obtained from the needs assessment to develop a plan for additional enhancements to the facility for FY12 through FY16, including equipment updates, enhancing streaming capacity and increasing accessibility and ease of participation through updates to DCTV's web site.

DCTV continues to use new information obtained through the recent survey results to inform planning to address how DCTV can best meet needs and requirements of the public for local programming needs and desires, continuing to develop audience engagement and for using DCTV's channels, facilities and services.

Surveys, Web Interaction, Social Media and In-Person Conversations

We consistently engage with our members to assess their needs and use the feedback to inform and implement changes in order to better serve the community. We use a number of resources to gather input from our stakeholders with surveys and social media engagement being our most effective tools.

We conduct surveys at the end of training courses, membership orientations, and at most of events. DCTV uses this information to assess the quality of training and to make improvements to our services.

As part of an ongoing dialog, DCTV staff communicate with members and guests and potential members to solicit feedback and suggestions.

DCTV also uses social media (Facebook, Twitter, and Instagram) to engage with the public and solicit feedback on programs and activities.

The DCTV website also provides a comments section which enable viewers to provide additional feedback on programs.

DCTV has conducted an extensive survey of current and past DCTV members. The data has been used by DCTV in updating our strategic vision and the information was critical in the development of the organization's 5-year strategic plan.

Participant responses encouraged DCTV to provide additional resources and learning opportunities. As a result:

- We expanded our training course to include advanced classes, private training, and short-form, 2 day workshops that teach basic media production skills for any experience level.
- Our free media production equipment and facilities program now offers complimentary access to our resources to DC residents that are certified producers through our training program.
- The DCTV FTP (File Transfer Protocol) site has proven to be a great success and a valuable resource to members. The FTP site allows producers to upload programs from off site to DCTV's server. To date, 344 programs have been uploaded via the FTP site.

To help our members stay relevant within the industry, we will start offering DSLR digital photography classes in April.

25) To the extent possible, please provide an update regarding the franchise renewal negotiations with Comcast and the effect it will have on PAC.

Besides offering outstanding services to DC residents, a very high priority for DCTV is the renewal of Comcast's franchise agreement. Payment for the use of the District's publicly owned right of ways is via franchise fees, funding, PEG (public educational and government) channels and other cable support (e.g. INet, cable services to schools, firehouses, police, etc.).

The Comcast franchise agreement expired in December 2012. The Office of Cable Television (OCT) has been working closely with us and other stakeholders to ensure a very effective process for identifying needs as a basis for the terms of the agreement.

The Office of Cable Television, Film, Music and Entertainment (OCTFME) has conducted and updated a Community Needs Assessment, including conducting a technical review, holding public hearings and conducting two surveys designed to achieve statistically significant results that can be extrapolated across the District's residents. DCTV participated throughout, and OCTFME has consistently maintained strong support and advocacy for DCTV's needs.

Because the franchise agreements provide for the structure, funding and cable channels that provide the core support of DCTV's mission, the importance of this long-term agreement between the city and Comcast cannot be understated. We respectfully restate our emphatic request that Chairman Todd, this Committee and the Council continue to ensure strong public, educational and government access as in the best interest of the city and its residents.

Very importantly, the franchises are structured so that the cable companies are in parity with each other, even though they fulfill the terms to reach parity in different ways. The approach has been that whatever is in the Comcast agreement—or absent from it—is substantially reflected in the RCN and Verizon agreements. Thus, it is critical that the requirements of the Comcast agreement are not reduced, since it will result in the requirements of all three franchise agreements being reduced, with the consequence of lowering the overall value of the city's publicly owned right of ways, even while the value of the city's right of ways is increasing.

For example, if Comcast is allowed to reduce funding for DCTV, or for PEG in general, or is allowed to provide low resolution channel capacity, then those terms would be substantially mirrored in the RCN agreement which is also up for renewal, and Verizon would be allowed to reduce the terms it has already agreed to as well. On the other hand, terms benefitting the PEG channels and DCTV, such as carriage of programming over HD channels and continuing the same level of funding, carries over to the RCN and Verizon agreements as well.

DCTV cannot afford to go backwards—and attempt to serve the increasing needs of District residents on shrunken resources.

A full report of DCTV's future needs was provided to the Council previously. As previously reported to the Council and Administration, DCTV's future needs include:

FUNDING

- Ensure DCTV's funding and resources does not decrease:
- Maintain the current 1% of gross revenues paid quarterly at the same time the franchise fees are due and paid, and the payment continues to be paid directly to DCTV.
- Ensure the definition of Gross Revenues does not have the effect of decreasing PEG funding or franchise fees.
- Ensure Comcast continues to provide the same level of support overall: 5% Franchise fee plus 2% for PEG Capital, including DCTV, and the equivalent of an additional 1% (e.g. INet and other resources. (If the same or better level of support is not achieved, DCTV's funding will decrease via the terms of the RCN and Verizon franchises.)

- CHANNELS & CHANNEL CAPABILITIES

- Provide for 3 public access channels (increasing from the current 2 channels)

- All public access channels transmitted in HD format, or best format used by local affiliate broadcasters
- All PEG channels continue to be available to all cable subscribers
- Ensure full scheduling information is on cable channel guide
- Ensure full functionality of channels (e.g. scheduling and recording DVR, Video on Demand capability, fully functional STB program guide for recording, advance programming and reminders) for all subscribers
- Provide for Video on Demand capability accessible through Comcast's program scheduling guide
- Re-align DCTV's channels to dial locations near DC government channels, and no further change to channel placements
- AD INSERTION SPOTS FOR MARKETING PEG CHANNELS
 - Ad Insertion Spots for all PEG channels to use to market programming and brand PEG channels
- OTHER
 - Other technical terms, such as no charge to provide and maintain transmission of PEG channels were provided to the Office of Cable Television
- These provisions are to provide for the potential to:
 - increase funding for operations and capital,
 - effectively serve DC residents with local programming and services,
 - maintain state of the art technology,
 - expand services to youth and nonprofits, and very importantly,
 - ensure DCTV is able to develop and increase internships, advanced training and professional career training opportunities for DC residents

DCTV respectfully requests that Chairman Todd, this Committee and the Council continues their full support regarding the terms of the Comcast Cable Franchise Agreement in the upcoming renewals to come before the Council, to ensure strong public, educational and government access as in the best interest of the city and its residents. While the new franchise agreements will be brought by OCTFME to the Committee on Business and Economic Development for consideration, we ask that Chairman Todd's Committee of Government Operations help ensure franchise agreements to protect the District's interests in its public right of ways, including the continued strength of the District's PEG operations.

We will continue to work closely with the Office of Cable Television, Film, Entertainment and Music and this Committee to address these issues, along with others that will support our continued vibrancy and growth, and expansion of community programming.

26) Please provide an update of the franchise agreements with Verizon and RCN.

Verizon

Issues with payments to the Public Access Corporation for prior year payments were resolved with outstanding assistance from the Office of Cable Television, Film, Entertainment and Music and its predecessor, including excellent assistance from current Director Angie Gates, and there have been no further issues.

Verizon is providing the channels, funding, signal quality and other terms of its franchise agreement as the agreement provides. In the event of signal disruption or failure, which is infrequent, Verizon responds quickly and effectively.

DCTV would like Verizon to include DCTV's programming lineup in the cable guide schedules, along with all the associated functionality, as do Comcast and RCN. DCTV is prepared and is capable of converting to HD format for transmitting its programming to cable subscribers.

The Verizon franchise agreement is a 15-year agreement that began in 2009. If the city approves a Comcast agreement with lower compensation for right of ways than was in place through 2012, the Verizon agreement allows Verizon to reduce its compensation as well. This directly affects support for public, educational and government channels, and could potentially reduce the amount of funding for DCTV.

RCN

RCN has always strongly supported public, educational and government access and DCTV, and is providing the channels, signal quality, funding and other terms of its franchise agreement as the agreement provides. In the event of signal disruption or failure, which is infrequent, RCN responds quickly and effectively. DCTV is prepared and is capable of converting to HD format for transmitting its programming to cable subscribers.

The RCN agreement was a five year agreement effective in 2005 and then extended, so that the terms negotiated with Comcast may be used as the basis to determine the terms of the new RCN agreement. We believe RCN will continue its previous commitment to the PEG channels and its support of DCTV.

27) Please explain your current funding streams and what they are used for during FY16 and FY17 to date.

DCTV annual revenue for FY16 & FY17 consists of funds received from the following sources:

- Direct support in the amount of 1% of gross revenues was received from the cable operators (Comcast, RCN and Verizon).
- Membership Dues
- Production Services (includes equipment fees and Creative Services)
- Training Fees
- Sales of Recording Media Stock, T-Shirts and Pins, etc.
- Interest Income

The funds were used to support DCTV operations for FY16 and FY17, to date.

In addition, DCTV received a share of PEG funds paid to the District by Comcast, RCN and Verizon (and distributed to DCTV by the Office of Cable Television, Film, Entertainment and Music) which were used for equipment replacement, technical refreshment and other capital projects.

28) What are your current funding goals?

DCTV needs to retain at a minimum, the current level of cable funding, and similar annual increases from cable revenues, both for operating and for capital.

DCTV is seeking a 99-year lease at \$1 per year to remain in Brooks Mansion, plus forgiveness of the remaining 3 years on the current lease or a capital grant to repair the earthquake damage to the foundation of Brooks Mansion as part of protecting and preserving this valuable National Landmark building. Under the terms of the current lease, DCTV would be able to return an additional \$85-100,000 per year in services to District residents and organizations.

DCTV has approved a five-year plan to diversify its revenue and increase the amount of non-cable revenue to a larger part of its budget annually. Specifically, by June 30, 2021, DCTV seeks to increase non-cable revenue from an average of about 5% of its annual revenue to 10-15% of its annual revenue or \$400,000, whichever is greater. As part of this, DCTV is developing a plan to work with businesses to provide them exposure as a benefit of underwriting community programming created by DCTV. The implementation plan to obtain potential funding to support underwritten programming and potentially other activities is being developed now.

29) What are your current plans for enhancing Channel functionality?

DCTV has completed the implementation of the new automated telecasting system that upgrades the look and capabilities of all the public access channels, with similar features as the local broadcast affiliates (e.g. RSS feeds, alerts showing upcoming programming, closings and updates, other viewer engagement capabilities)

- RSS feeds provide local news announcements and updates via scheduled crawls across the bottom of the screen during programming,
- “See It Again” graphics that inform viewers the name of the program just shown and the time it will be broadcast again; and
- “Coming Up Next” which shows the name of the upcoming program.

DCTV is seeking to be transmitted by all cable operators on all channels in HD format (or the current highest standard used for local broadcasters), to ensure engagement of viewers

By upgrading our Automation System, DCTV has the capabilities to broadcast ALL channels in HD. Once all cable operators begin transmitting DCTV channels in HD, this will enhance the quality of the picture and programming functionality.

DCTV is seeking to have Video On Demand capability (via franchise agreements) for some of its programming provided by the cable operators through the cable channel guides, so viewers can access community programming in the same way they access programming on broadcast and other cable channels

DCTV is seeking to have all cable operators commit to (via franchise agreements) and provide full functionality for all PEG channels, including DVR scheduling and recording, program alerts, favorite markers and any other functionality being provided to the top tier of cable channels to ensure viewers can fully access and utilize community programming according to their usual scheduling and viewing habits.

Producers and viewers can access the website to see a full schedule of the dates and times programs will air.

Viewers are able to share their “favorites” in the program schedule via various social media venues.

As of October 2015 DCTV has redesigned its website. Once the second phase of upgrades is activated, the website will increase the focus on viewers and viewer engagement with DCTV and the public access channels and programming; a strong focus on viewer engagement is part of DCTV’s strategic goals.

30) Please outline the benefits and services provided to the local community.

Local programming by for and about DC:

DCTV is the *only* venue on television that allows producers to speak in their own voice and present their messaging—cultural, educational, informational, spiritual, entertaining— from their own perspectives for the communities of the city.

These productions include a variation of public services announcements (PSA) and many long and short-formed by local nonprofit organizations.

Programming by local nonprofits (e.g. Catholic Charities, Housing Counseling Services, Humanities Council of DC, YWCA, UPO, Anacostia Economic Development Corporation (AEDC) and religious organizations)

Providing programming about candidates for elected offices in every Special, Primary and General Election, including the Mayoral and Attorney General Elections

Access by individuals and organizations to scheduling programs for the community on cable channels 24 hours per day, 365 days per year on the basic tier of every cable system serving DC, reaching all cable subscribers (over 450,000 viewers) and streamed via DCTV’s website:

Comcast channels 95 and 96

RCN Channels 10 and 11

Verizon FiOS Channels 10, 11 and 28

Access to state-of-the Art HD studios (including virtual sets), DSLR cameras and other professional field equipment, Adobe Premiere Pro and Final Cut Pro editing systems and other facilities for production and training. These facilities are free to DC residents who are certified and producing programming.

Experiential, hands-on education in producing, production, post production, and advanced workshops; for beginners with a message or a story, and for developing career skills. DCTV subsidizes over 75% - 85% of the cost of the education for DC residents.

Creative Services, for low-cost, affordable professional services to produce programming
Youth opportunities to explore careers in media, learn workplace skills and learn production skills

31) If your annual funding was increased to a larger revenue stream, how could you further enhance and expand the impact of the community benefits?

If DCTV's annual funding was increased to a larger revenue stream, DCTV would be able to expand its local programming by and for the community, increase educational development opportunities for DC residents, and also provide additional resources for DC residents to participate in local television programming.

Expand Education:

- Workforce Development training for DC residents: Through partnership with media companies, DCTV could provide opportunities for media apprenticeships and career training for high school graduates and adults who have an interest in media production careers. The program could support job preparation for corporations, the press and media, as well as local production and film industry businesses and organizations.
- Youth Media Network: Expanded opportunities for youth to explore careers in media, learn workplace skills and learn production skills.
- Increase the types of media hands-on training and skills training offered to include social media, webinars, and other new media technologies..

Expanded Opportunities for Participation in Programming:

- Develop the availability of streamlined opportunities for individuals, organizations, schools, sports teams, and others to contribute high quality programming and engage DC communities through television programming (e.g. contribute to local sports wrap-ups; creative images of DC neighborhoods; positive stories about people making an impact in their communities)

Expand Program Viewership

- Create a part-time staff position to produce programming promos for DC residents who utilize DCTV equipment and/or facilities.

Increase marketing and advertising through multiple venues so more organizations and residents, including residents new to the city, can learn about opportunities available to them.

32) Are there any pending federal funding streams that would be available for your agency?

Not that we know of at this time.

33) How much investment dollars has your agency invested in the building and grounds for physical maintenance and renovations since you first moved in to Brooks Mansion?

The total investment to-date is \$3,576,073

34) In the past fiscal year, how many students have you trained through your programs?

In FY16, 661 registrants received 44,265 hours of instruction, some of whom received certifications in Producing, Videography, Studio Technician, and Editing. (Please note that not all courses result in certification.)

In FY16, youth received 11,444 hours of training.

35) What relationship do you have with the District of Columbia Public Schools and the Department of Employment Services to train its students?

DCTV has no official arrangement with the DCPS. However, DCTV has worked with individual public and charter schools over the years, including Roosevelt High School, Anacostia High School, Ballou High School, Bell Multicultural High School, School Without Walls, and Cesar Chavez, and has provided tours to elementary schools.

Annually since FY08, DCTV works with Cesar Chavez High School as part of their fellowship program; this will continue in FY17.

DCTV continues to participate in the Mayor Marion S. Barry Summer Youth Employment Program (MBSYEP), creating opportunities for DC youth to learn new media technologies, create content for DCTV's channels and social media networks, to explore interest in a career in media, and to learn workplace skills.

DCTV has participated in the MBSYEP since 1988, providing a valuable media education opportunity to over 300 youth.

Additionally:

In partnership with the DC Office of Cable Television, Film, Music and Entertainment, DCTV provided curriculum development and education services for the Creative Economy Career Access Program.

Since 2003, when the Young Producers Project was formally created (that became the current Youth Media Network), about 2,000 youth have participated, with some going on to pursue careers in media.

36) Approximately how many Community Organizations currently utilize the on-air opportunities with your agency?

Approximately 220 organizations used DCTV for programming during FY16 and approximately 159 to date in FY17.

DCTV's member producers also regularly invite non-profit organization, associations and businesses to be guests on programs; we currently do not have a count of such organizations.

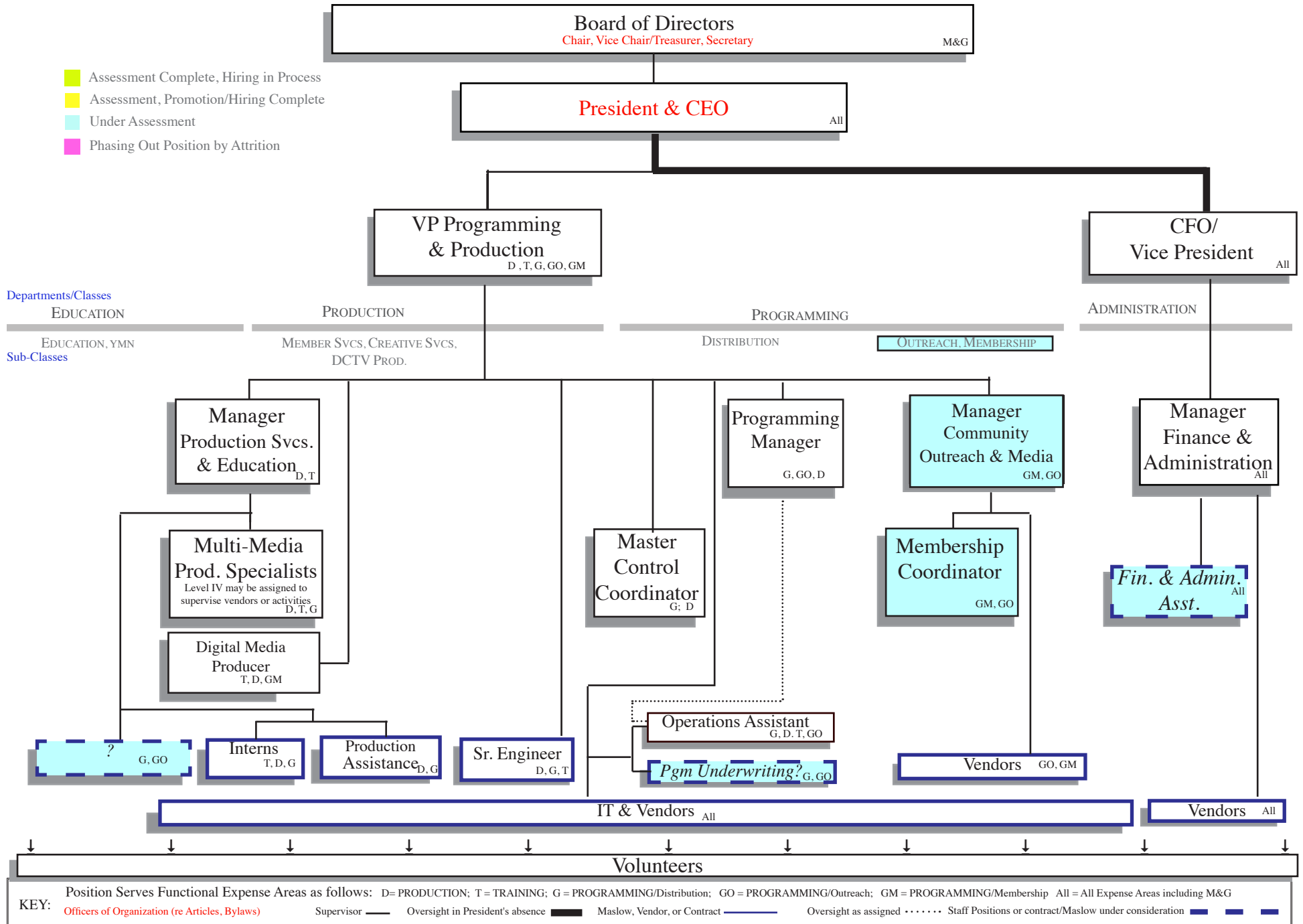
37) Please provide additional information, feedback, or requests to the Committee that DCTV deems necessary.

We seek the Committee's support for the Office of Cable Television, Film, Entertainment and Music to have Verizon include all of the District's PEG programming—including DCTV's programming lineup—in the cable guide schedules, along with all the associated functionality, as do Comcast and RCN. DCTV is prepared to provide the data in whatever format is needed by Verizon, and is capable of providing programming in HD format for transmitting programming to cable subscribers.

We appreciate the Committee's continuing commitment to and hard work on behalf of DCTV and the public, educational and government media centers in the District, that provide invaluable resources and programming to District residents. Due to the consistent commitment and excellent public policy, the District's public and government centers are in the top tier of all PEG media centers in the nation, including that DCTV was benchmarked in the top five centers by the Compass business volunteers. This would not be possible without the work of the Council and the Administration over the years, including by the Office of Cable Television, Film, Entertainment and Music and its predecessor.

Public Access Corporation Organization Structure

FY17-A



PUBLIC ACCESS CORPORATION OF D.C.

Budget vs Actual

Period: July 1, 2015 - June 30, 2016

	<u>Total Actual</u>	<u>Annual Budget</u>	<u>Actual Over (Under) Budget</u>
REVENUE			
Membership	17,020	18,930	(1,910)
Member Services	14,790	7,800	6,990
Creative Services	12,097	18,050	(5,953)
Training	24,255	18,410	5,845
Cable Revenue: Unrestricted	2,153,131	2,077,477	75,654
Interest Income	18,544	20,000	(1,456)
Other Income	4,686	3,100	1,586
TOTAL REVENUE	<u>2,244,523</u>	<u>2,163,767</u>	<u>80,756</u>
EXPENSE			
Salaries & Benefits	1,225,765	1,296,380	(70,615)
Contract Services	192,914	317,966	(125,052)
Advertising & Promotion	16,596	23,400	(6,804)
Office Expenses	36,450	37,900	(1,450)
Telephone, Internet, & Cable	25,125	22,000	3,125
Information Technology	117,978	101,097	16,881
Occupancy	210,302	208,440	1,862
Conferences & Meetings	51,428	80,484	(29,056)
NFF Loan Interest and Principal	42,014	31,600	10,414
Insurance	21,144	18,000	3,144
Other Expenses	11,947	11,500	447
Contingencies	-	15,000	(15,000)
TOTAL EXPENSE	<u>1,951,663</u>	<u>2,163,767</u>	<u>(212,105)</u>
Change in Net Assets	<u>292,860</u>	<u>-</u>	<u>292,860</u>

	<u>Total Actual</u>	<u>Annual Budget</u>	<u>Actual Over (Under) Budget</u>
CAPITAL BUDGET			
Cable Revenue: Restricted for Capital	934,801	-	934,801
Net Assets Released from Restriction: Capital Projects	224,175	220,000	4,175
Restricted Capital	<u>710,626</u>	<u>(220,000)</u>	<u>930,626</u>

PUBLIC ACCESS CORPORATION OF D.C.

Budget vs Actual Year-to-Date

Period: July 1, 2016 - January 31, 2017

	<u>Total Actual</u>	<u>Fiscal YTD Budget</u>	<u>Actual Over (Under) Budget</u>	<u>Annual Budget</u>
REVENUE				
Membership	9,230	16,333	(7,103)	28,000
Member Services	15,981	5,915	10,066	10,140
Creative Services	-	9,900	(9,900)	16,971
Training	38,435	13,376	25,059	22,930
Underwriting Revenue	-	15,750	(15,750)	27,000
Cable Revenue: Unrestricted	1,263,356	1,247,093	16,263	2,137,874
Grants	-	10,500	(10,500)	18,000
Interest Income	41,145	14,583	26,562	25,000
Other Income	1,055	4,142	(3,087)	7,100
TOTAL REVENUE	<u>1,369,202</u>	<u>1,337,592</u>	<u>31,610</u>	<u>2,293,015</u>
EXPENSE				
Salaries & Benefits	661,572	804,355	(142,783)	1,378,895
Contract Services	74,659	183,392	(108,733)	314,387
Advertising & Promotion	4,621	16,835	(12,214)	28,860
Office Expenses	18,322	28,321	(9,998)	48,550
Telephone, Internet, & Cable	15,661	15,320	342	26,262
Information Technology	75,434	68,592	6,842	117,587
Occupancy	146,444	122,025	24,419	209,185
Conferences & Meetings	14,754	32,180	(17,425)	55,165
Insurance	12,176	11,667	509	20,000
Other Expenses	7,094	8,385	(1,292)	14,375
Contingencies	-	46,520	(46,520)	79,749
TOTAL EXPENSE	<u>1,030,738</u>	<u>1,337,592</u>	<u>(306,854)</u>	<u>2,293,015</u>
Change in Net Assets	<u>338,464</u>	<u>-</u>	<u>338,464</u>	<u>-</u>

	<u>Total Actual</u>	<u>Approved Budget</u>	<u>Actual Over (Under) Budget</u>
CAPITAL BUDGET			
Cable Revenue: Restricted for Capital	294,894	-	294,894
Net Assets Released from Restriction:			
Capital Projects	150,179	365,000	(214,821)
Capital to be expended	<u>144,714</u>	<u>(365,000)</u>	<u>509,714</u>

**PUBLIC ACCESS CORPORATION OF THE DISTRICT OF
COLUMBIA**

AUDITED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED JUNE 30, 2016
(with comparative totals for 2015)**

**F.S. TAYLOR & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
1420 N STREET, N.W., SUITE 100
WASHINGTON, D.C. 20005
(202) 898-0008**

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2016
(With comparative totals for 2015)

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016 (with comparative totals for 2015)

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AUDITED FINANCIAL STATEMENTS

F. S. TAYLOR & ASSOCIATES, P.C.

CERTIFIED PUBLIC ACCOUNTANTS & MANAGEMENT CONSULTANTS

1420 N Street, N.W., Suite 100 / Washington, D.C. 20005 / 202/898-0008 Fax 202/898-0208

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Public Access Corporation of the District of Columbia

Report on the Financial Statements

We have audited the accompanying financial statements of Public Access Corporation of the District of Columbia (DCTV), which comprise the statement of financial position as of June 30, 2016, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements. The prior year summarized comparative information has been derived from the DCTV's 2015 financial statements which were audited by other auditors, whose report dated November 16, 2015, expressed an unmodified opinion on those statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

We believe 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 Public Access Corporation of the District of Columbia as of June 30, 2016, and changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of functional expenses on page 16 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 to the financial statements as a whole.

J. S. Taylor & Associates, P.C.

October 21, 2016

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 5,627,143	\$ 4,615,195
Investments	890,455	876,146
Accounts receivable	486	2,930
Inventory	1,053	1,231
Prepaid expenses	36,100	64,792
Total current assets	<u>6,555,237</u>	<u>5,560,294</u>
Security deposits	25,067	25,067
Property and equipment, net	1,792,115	2,052,275
Total assets	<u><u>\$ 8,372,419</u></u>	<u><u>\$ 7,637,636</u></u>
<u>LIABILITIES AND NET ASSETS</u>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 183,308	\$ 191,851
Deferred revenue	11,181	11,181
Note payable, current portion	<u>-</u>	<u>27,364</u>
Total current liabilities	194,489	230,396
Note payable, net of current portion	<u>-</u>	<u>12,974</u>
Total liabilities	194,489	243,370
Net assets:		
Unrestricted		
Undesignated	3,994,023	3,920,985
Board designated	<u>1,240,000</u>	<u>1,240,000</u>
Total unrestricted	5,234,023	5,160,985
Temporarily restricted	<u>2,943,907</u>	<u>2,233,281</u>
Total net assets	<u>8,177,930</u>	<u>7,394,266</u>
Total liabilities and net assets	<u><u>\$ 8,372,419</u></u>	<u><u>\$ 7,637,636</u></u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2016 (with comparative totals for 2015)

	Year ended June 30,			
	2016		2015	
	Unrestricted	Temporarily Restricted	Total	Total
<u>SUPPORT AND REVENUE</u>				
<u>Support</u>				
Operating support from cable operators	\$ 2,153,131	\$ -	\$ 2,153,131	\$ 2,044,735
Capital contributions from cable operators	-	934,801	934,801	580,321
In-kind contributions	-	-	-	138,400
Membership dues	17,020	-	17,020	21,660
Net assets released from purpose restrictions	224,175	(224,175)	-	-
Total support	2,394,326	710,626	3,104,952	2,785,116
<u>Revenue</u>				
Equipment rental and production services	26,887	-	26,887	36,767
Instruction fees	24,255	-	24,255	18,125
Sales of recording media	155	-	155	303
Interest	4,235	-	4,235	2,634
Investment income	14,309	-	14,309	26,508
Other income	4,531	-	4,531	5,506
Total revenue	74,372	-	74,372	89,843
Total support and revenue	2,468,698	710,626	3,179,324	2,874,959
<u>Expenses</u>				
Program services	2,216,074	-	2,216,074	2,192,925
General and administrative	179,586	-	179,586	180,900
Total expenses	2,395,660	-	2,395,660	2,373,825
Changes in net assets	73,038	710,626	783,664	501,134
Net assets, beginning of year	5,160,985	2,233,281	7,394,266	6,893,132
Net assets, end of year	\$ 5,234,023	2,943,907	\$ 8,177,930	\$ 7,394,266

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 783,664	\$ 501,134
Adjustment to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	484,335	460,424
Net unrealized gain on investments	(14,309)	39,762
Change in accounts receivable	2,444	4,611
Change in inventory	178	(82)
Change in prepaid expenses	28,692	(54,376)
Change in accounts payable	(14,457)	(41,354)
Change in accrued expenses	5,914	13,148
Net cash provided by operating activities	<u>1,276,461</u>	<u>923,267</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Principal payment on long-term debt	<u>(40,338)</u>	<u>(28,764)</u>
NET CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	<u>(224,175)</u>	<u>(502,652)</u>
Net cash provided by capital and related financing activities	<u>(224,175)</u>	<u>(502,652)</u>
Net increase in cash	1,011,948	391,851
Cash and cash equivalents, beginning of year	<u>4,615,195</u>	<u>4,223,344</u>
Cash and cash equivalents, end of year	<u>\$ 5,627,143</u>	<u>\$ 4,615,195</u>
SUPPLEMENTAL DISCLOSURES		
Cash paid for interest	<u>\$ 1,676</u>	<u>\$ 3,263</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 1--ORGANIZATION AND NATURE OF OPERATIONS

The Public Access Corporation of the District of Columbia (“DCTV” or “the Organization”) is a District of Columbia (“District”) not-for-profit corporation established under Section 302 of the Cable Television Communications Act of 1981, as amended, to facilitate and govern fair and equitable use by the public of designated cable television channels. DCTV fosters diverse viewpoint by providing professional training, state-of-the-industry resource and creative services to its member producers.

The primary sources of funding for DCTV are the three cable service providers operating in the District: Comcast, RCN and Verizon (“cable operators”). This funding is mandated by the respective cable franchise agreements between cable service providers and the District. DCTV also receives membership dues and fees for the services it provides.

DCTV program services are described as follows:

Training

DCTV training courses provide District residents and other members from all walks of life access to the skills they need to produce media to tell their stories. The standard curriculum includes five hands-on courses offered throughout the year in various aspects of producing and television production, from basic camera operation to professional editing. Zone 2 offers advanced workshop and field trips for certified producers and technicians. DCTV is a one-of-a-kind training facility that offers practical knowledge to everyone, from novice to professional.

Production

DCTV offers equipment rentals and other video resources, making otherwise expensive video cameras, lighting and audio equipment affordable and accessible to independent producers. DCTV’s historic headquarters is conveniently located and offers unique and versatile multi-use space rentals for taping, production screenings and other events as well as edit suites.

Creative Services is DCTV’s professionally staffed production unit specializing in producing content for nonprofits and community organizers. Creative Services offers broadcast quality video production services for event highlight pieces, public service announcements, studio shows and other programs.

Programming

DCTV conducts broad-based, general outreach, including promotions and special activities conducted by the Organization to educate the community about public access and encourage membership in DCTV.

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 2--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of significant accounting policies utilized in the preparation of the financial statements is as follows:

Basis of accounting

Consistent with accounting principles generally accepted in the United States (GAAP), DCTV prepares its financial statements on the accrual basis of accounting. In accordance with GAAP, support and revenue are recognized when unconditionally awarded, pledged, transferred or earned. Expenses and related liabilities are recorded when obligation are incurred.

Basis of presentation

The financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Accounting Standards Codification (FASB ASC) No. 958-205 Presentation of Financial Statements of Not-for-Profit Organizations. Under FASB ASC No. 958-205, DCTV reports information regarding its financial position and activities according to three classes of net assets—unrestricted, temporarily restricted, and permanently restricted, based on the existence or absence of donor-imposed restrictions. DCTV does not have permanently restricted net assets.

Use of estimates

The preparation of financial statements in conformity with 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 financial statements, and the reported amounts of revenue, gains, expenses and losses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

For purposes of the statements of cash flows, DCTV considers all short-term investments with original maturities of less than ninety days at acquisition to be cash equivalents. The recorded amounts approximate fair value.

Investments and fair value measurements

DCTV records investments at fair value in accordance with Accounting Standards Codification (ASC) 820 (formerly Statement of Financial Accounting Standards No.157), Fair Value Measurements and Disclosures. ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosure about fair value measurements.

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 2--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- (CONTIUNED)

Investments and fair value measurements (continued)

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1—Quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities that are traded in an active exchange market, as well as U.S. Treasury securities.

Level 2—Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include debt securities with quoted market prices that are traded less frequently than exchange-traded instruments. This category generally includes certain U.S. Government and agency mortgage-backed debt securities, corporate debt securities and certain alternative investments.

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. This category generally includes certain private debt and equity instruments and alternative investments.

Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associate with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of financial position.

Accounts receivable

Accounts receivable are stated net realizable value. On a periodic basis, management evaluates its accounts receivable and establishes an allowance for doubtful accounts, based on management's analysis of possible bad debts. Accounts receivable are written off at the time management determines that the receivable will not be collected.

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 2--SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- (CONTIUNED)

Inventory

Inventory is the cost of tapes and CDs purchased for resale or for use in training and productions. DCTV reports its inventory using the first-in-first-out method.

Property and equipment

Property and equipment valued at \$250 or greater are capitalized and recorded at cost, if purchased, or fair value, if donated. Depreciation is recorded using the straight-line method over the estimated useful lives of the assets ranging from three to ten years. Repairs and maintenance are expensed as incurred while major replacements and improvements are capitalized and depreciated over the remaining life of the asset.

Support and capital contributions from cable operators

Operating support and capital contributions from cable operators are recorded when received. Operating support is classified as unrestricted. Capital contributions are classified as temporarily restricted, as they are restricted to the acquisition improvement of equipment and facilities. Temporarily restricted contributions on which restriction are fulfilled in the same period are recorded as unrestricted support in the statements of activities and changes in net assets. When the restriction on a contribution received in a prior period expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported as net assets released from restriction in the statements of activities and changes in net assets.

Revenue recognition

Membership dues are recorded when received.

Donated goods and services

As required by FASB ASC No. 958-605-25, Accounting for Contributions Received and Contributions Made, donated goods and services include materials and assistance which create or enhance non-financial assets or require specialized skills provided by individuals possessing those skills. Those skills would typically need to be purchased if not provided by donation, and are recorded by DCTV at fair value as revenue with corresponding expense in the period such services are delivered.

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 2 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES- (CONTIUNED)

Allocation of costs

The costs of providing the various programs and other activities have been summarized on a functional basis in the supplemental schedule of functional expenses. Costs that can be identified with particular programs or support functions are charged directly to those programs or functions. Common costs have been allocated among the programs and supporting services based on an established percentage.

NOTE 3 -- INCOME TAX

DCTV received a determination letter dated August 17, 1987 from the Internal Revenue Service exempting the Organization from federal income taxes under Section 501(c) (3) of the Internal Revenue Code (Code) and applicable income tax laws and regulation of the District of Columbia. DCTV is classified as other than a private foundation within the meaning of Section 509(a) (2) of the Code. No provision for income taxes has been made in the accompanying financial statements.

In accordance with FASB ASC 740, Income Taxes, management evaluated its activities and determined that DCTV had taken no uncertain tax positions that require adjustment to the financial statements to comply with the provision of the accounting standard. Accordingly, there are no unrecognized benefits or applicable interest and penalties that should be recorded. In general, DCTV's tax returns for three years are open to examination by federal, state and local authorities.

NOTE 4 -- CONCENTRATION OF RISK

Support

A substantial amount of DCTV's annual support is received from the cable operators under their respective franchise agreements with the District. Under the terms of the Cable Television Communications Act ("the Act"), the Council of the District of Columbia will annually review a report of all of DCTV's activities, its audit report and its approved budget for the next fiscal year. The Council may dissolve DCTV for material violation of law and the terms of the Act or if the Organization fails to fulfill its purposes.

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 4 -- CONCENTRATION OF RISK - (CONTIUNED)

Cash and cash equivalents

DCTV maintain its cash and cash equivalents at financial institutions where balances, at times, may exceed the federally insured limit of \$250,000. At June 30, 2016 and 2015, the uninsured cash balances at these institutions totaled \$1,175,690 and \$1,428,122, respectively.

Money market funds held by brokerage firms are secured by the Securities Investor Protection Corporation ("SIPC"). SIPC insures the assets held in member institutions up to \$500,000 (including \$250,000 for cash). At June 30, 2016 and 2015, the uninsured money market fund balances totaled \$2,315,629 and \$504,047, respectively.

NOTE 5 -- INVESTMENT AND FAIR VALUE MEASUREMENTS

Overall Investment Objective

The overall investment objective of DCTV is to emphasize preservation of principal over the return on investments, limiting its securities purchases to short-term cash investments and FDIC-insured certificates of deposit. Major investment decisions are authorized by the Board's Finance Committee, which oversees DCTV's investment program in accordance with established guidelines.

Basis of reporting

The following tables set forth, by asset category and level within the fair value hierarchy, DCTV's cash equivalents and short-term investments as of June 30:

	2016			
	Level 1	Level 2	Level 3	Total
Investments:				
Certificates of deposit	\$ 890,455	\$ -	\$ -	\$ 890,455
Cash equivalents:				
Money Market Funds	5,333,017	-	-	5,333,017
	<u>\$ 6,223,472</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,223,472</u>

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 5 -- INVESTMENT AND FAIR VALUE MEASUREMENTS – (CONTINUED)

	2015			
	Level 1	Level 2	Level 3	Total
Investments:				
Certificates of deposit	\$ 876,146	\$ -	\$ -	\$ 876,146
Cash equivalents:				
Money Market Funds	4,364,369	-	-	4,364,369
	<u>\$ 5,240,515</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,240,515</u>

Investment return consisted of unrealized gains of \$14,309 and loss of \$39,762 for the years ended June 30, 2016 and 2015, respectively.

NOTE 6 -- PROPERTY AND EQUIVALENT

Property and equivalent consisted of the following at June 30:

	2016	2015
Furniture	\$ 195,280	\$ 185,622
Equipment and software	3,885,691	3,696,305
Leasehold improvements	1,961,495	1,936,364
	<u>6,042,466</u>	<u>5,818,291</u>
Less: Accumulated depreciation	(4,250,351)	(3,766,016)
Property and equipment, net	<u>\$ 1,792,115</u>	<u>\$ 2,052,275</u>

Depreciation expense for the years ended June 30, 2016 and 2015 was \$484,335 and \$460,424, respectively.

NOTE 7 -- OPERATING LEASES

In June 2000, DCTV entered into a twenty-year lease agreement with the District. The agreement called for an annual base rent of \$149,950 payable in monthly installments of \$12,496 subject to annual escalations throughout the term of the lease. DCTV renovated the building and received a rent credit of \$800,000 which is amortized over the life of the lease. Rent expense was \$87,726 and \$86,006 for the years ended June 30, 2016 and 2015, respectively.

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 7 -- OPERATING LEASES – (CONTINUED)

Equipment rental expense includes office equipment acquired under non-cancelable operation leases. These agreements expire on various dates through 2018 and require annual payments of \$4,992. Equipment rental expense for the years ended June 30, 2016 and 2015 was \$6,974 and \$4,902, respectively.

Future minimum payment under the terms of DCTV's operation leases are as follows for the years ending June 30:

	Office Space	Equipment	Total
2017	\$ 89,480	\$ 4,851	\$ 94,331
2018	91,270	3,320	94,590
2019	93,095	-	93,095
2020	94,957	-	94,957
Total	<u>\$ 368,802</u>	<u>\$ 8,171</u>	<u>\$ 376,973</u>

NOTE 8 -- DONATED SERVICES AND CABLE CHANNEL USAGE

DCTV received donated services to develop its long-term funding strategy. The donation satisfied criteria for revenue recognition and was recorded at its estimated fair value of \$-0- as of June 30, 2016, and \$138,400 for the year ended June 30, 2015. The amount was offset by like amount recorded as contract services expense.

The cable providers who fund DCTV have granted it exclusive use and programming control of seven public access channels on which DCTV schedules and transmits community programming, most of which is produced and provided by DCTV members. Use of the channels is collectively valued at \$200,716,320 based on a per subscriber valuation for Public, Educational and Government (PEG) channel usage. DCTV fulfills its primary mission to transmit community programming on the cable systems in the District of Columbia by scheduling and telecasting programming at no charge to DCTV members. DCTV also provides and subsidizes supporting resources, training and facilities to create community programming to its members.

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 9 -- PENSION PLAN

DCTV offers a 403(b) tax-sheltered annuity pension plan (the Plan) to all full time employees who have been employed by the Organization for 12 months. Individual contracts issued under the Plan provide for full and immediate vesting of both DCTV's and the participant's contributions. DCTV contributes up to eight percent of eligible employee's annual salary to the Plan. Pension expense for the years ended June 30, 2016 and 2015 was \$71,666 and \$57,634, respectively.

NOTE 10 -- NOTE PAYABLE

In September 2003, a note payable to the Nonprofit Finance Fund (NFF) was amended, reducing the loan amount from \$800,000 to the outstanding principal balance of \$300,000. The loan was collateralized by a security interest in DCTV's revenues and assets. The interest rate on the loan was 5% percent per annum. The terms of the loan also provided for customary representations and warranties, affirmative and negative covenants and events of default. As of June 30, 2016, the note payable to NFF has been paid in full.

Interest expense incurred by DCTV on the loan was \$1,676 and \$3,263 for the years ended June 30, 2016 and 2015, respectively.

NOTE 11 -- TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets, restricted to capital purchases, consisted of support from the cable operators totaling \$2,943,907 and \$2,233,281 at June 30, 2016 and 2015, respectively.

NOTE 12 -- PROGRAM SERVICES

During the fiscal year that ended June 30, 2016, DCTV members received a total of 44,265 hours of instruction in training courses valued at \$451,633. Additionally, members spent more than 6,833 hours using DCTV facilities and equipment, the use of which is valued at \$423,074 to produce community focused programs. Dedicated DCTV-certified volunteers contributed thousands of hours creating, supporting and providing the programming telecast on DCTV's seven cable television channels on the Comcast, RCN and Verizon FiOS systems. The value of these services is not included in these financial statements.

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015

NOTE 13 -- BOARD DESIGNATED NET ASSETS

Board designated net assets of \$1,240,000 at June 30, 2016 and 2015 are funds set aside for future operational needs and to cover potential delays in the receipt of support from cable operators.

NOTE 14 -- SUBSEQUENT EVENTS

In preparing these financial statements, DCTV has evaluated events and transactions through October 21, 2016, the date the financial statements were available to be issued, for potential recognition or disclosure in the financial statements for the year ended June 30, 2016.

SUPPLEMENTAL INFORMATION

PUBLIC ACCESS CORPORATION OF THE DISTRICT OF COLUMBIA
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2016 (with comparative totals for 2015)

	2016					2015 Total
	Program Services				Supporting Services	
	Production	Programming	Training	Total Program Services	General and Administrative	Total
Salaries	\$ 438,896	\$ 374,447	\$ 102,185	\$ 915,528	\$ 68,911	\$ 984,439
Employee benefits	37,251	38,183	9,313	84,747	8,382	93,128
Payroll taxes	31,007	27,130	8,446	66,583	9,949	76,532
Pension expense	28,666	29,383	7,167	65,216	6,450	71,666
Contract services	63,307	83,066	27,039	173,412	6,403	179,814
Depreciation	193,734	198,577	48,434	440,745	43,590	484,335
Occupancy costs	84,121	86,224	21,030	191,375	18,927	210,302
IT services	43,428	56,434	9,535	109,397	8,581	117,978
Office expense	28,501	22,581	5,183	56,265	4,482	60,747
Other expenses	19,524	4,382	1,177	25,083	792	25,875
Conferences and meetings	4,984	37,398	1,993	44,375	913	45,288
Travel	4,163	1,679	235	6,077	63	6,140
Interest expense	670	687	168	1,525	151	1,676
Advertising and promotion	5,900	10,506	100	16,506	90	16,596
Insurance	8,458	8,669	2,114	19,241	1,903	21,144
Total expense	\$ 992,609	\$ 979,347	\$ 244,118	\$ 2,216,074	\$ 179,586	\$ 2,395,660

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS.