

**NORTHWEST PUBLIC BROADCASTING COMPRISED OF  
NORTHWEST PUBLIC RADIO, NORTHWEST PUBLIC  
TELEVISION (KWSU/KTNW), KUGR RADIO & CABLE 8 TV  
(A PUBLIC TELECOMMUNICATIONS SYSTEM  
OPERATED BY WASHINGTON STATE UNIVERSITY)**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED JUNE 30, 2019 AND 2018**



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CONSULTING**

**NORTHWEST PUBLIC BROADCASTING COMPRISED OF NORTHWEST PUBLIC RADIO,  
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## INDEPENDENT AUDITORS' REPORT

Kirk Schulz, President  
Washington State University  
Pullman, Washington

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Northwest Public Broadcasting, comprised of Northwest Public Radio, Northwest Public Television (KWSU/KTNW), KUGR Radio & Cable 8 TV (a public telecommunications system operated by Washington State University) (NWPB), a department of Washington State University, which comprise the statements of net position as of June 30, 2019 and 2018, and the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Kirk Schulz, President  
Washington State University

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northwest Public Broadcasting comprised of Northwest Public Radio, Northwest Public Television (KWSU/KTNW), KUGR Radio & Cable 8 TV (a public telecommunications system operated by Washington State University) as of June 30, 2019 and 2018, and the changes in net position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

***Emphasis-of-Matter***

*Reporting Entity*

As discussed in Note 1, the accompanying financial statements present only Northwest Public Broadcasting comprised of Northwest Public Radio, Northwest Public Television (KWSU/KTNW), KUGR Radio & Cable 8 TV (a public telecommunications system operated by Washington State University) and do not purport to, and do not, present fairly the financial position of Washington State University as of June 30, 2019 and 2018, and the changes in its financial position, or, where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

***Other Matter***

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



**CliftonLarsonAllen LLP**

Spokane, Washington  
February 4, 2020

**NORTHWEST PUBLIC BROADCASTING COMPRISED OF NORTHWEST PUBLIC RADIO,  
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MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2019 AND 2018**

## **INTRODUCTION**

The following discussion and analysis provides an overview of the financial position and operations of Northwest Public Broadcasting (NWPB) for the years ended June 30, 2019 (FY19) and 2018. (FY18) This discussion has been prepared by management and should be read in conjunction with NWPB's financial statements and accompanying notes that follow this section.

NWPB is a noncommercial educational radio and television system licensed to Washington State University (WSU) in Pullman, Washington. The NWPB's financial statements include the accounts for its nineteen public radio stations, two public television stations, one student run radio station and one student run television station for which broadcast, budget, accounting, and certain grant purposes are separately identified. NWPB does share facilities and personnel; and is a constituent organizational department of The Edward R. Murrow College of Communication at Washington State University.

NWPB includes Northwest Public Radio and Northwest Public Television (KWSU/KTNW), but also encompasses and contributes to the academic side of the college by hosting the student-run broadcasting stations of KUGR Radio and Cable 8 TV. The vision of NWPB is a "teaching hospital" model that gives students a hands-on role while being mentored and supervised by professionals. NWPB is responsible to the FCC, WSU and our communities for the quality and consistency of the programming while accomplishing our public educational and outreach mission.

These financial statements present only the above-described portion of the activities of WSU and are not intended to represent the financial position, results of operations, or changes in net assets of the Murrow College of Communication nor the University taken as a whole. WSU is a public university in the state of Washington, governed by a ten-member board of regents appointed by the State Governor. The complete financial statements of WSU are found at <http://genacct.wsu.edu/finstat.html>.

## **FINANCIAL HIGHLIGHTS**

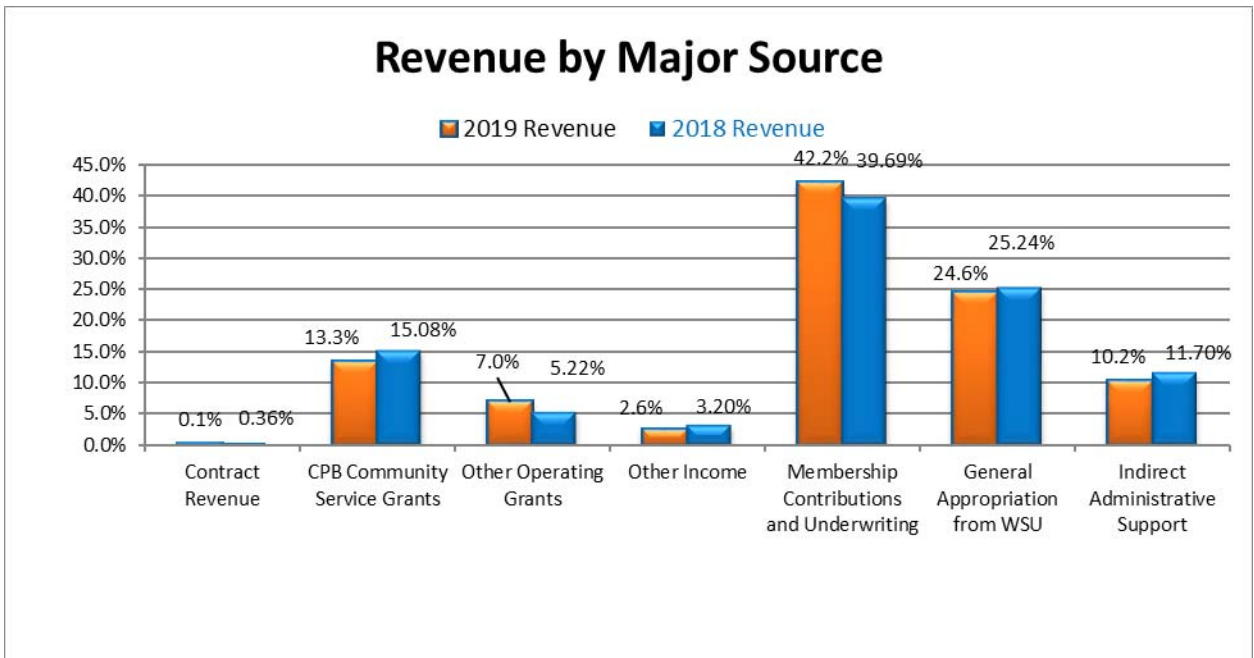
**NWPB's financial position levels for the current year ending June 30, 2019 showed modest improvement from FY18 levels:**

- Total assets increased by \$511 thousand. This was due to an increase in capital equipment purchased using Federal Communication Commission (FCC) dollars through the television spectrum repack reimbursement program and a significant increase in contributions receivable which includes a \$350 thousand single donor commitment over five years. These increases were offset by decreases due to retirement of capital asset equipment and an increase in current liabilities due to deferred grant revenue.
- Current assets were up over \$220 thousand over FY18 including a Cash carry forward increase of \$36 thousand and contributions receivable growing by \$92 thousand. Because our overall development income increased and we received increased grant funding over last year, we were able to maintain a cash position to strategically plan for future purchases and expenses.

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**FINANCIAL HIGHLIGHTS (CONTINUED)**

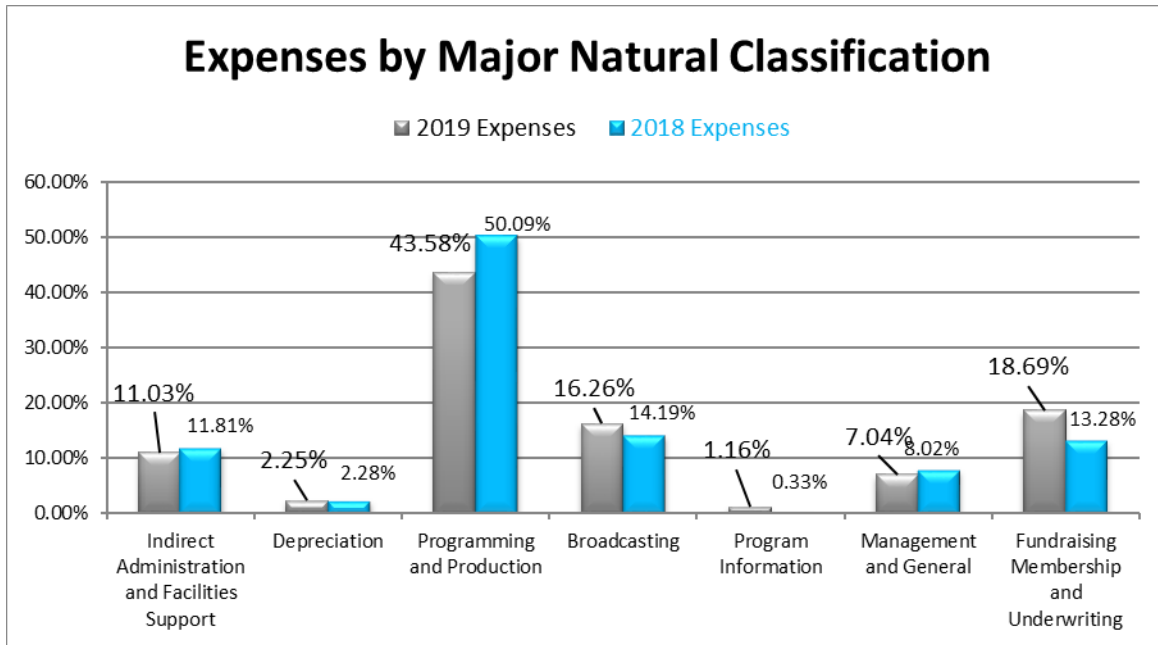
- Noncurrent assets increase by about \$485 thousand. Most of that change was in Contributions receivable, with capital assets increase by about \$175 thousand after calculating depreciation. We retired about \$94 thousand of old equipment through WSU surplus/disposal and purchased approximately \$332 thousand in new equipment during the year mostly through the FCC TV repack program.
- Current liabilities grew by about \$193 thousand. Accounting for unearned grant revenue was the main reason for the growth with an increase of over \$128 thousand. Accounts payable increase by \$50 thousand.
- There is no long term or short term debt.
- Revenues from all sources totaled \$7,455,376 which was an increase of \$546 thousand from fiscal year 2018. This increase is mainly attributed to a significant increase in donor contribution and program underwriting of \$404 thousand over 2018 levels. Income from operating grants including from the Corporation for Public Broadcasting remained relatively stable.



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**FINANCIAL HIGHLIGHTS (CONTINUED)**

- Expenses totaled \$6,943,984, representing an increase of \$130 thousand from fiscal year 2018. Fundraising expense increased by nearly \$400 thousand due to full implementation of WSU foundation fee assessment on all membership and donated monies; and costs for an expanded mail campaign soliciting support from our listeners and viewers.



**PRESENTATION OF THE FINANCIAL STATEMENTS**

NWPB's financial report includes three primary financial statements: the statements of net position; the statements of revenues, expenses, and changes in net assets; and the statements of cash flows. These financial statements are prepared in accordance with Governmental Accounting Standards Board (GASB) principles and focus on the System as a whole.

**CONDENSED FINANCIAL INFORMATION AND ANALYSIS**

**Financial Position – Statements of Net Position**

The statements of net position re a snapshot of NWPB's financial position at year-end. They list the assets (economic resources), liabilities (creditors' claims), and net assets (residual interest in assets after paying creditors) based on end-of-year data.

Assets are classified as current, noncurrent, or capital. Current assets are expected to benefit NWPB within 12 months and include cash, accounts receivable, inventories, prepaid expenses, and investments that can easily be converted to cash to meet operating expenses. Noncurrent assets include licensed program rights, capital equipment with a cost exceeding \$5,000 and having a useful life exceeding one year and items which are small and attractive by the WSU inventory policy. Capital assets are reported net of accumulated depreciation.

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**CONDENSED FINANCIAL INFORMATION AND ANALYSIS (CONTINUED)**

**Financial Position – Statements of Net Position (Continued)**

Liabilities are classified as current or noncurrent. Current liabilities are claims that are due and payable within 12 months, and include payroll and benefits, amounts payable to suppliers for goods and services received, and debt principal payments due within one year. Noncurrent liabilities are obligations payable beyond one year.

Below is a condensed view of the statements of net position as of June 30, 2019, 2018, and 2017:

**Table A-1  
Statements of Net Position**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Assets:			
Current Assets	\$ 2,312,123	\$ 2,091,951	\$ 1,855,736
Noncurrent Assets	<u>1,005,325</u>	<u>520,123</u>	<u>614,386</u>
Total Assets	<u>\$ 3,317,448</u>	<u>\$ 2,612,074</u>	<u>\$ 2,470,122</u>
Liabilities:			
Current Liabilities	\$ 618,257	\$ 424,276	\$ 377,392
Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>618,257</u>	<u>424,276</u>	<u>377,392</u>
Net Position:			
Invested in Capital Assets	425,508	249,726	335,160
Restricted	147,672	124,345	-
Unrestricted	<u>2,126,011</u>	<u>1,813,727</u>	<u>1,757,570</u>
Total Net Position	<u>2,699,191</u>	<u>2,187,798</u>	<u>2,092,730</u>
Total Liabilities and Net Position	<u>\$ 3,317,448</u>	<u>\$ 2,612,074</u>	<u>\$ 2,470,122</u>



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**CONDENSED FINANCIAL INFORMATION AND ANALYSIS (CONTINUED)**

**Statements of Revenues, Expenses, and Changes in Net Position**

The statements of revenues, expenses, and changes in net position report NWPB's results of operations. In accordance with GASB reporting principles, revenues and expenses are classified as operating, nonoperating, or other.

In general, operating revenues are those received in the form of Community Service grants funded by the Corporation for Public Broadcasting, as well as miscellaneous sales of goods and services. Operating expenses are those costs incurred to provide the staffing, maintenance, and equipment necessary to deliver public radio and television programming to the citizens of the state of Washington and portions of Idaho, Oregon, and British Columbia.

Non-operation revenues are monies received for which goods and services are not provided. These funds include those provided by direct allocation from Washington State University in furtherance of the University's mission, capital equipment grants, as well as contributions made by individual and business donors to sponsor public broadcasting activities.

NWPB non-operating revenue increased in 2019 by \$ 565 thousand over 2018 levels, which followed a decrease of almost \$76 thousand in 2018. These revenues are generated by allocations and donated facilities from WSU, capital grants and contributions. General appropriations from WSU increased by \$101 thousand, indirect contributions, which are calculated as a percentage of expenses for the fiscal year, decreased by \$38 thousand. The indirect decrease is mainly attributable to the increase in non-allowable fundraising costs in the indirect calculation. Contributions were up by \$404 thousand over FY18, a significant amount attributable to the emphasis on growing our support base and the efforts of the membership and development team.

Following is a condensed view of the statements of revenues, expenses, and changes in net assets for the fiscal years ended June 30, 2019, 2018, and 2017:

**Table A-2  
Statements of Revenues, Expenses, and Changes in Net Position**

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Operating Revenues	\$ 1,719,676	\$ 1,641,019	\$ 1,422,565
Operating Expenses	<u>(6,964,843)</u>	<u>(6,813,793)</u>	<u>(6,760,021)</u>
Loss from Operations	(5,245,167)	(5,172,774)	(5,337,456)
Nonoperating Revenues, Net	<u>5,756,560</u>	<u>5,267,842</u>	<u>5,344,200</u>
Change in Net Position	511,393	95,068	6,744
Net Position - Beginning of Year	<u>2,187,798</u>	<u>2,092,730</u>	<u>2,085,986</u>
Net Position - End of Year	<u>\$ 2,699,191</u>	<u>\$ 2,187,798</u>	<u>\$ 2,092,730</u>

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**ECONOMIC OUTLOOK**

NWPB's largest revenue source for the year was donor contributions and underwriting from our communities at 42% of the system's total. It is anticipated this revenue stream will continue to increase in the coming years as new, major donor development campaigns are implemented in 2020 and beyond.

Financial and facilities support from WSU constitutes 35% of total revenues. No significant changes in this funding is anticipated.

Non-university and non-Corporation for Public Broadcasting (CPB) grants are anticipated to increase in 2020 as management seeks new opportunities for funding from the Federal Communications Commission. Also, funding from private telecommunication companies is becoming available to support infrastructure upgrades precipitated by the changes in the broadcast and telecom spectrum. Additionally, local/private production grants are becoming more-readily available for online programming initiatives.

CPB Community Service Grants (CSG) made up 13.7% of the system's revenue in 2019. They are awarded based on congressional legislation/allocation of funding to CPB and a CPB distribution formulation. This formula takes into consideration non-federal matching funds generated by the stations through qualifying revenue streams, especially contributions. CSG funding for 2020 will be reduced by \$16 thousand from 2019 levels. However, because of anticipated increases in station generated matching funds, future years should see a steady increase in Federal dollars if conditions at the national level remain the same.

Expenses for the coming year are likely to increase based on inflation along with salary and benefit adjustments. In addition, NWP will be hiring to fill vacant positions and to fill some new positions in the online and content creation areas. As new equipment is acquired and integrated into our operations, maintenance and repair cost will likely stabilize or decrease. Possible expanded staffing in the development, membership and underwriting will also add to personnel costs, but the added revenue that these positions produce will more than offset the expense. Program acquisition costs are expected to continue at or below this year's level as alternative programming and reduced costing agreements are pursued.

Northwest Public Broadcasting continues to receive accolades from viewers and listeners regarding our program services, as well as increasing financial support through new and sustaining membership. Increased community outreach efforts will increase the stations' exposure in the area and contribute to donor cultivation efforts.

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STATEMENTS OF NET POSITION  
JUNE 30, 2019 AND 2018**

<b>ASSETS</b>	2019	2018
<b>CURRENT ASSETS</b>		
Cash Pooled with WSU	\$ 1,336,540	\$ 1,300,216
Accounts Receivable	108,460	65,090
Contributions/Underwriting Receivables, Less Allowance for Uncollectible Amounts of \$126,358 (2019) and \$107,903 (2018)	434,385	342,463
Grants and Contracts Receivable	44,500	37,833
Licensed Program Rights	388,238	346,349
Total Current Assets	2,312,123	2,091,951
<b>NONCURRENT ASSETS</b>		
Licensed Program Rights	279,817	270,397
Noncurrent Pledge Receivables	300,000	
Capital Assets:		
Equipment	8,556,895	8,318,635
Less: Accumulated Depreciation	(8,131,387)	(8,068,909)
Total Capital Assets	425,508	249,726
Total Noncurrent Assets	1,005,325	520,123
Total Assets	3,317,448	2,612,074
<b>LIABILITIES AND NET POSITION</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	95,035	45,275
Accrued Payroll	102,495	111,489
Accrued Leave Liability	247,057	222,231
Unearned Revenue	173,670	45,281
Total Liabilities	618,257	424,276
<b>NET POSITION</b>		
Net Investment in Capital Assets	425,508	249,726
Restricted	147,672	124,345
Unrestricted	2,126,011	1,813,727
Total Net Position	\$ 2,699,191	\$ 2,187,798

See accompanying Notes to Financial Statements.

**NORTHWEST PUBLIC BROADCASTING COMPRISED OF NORTHWEST PUBLIC RADIO,  
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STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEARS ENDED JUNE 30, 2019 AND 2018**

	2019	2018
<b>OPERATING REVENUES</b>		
Contract Revenue	\$ 8,832	\$ 25,070
Community Service Grants from the Corporation for Public Broadcasting	997,093	1,036,843
Other Operating Grants	523,076	359,141
Other Income	190,675	219,965
Total Operating Revenues	1,719,676	1,641,019
<b>OPERATING EXPENSES</b>		
Programming and Production	3,025,869	3,418,362
Broadcasting	1,128,963	964,628
Program Information	80,319	21,626
Management and General	489,012	546,137
Fundraising and Membership Development	1,318,846	903,159
Indirect Administrative and Facilities Support	765,815	804,402
Depreciation	156,019	155,479
Total Operating Expenses	6,964,843	6,813,793
<b>OPERATING LOSS</b>	(5,245,167)	(5,172,774)
<b>NONOPERATING REVENUES</b>		
General Appropriation from WSU	1,836,987	1,735,228
Donated Facilities and Administrative Support from WSU	765,816	804,402
Contributions and Underwriting	3,153,757	2,728,212
Total Nonoperating Revenues	5,756,560	5,267,842
<b>CHANGES IN NET POSITION</b>	511,393	95,068
Net Position – Beginning of Year	2,187,798	2,092,730
<b>NET POSITION – END OF YEAR</b>	\$ 2,699,191	\$ 2,187,798

See accompanying Notes to Financial Statements.

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STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2019 AND 2018**

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Customers	\$ (143,863)	\$ 243,786
Cash Received from Operating Grants and Support from the Corporation for Public Broadcasting	1,513,502	1,393,951
Cash Paid to Suppliers	(2,880,927)	(2,512,910)
Cash Paid for Employee Salaries, Wages, and Benefits	(3,147,798)	(3,243,738)
Net Cash Used by Operating Activities	(4,659,086)	(4,118,911)
<b>CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>		
General Appropriation from WSU	1,836,987	1,735,227
Contributions and Underwriting Received	3,190,224	2,685,079
Net Cash Provided by Noncapital and Related Financing Activities	5,027,211	4,420,306
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of Equipment	(331,801)	(70,045)
Net Cash Used by Capital and Related Financing Activities	(331,801)	(70,045)
<b>NET INCREASE IN CASH</b>	36,324	231,350
Cash – Beginning of Year	1,300,216	1,068,866
<b>CASH – END OF YEAR</b>	<u>\$ 1,336,540</u>	<u>\$ 1,300,216</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>		
Operating Loss	\$ (5,245,167)	\$ (5,172,774)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation	156,019	155,479
Indirect Administrative and Facilities Support from WSU	765,816	804,402
(Increase) Decrease in Assets:		
Accounts Receivable	(343,370)	(1,250)
Grants, Contracts, Contributions, and Underwriting Receivable	(6,667)	(2,032)
Licensed Program Rights	(51,309)	41,151
Increase (Decrease) in Liabilities:		
Accounts Payable	49,760	(10,373)
Accrued Payroll	(8,994)	8,010
Accrued Vacation	24,826	58,476
Net Cash Used by Operating Activities	<u>\$ (4,659,086)</u>	<u>\$ (4,118,911)</u>

See accompanying Notes to Financial Statements.

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NOTES TO FINANCIAL STATEMENTS  
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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Operations**

Washington State University Northwest Public Broadcasting (NWPB) is a noncommercial educational radio and television system licensed to Washington State University (WSU) in Pullman, Washington. Its oldest television station, KWSU, has broadcast since 1962 and is a full member of the Public Broadcasting Service, America's Public Television Stations, and the Washington Educational Network. The System's oldest radio station, KWSU, has broadcast since 1922 and is a full member of National Public Radio. NWPB also encompasses from the academic side of the college the student arm of broadcasting in KUGR Radio and Cable 8 TV.

**Financial Reporting Entity**

NWPB's financial statements include the accounts of Northwest Public Radio (KWSU-AM/KRFA-FM/KFAE-FM/KNWR-FM/KNWY-FM/KNWO-FM/KNWV-FM/KZAZ-FM/KLWS-FM/KWWS-FM/KNWP-FM/KQWS-FM/KMWS-FM/KSWS-FM/KNWU-FM/KVTI-FM/KHNW-FM/KYVT-FM/KJEM-FM and student operated radio station KUGR), Northwest Public TV (KWSU-TV / KTNW-TV and Cable 8 TV), which for broadcast, budget, accounting and certain grant purposes are separately identified. However, they share facilities and personnel and are constituent organizational departments of WSU. The vision of NWPB is to enrich our community by sharing and creating distinctive programs which engage, enlighten, and entertain. Additionally, we educate and train students with a "teaching hospital" model, which gives them a hands-on role while being mentored and supervised by the professionals. NWPB is responsible to the FCC, WSU, and our communities for the quality and consistency of the programming while accomplishing our public educational and outreach mission.

**Financial Statement Presentation**

The financial statements are presented in accordance with accounting principles generally accepted in the United States of America and follow guidance given by the Governmental Accounting Standards Board (GASB). These financial statements present only a selected portion of the activities of WSU. As such, they are not intended to and do not present the financial position, changes in net assets, or cash flows of WSU.

**Basis of Accounting**

NWPB's financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation has been incurred.

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Cash Pooled with WSU**

Cash on deposit with WSU may include certain investments in highly liquid debt instruments with an original maturity of three months or less. Some cash balances in excess of current requirements are pooled with other WSU funds and commonly invested. Interest income earned on the investment pool is distributed quarterly based on daily cash balances in the various funds. Cash and pooled investments are stated at fair value. Bank deposits are covered by the Federal Deposit Insurance Corporation or by collateral held in multiple financial institution collateral pools administered by the Washington Public Deposit Protection Commission.

**Contributions and Underwriting Receivables**

NWPB records receivables for membership contributions in the period the pledges are made. NWPB records underwriting receivables as they are recorded per the underwriting agreement. All contributions, program underwriting, and other accounts receivable are unsecured donations. The majority of underwriting receivables are due from underwriters located in Washington. Management determines the allowance for uncollectible accounts using percentages based on historical experience applied to the aging of outstanding accounts. When a pledge is deemed uncollectible, it is generally written off against the donation/revenue during that fiscal year.

**Grants and Contracts Receivable**

Accounts receivable are primarily from granting agencies; are based upon invoices rendered for services provided; and are unsecured. Historical experience has shown that they are rarely uncollectible.

**Capital Assets**

Equipment is stated at cost. Consistent with state of Washington policy, NWPB capitalizes equipment that has a cost greater than \$5,000 and an estimated useful life of more than one year as well as items which are small and attractive by the WSU inventory policy. Depreciation is calculated on the straight-line basis over the estimated useful lives of 4 to 15 years depending on the item. Assets acquired using federal grant money are capitalized and depreciated over the estimated useful lives of such assets. Gains or losses on the sale of property and equipment are included in other income and expense. Expenditures for repairs and maintenance are charged to expense as incurred.

**Accrued Leave Liability**

Accumulated vacation, compensatory leave, and sick leave, earned and unused by employees of the NWPB, totaled \$247,057 and \$222,231 at June 30, 2019 and 2018, respectively. Permanent NWPB employees are entitled to accrue and accumulate sick leave at the rate of eight hours per month worked. The employee is entitled to either the present value of 25% of his or her unused sick leave balance upon retirement or 25% of his or her net accumulation for the year in which it exceeds 480 hours.

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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Revenue Recognition**

Funds restricted by the donor, grantor, or other outside party for particular purposes are deemed to be earned and reported as revenues when NWPB has satisfied all eligibility requirements as defined by GASB. Such amounts received but not yet earned are reported as unearned revenue.

**Net Position**

NWPB's net position is classified as follows:

Net Investment in Capital Assets – This represents NWPB's total investment in capital assets net of depreciation. There are no debts outstanding related to them.

Restricted – This represents resources restricted because they are constrained by external parties. Restricted net position includes grant proceeds received but not expended. As of June 30, 2019, restricted net position for radio and TV operations and programming was \$147,671 compared to \$124,345 as of June 30, 2018.

Unrestricted – These represent resources derived from operations and investing activities which are available for use as management requires.

**Classification of Revenue, Expenses, and Transfers**

NWPB has classified its revenue as either operating or nonoperating according to the following criteria:

Operating Revenue and Expense – Operating revenue and expense includes activities that have the characteristics of exchange transactions, such the proceeds from providing broadcast programming.

Nonoperating Revenue and Expense – Nonoperating revenue and expense includes activities that have the characteristics of nonexchange transactions, such as contributions and general appropriations from WSU.

**Administrative Support and Facilities Provided by WSU**

Administrative support from WSU consists of allocated institutional and physical plant expense incurred by WSU in support of NWPB. Donated supplies and in-kind services are recorded at their estimated value as revenues and expenses in the period they are received. Donated facilities from WSU consist of office and studio space together with related occupancy costs, and are recorded as revenues and expenses at values determined using the methodology developed by the Corporation for Public Broadcasting (CPB).

**Licensed Program Rights not yet Broadcast**

Costs incurred for the majority of programs not yet broadcast relate to licensed program rights and programs acquired by NWPB that are expected to be broadcast subsequent to year-end.



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**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Economic Dependence**

NWPB is dependent upon funding from the Corporation for Public Broadcasting, WSU, underwriters, and contributors.

**Allocation of Costs**

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Revenues, Expenses, and Changes in Net Assets. Accordingly, certain costs have been allocated between program and supporting services based upon total direct costs or another systematic basis.

**Risk Management**

WSU participates in a state of Washington risk management self-insurance program. Premiums to the state are based on actuarially determined projections and include allowances for payments of both outstanding and current liabilities. WSU assumes its potential liability and property losses for all properties except for auxiliary enterprise buildings and contents. WSU has elected to self-insure for unemployment compensation for all employees. NWPB does insure some equipment items located on leased broadcast sites through WSU brokered vendors.

**Tax Exemption**

As a part of WSU, the operations of NWPB are exempt from federal income tax on related income under the provisions of Section 115(a) of the Internal Revenue Code.

**Estimates**

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

**NOTE 2 GRANTS AND CONTRACTS RECEIVABLE**

Grants and contracts receivable were as follows at June 30:

	2019	2018
Northwest Public Affairs Network	\$ 27,692	\$ 37,833
T-Mobile Repack Incentive - PBS	16,808	-
Total	\$ 44,500	\$ 37,833

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**NOTE 3 CAPITAL ASSETS – EQUIPMENT**

The following summarizes activity related to equipment as of June 30:

	2019			
	Balance, June 30, 2018	Additions	Transfers/ Disposals	Balance, June 30, 2019
Equipment	\$ 8,318,635	\$ 331,801	\$ -	\$ 8,650,436
Less: Accumulated Depreciation	(8,068,909)	(156,019)	-	(8,224,928)
Total	\$ 249,726	\$ 175,782	\$ -	\$ 425,508
	2018			
	Balance, June 30, 2017	Additions	Transfers/ Disposals	Balance, June 30, 2018
Equipment	\$ 8,380,950	\$ 70,045	\$ (132,360)	\$ 8,318,635
Less: Accumulated Depreciation	(8,045,790)	(155,479)	132,360	(8,068,909)
Total	\$ 335,160	\$ (85,434)	\$ -	\$ 249,726

Equipment includes the following expenditures for broadcasting equipment obtained through grants from the U.S. Department of Commerce's Public Telecommunications Facilities Program:

Year Ending June 30,	Amount
2010	\$ 99,522
2011	186,529
2012	17,994
2013	-
2014	-
2015	-
2016	-
2017	-
2018	-
2019	-
Total	\$ 304,045

The federal government has a ten-year priority lien on any property purchased under these grants to assure continued use for public telecommunications. Ten years from the final close out of each grant, NWPB receives complete ownership of the equipment.

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**NOTE 4 PENSION PLANS**

WSU offers four contributory pension plans: the Washington State Public Employees Retirement System (PERS) plan, the Washington State Teachers Retirement System (TRS), the Law Enforcement Officers' and Firefighters' Retirement System (LEOFF), cost sharing multiple-employer defined benefit pension plans administered by the State of Washington Department of Retirement Services, and the Washington State University Retirement Plan (WSURP), a defined contribution pension plan with a supplemental payment to beneficiaries when required. The NWPB has employees in three of these plans: PERS, TRS, and WSURP.

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the above plans has been determined on the same basis as reported by Washington Department of Retirement Services (DRS) and the Washington State University Retirement Plan (WSURP).

The NWPB's contribution rates and contributions for the above retirement plans for the years ended June 30 are as follows:

	Required Contributions		
	2019	2018	2017
PERS	\$ 84,655	\$ 84,891	\$ 69,829
WSURP	9,302	86,671	81,113
TRS	89,873	11,801	10,857

	Contribution Rates					
	2019		2018		2017	
	Employee	WSU	Employee	WSU	Employee	WSU
<b>PERS</b>						
Plan 1	6.00%	12.70%	6.00%	11.18%	6.00%	11.18%
Plan 2	7.38%	12.70%	6.12%	11.18%	6.12%	11.18%
Plan 3	5% - 15%	12.70%	5% - 15%	11.18%	5% - 15%	11.18%
<b>TRS</b>						
Plan 1	6.00%	15.20%	6.00%	13.13%	6.00%	13.13%
Plan 2	7.06%	15.20%	5.95%	13.13%		
Plan 3	5% - 15%	15.20%	5%-15%	13.13%	5% -15%	13.13%
<b>WSURP</b>						
Plan 1	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Plan 2	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
Plan 3	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

An actuarial valuation of the plans for NWPB as an entity is not available. WSU issues a publicly available financial report that includes a pension note and supplementary information regarding the implementation of GASB 68 and GASB 73.

Since the University's proportionate share is not broken down to the WSU department level, the pension liability, deferred inflows and deferred outflows, and pension expense are not recorded on the NWPB financial statements.

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**NOTE 4 PENSION PLANS (CONTINUED)**

**PERS, TRS, and LEOFF**

Plan Description

PERS Plan 1 provides retirement and disability benefits and minimum benefit increases beginning at age 66 to eligible nonacademic plan members hired prior to October 1, 1977. PERS Plans 2 and 3 provide retirement and disability benefits and a cost-of-living adjustment to eligible nonacademic plan members hired on or after October 1, 1977. Retirement benefits are vested after five years of eligible service. PERS Plan 3 has a defined contribution component that members may elect to self-direct as established by the Employee Retirement Benefits Board. PERS 3 defined benefit plan benefits are vested after an employee completes five years of eligible service.

TRS 1 provides retirement and disability benefits, a lump-sum death benefit, and minimum benefits increases beginning at age 65 to certain eligible faculty hired prior to October 1, 1977. TRS 2 and 3 provide retirement benefits and a cost-of-living adjustment to certain eligible faculty hired on or after October 1, 1977. In addition, TRS 3 has a defined contribution component which is fully funded by employee contributions. Defined benefit plan benefits are vested after an employee completes five years of eligible service.

The authority to establish and amend benefit provisions resides with the legislature. The Washington State Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PERS, TRS, and LEOFF. The report may be obtained by writing to the Department of Retirement Systems, PO Box 48380, Olympia, Washington 98504-8380, or online at <http://www.drs.wa.gov/administration>.

Funding Policy

Each biennium, the state Pension Funding Council adopts PERS and TRS Plan 1 employer contribution rates, Plan 2 employer and employee contribution rates, and Plan 3 employer contribution rates. Employee contribution rates for Plan 1 are established by statute. All employers are required to contribute at the level established by state law.

**Washington State University Retirement Plan**

Plan Description

Faculty, professional, and other staff are eligible to participate in the Washington State University Retirement Plan (WSURP), a 403(b) defined contribution plan. The Teachers Insurance and Annuity Association (TIAA) and the College Retirement Equities Fund (CREF) are the companion organizations through which individual retirement annuities are purchased. Employees have at all times a 100% vested interest in their accumulations.

TIAA-CREF benefits are payable upon termination at the member's option unless the participant is re-employed in another institution which participates in TIAA-CREF.

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**NOTE 4 PENSION PLANS (CONTINUED)**

**Washington State University Retirement Plan (Continued)**

Plan Description (Continued)

The plan has a supplemental payment component that guarantees a minimum retirement benefit goal based upon a one-time calculation at each employee's retirement date. WSU makes direct payments to qualifying retirees when the retirement benefit provided by TIAA-CREF does not meet the benefit goal. Employees are eligible for a nonreduced supplemental payment after the age of 62 with 10 years of full-time service.

The minimum retirement benefit goal is 2% of the average annual salary for each year of full-time service up to a maximum of 25 years. However, if the participant does not elect to make the 10% TIAA-CREF contribution after age 49, the benefit goal is 1.5% for each year of full-time service for those years the lower contribution rate is selected.

WSU's Board of Regents is authorized to amend benefit provisions under RCW 28B.10.400. In 2011, the plan was amended to eliminate the supplemental benefit provisions for all employees hired after June 30, 2011.

The WSURP supplemental pension benefits are calculated by the State Actuary using guidance from GASB 73 and the liability, expense, and deferred inflows are accounted for at the University level. WSU makes no contributions other than benefit payments and there are no plan assets. An actuarial study of the supplemental pension benefits was performed as of June 30, 2019. The actuarial assumptions for the evaluation included an investment rate of return of 3.5%. The total actuarial accrued liability calculated at 2019 was \$92,719,791, under the plan's entry age normal method and the total liability was booked for the year ended June 30, 2019 per GASB 73.

Contributions

Contribution rates for the WSURP (TIAA-CREF), which are based upon age, are 5%, 7.5%, or 10% of salary and are matched by WSU. Employee and employer contributions for the years ended June 30, 2019 and 2018 were \$25,478,226 and \$25,552,892, respectively. Supplemental payments made by WSU for the year ended June 30, 2019 were \$2,438,920.

**NOTE 5 OTHER POSTEMPLOYMENT BENEFITS**

WSU is a participating employer in the state's Public Employees Benefits Board (PEBB) program, a single employer defined benefit plan administered by the Washington State Health Care Authority (HCA). The PEBB is authorized to design benefits and determine terms and conditions of employee and retired employee participation and coverage. The OPEB plan provides medical, dental, life insurance, and long-term disability benefits for public employees and retirees and their dependents on a pay-as-you-go basis.

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**NOTE 5 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

WSU is a participating employer in the state's Public Employees Benefits Board (PEBB) program, a single employer defined benefit plan administered by the Washington State Health Care Authority (HCA). The PEBB is authorized to design benefits and determine terms and conditions of employee and retired employee participation and coverage per RCW 41.05.065. The OPEB plan provides medical, dental, prescription drug, vision, life insurance, disability, and long-term care insurance benefits for public employees and retirees and their dependents on a pay-as-you-go basis.

The OPEB relationship between PEBB employers and employees is not formalized in a contract or plan document. Instead, the benefits are provided in accordance with a substantive plan in which the plan terms are understood by the employers and plan members based on communications between employers and members and the historical pattern of practice with regard to the sharing of benefits costs. The employer's plan provides benefits through both explicit and implicit subsidies. The explicit subsidy is a set dollar amount that lowers the monthly premium paid by members over the age of 65 enrolled in Medicare Parts A and B. This set dollar amount is recommended by PEBB and approved by the state Legislature annually and was set at \$168 per member per month for fiscal year 2019. The implicit subsidy results from the inclusion of active and non-Medicare eligible retirees in the same pool when determining premiums. There is an implicit subsidy from active employees since the premiums paid by retirees are lower than they would have been if the retirees were insured separately.

For information on the actuarial valuation of the employer provided subsidies, refer to the Office of the State Actuary's website: <https://leg.wa.gov/osa/additionalservices/Pages/OPEB.aspx>.

Since the University's proportionate share is not broken down to the WSU department level, the OPEB liability, deferred inflows and deferred outflows and OPEB expense are not recorded on the NWPB financial statements.

**NOTE 6 COMMITMENTS**

**Revenue**

**Grant Commitments**

During the fiscal year ended June 30, 2019, NWPB had the following active grants excluding awards related to CPB/CSG grant funds:

New grants received during the fiscal year ended June 30, 2019:

**Northwest News Network**

This grant replaces our past NPAN grant award to NWPR to fund reporters covering many geographical parts of our listening area. This grant termed June 30, 2019 with the final invoice paid in full in September of 2019. Now that payment has been received, the account will be de-allocated and closed.

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**NOTE 6 COMMITMENTS (CONTINUED)**

**Revenue (Continued)**

**Grant Commitments (Continued)**

**NWPB Content Creation Equipment Project (Murdock Foundation)**

The Murdock Foundation awarded NWPB a 50/50 match grant to upgrade our radio studio at KVTI in Tacoma, WA. Funds were also provided for our KWSU television studio located on the WSU campus and KTNW studio located on the WSU campus in Richland, WA. This grant extends into FY2020.

**Incentive Auction Relocation Reimbursement Project (FCC)**

Due to a spectrum auction many TV stations were required to move their broadcast to a different frequency on the spectrum (repack). This involved moving equipment to new locations as well as updating some equipment to support the change. To this end, the FCC allocated funds to cover the cost to stations of the forced repack expenses. The project had an official start date in 2017 and was originally set up as a reimbursement account. Needing a better way to track the funds, it was converted to grant status in FY2019. Final invoices were reimbursed in late July 2019 and the grant was closed in September 2019.

**Translator Repack Reimbursement Grant (PBS)**

The spectrum auction also compromised some translators. T-Mobile opted to give funds to PBS to distribute to qualifying stations with affected translators. NWPB received funds to assist with moving and upgrading two sites – KWSU-LD at Krell Hill near Spokane, WA and K17JR-D on Lewiston Hill, Lewiston, ID.

Continuing grants during the fiscal year ended June 30, 2019:

**Yakima Valley Community Info Connection Phase II**

This grant continues to support a Spanish-speaking reporter in the Yakima Valley area that was first underwritten by the Phase I grant that termed December 31, 2015 but extended in Phase II through December 1, 2018.

**Union Pacific Foundation**

Funding specific for the purchase of transmission equipment to enhance coverage in the Spokane, Washington listening area.

**Cable TV Educational Access Grant**

This grant was awarded in fiscal year ended June 30, 2017 and terms January 1, 2020. The funds are to be specifically spent on equipment to produce and cablecast WSU access programming within the Richland, Washington area.

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**NOTE 6 COMMITMENTS (CONTINUED)**

**Lease Contracts**

NWPB has several broadcast towers where physical space is leased to outside vendors. Additionally, excess spectrum capacity is leased to cellular providers. These contracts will provide approximately \$151 thousand in FY20.

**Expenses**

**Public Broadcasting Service Membership**

In September 2018, NWPB committed to pay \$325,724 to the Public Broadcasting System for continued membership and to acquire programming for the fiscal year ending June 30, 2019.

**National Public Radio Membership**

In September 2018, NWPB committed to pay \$316,015 to the National Public Radio for continued membership and to acquire programming for the one-year period ending September 30, 2019.

**Lease Commitments and Total Rental Expense**

NWPB has leased sites, office space, and/or facilities to locate equipment necessary to support our state-wide transmission of broadcast and microwave signals under various operating lease agreements that expire between June 30, 2020 and June 30, 2026. Those leases which have expired are under negotiations.

Future minimum rental commitments estimated from our contractual commitments are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2020	\$ 184,340
2021	152,409
2022	127,245
2023	95,301
2024	87,109
Thereafter	<u>265,245</u>
Total	<u><u>\$ 911,649</u></u>

NWPB's adjusted rent expense from the attached functional report for the years ended June 30, 2019 and 2018 was \$183,659 and \$203,842, respectively, not including the value of facility space donated by WSU.



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**NOTE 7 LONG-TERM DEBT**

There are no aggregate scheduled principal and interest payments for future years; all contracts are paid in full.

**NOTE 8 INVESTMENT IN ENDOWMENT FUNDS**

On November 30, 2004, Northwest Public Radio and KWSU/KTNW Public Television each established endowment funds with the Washington State University Foundation (the Foundation). On November 7, 2002, KUGR Radio had an endowment fund established for them by William "Bill" Stowell with the Foundation. In May of 1999, the process was started to create the Geneva Simons Northwest Public Television Endowment, and in 2015, funds were deposited adding its value to our endowment accounts. In July of 2017, Donald and Marianna Matteson established an endowment for Northwest Public Radio.

NWPR Endowment Balances

<u>Account</u>	<u>Market Value</u>
KWSU/KTNW Public Television Endowment	\$ 40,492
NW Public Radio Endowment	\$ 46,728
William Stowell KUGR Excellence Endowment	\$ 51,787
Geneva Simons NW Public Television Endowment	\$ 88,790
Donald & Marianna Matteson Public Radio Endowment	\$ 101,616

The investments are held by the Foundation in pools that include investments in various stocks, bonds, fixed income securities, real estate, and commodities. Distributions are made in accordance with the applicable investment policy and payment procedures of the Foundation. The policies of the Foundation are intended to maintain a perpetual fund, provide a stable source of support, and invest for total return and long-term growth.

The market value of the permanent endowments held by the WSU Foundation on behalf of Northwest Public Broadcasting is \$275,938 and \$329,413 as of June 30, 2018 and 2019 respectively.



CliftonLarsonAllen LLP  
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## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Kirk Schulz, President  
Washington State University  
Pullman, Washington

We have audited the financial statements of Northwest Public Broadcasting comprised of Northwest Public Radio, Northwest Public Television (KWSU/KTNW), KUGR Radio & Cable 8 TV (a public telecommunications system operated by Washington State University) as of and for the year ended June 30, 2019, and have issued our report thereon dated February 4, 2020, which expressed an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 26 and 27 is presented for the 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 or to 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 in relation to the financial statements as a whole.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Spokane, Washington  
February 4, 2020

**NORTHWEST PUBLIC BROADCASTING COMPRISED OF NORTHWEST PUBLIC RADIO,  
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SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION ON A  
DEPARTMENTAL BASIS  
YEAR ENDED JUNE 30, 2019  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	Radio	Television	Combined Totals
<b>OPERATING REVENUES</b>			
Contract Revenue	\$ -	\$ 8,832	\$ 8,832
Community Service Grants from the Corporation for Public Broadcasting	253,697	743,396	997,093
Other Operating Grants	148,935	374,141	523,076
Other Income	73,441	117,234	190,675
Total Operating Revenues	<u>476,073</u>	<u>1,243,603</u>	<u>1,719,676</u>
<b>OPERATING EXPENSES</b>			
Programming and Production	1,760,909	1,264,959	3,025,868
Broadcasting	598,028	530,936	1,128,964
Program Information	60,526	19,792	80,318
Management and General	338,831	150,182	489,013
Fundraising and Membership Development	1,106,610	212,236	1,318,846
Indirect Administrative and Facilities Support	425,928	339,888	765,816
Depreciation	80,011	76,007	156,018
Total Operating Expenses	<u>4,370,843</u>	<u>2,594,000</u>	<u>6,964,843</u>
<b>OPERATING LOSS</b>	(3,894,770)	(1,350,397)	(5,245,167)
<b>NONOPERATING REVENUES</b>			
General Appropriation from WSU	854,892	982,095	1,836,987
Donated Facilities and Administrative Support from WSU	425,928	339,888	765,816
Contributions and Underwriting	2,780,122	373,635	3,153,757
Capital Grants	-	-	-
Total Nonoperating Revenues	<u>4,060,942</u>	<u>1,695,618</u>	<u>5,756,560</u>
<b>CHANGES IN NET POSITION</b>	<u>\$ 166,172</u>	<u>\$ 345,221</u>	<u>\$ 511,393</u>

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SCHEDULE OF FUNCTIONAL EXPENSES  
YEAR ENDED JUNE 30, 2019  
(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	Program Services				Support Services			Total
	Programming and Production	Broadcasting	Program Information	Total Program Services	Management and General	Fundraising and Membership	Total Support Services	
Salaries and Wages	\$ 1,079,993	\$ 415,004	\$ 31,090	\$ 1,526,087	\$ 200,526	\$ 592,414	\$ 792,940	\$ 2,319,027
Employee Benefits and Payroll Taxes	444,920	167,123	6,460	618,503	63,831	162,269	226,100	844,603
Program Production and Acquisitions	1,163,510	-	-	1,163,510	-	180	180	1,163,690
Program Distribution/Transport	-	73,037	-	73,037	-	194	194	73,231
Professional Services	1,500	12,714	-	14,214	67,803	-	67,803	82,017
Contract Services (Includes Telemarketing and Audience Research)	179,048	54,280	25,917	259,245	(6,630)	40,912	34,282	293,527
Membership Dues	1,075	-	417	1,492	7,283	1,065	8,348	9,840
Subscriptions and Publications	282	-	-	282	481	-	481	763
Office Supplies and Photocopying	1,653	593	141	2,387	1,468	452	1,920	4,307
Computer Supplies, Software, and Line Charges	48,011	41,922	741	90,674	3,230	20,982	24,212	114,886
Telephone and Facsimile	7,048	5,778	-	12,826	671	4,715	5,386	18,212
Postage and Shipping	85	6,070	9	6,164	307	23,247	23,554	29,718
Repairs and Maintenance	6,011	57,680	-	63,691	656	-	656	64,347
Printing, Publications, Advertising, and Direct Mail	1,946	48	4,727	6,721	39	44,660	44,699	51,420
Travel	33,430	9,706	4,716	47,852	6,833	18,019	24,852	72,704
Motor Vehicle Operations	1,537	44,675	256	46,468	5	2,302	2,307	48,775
Site Rent	4,618	145,472	757	150,847	-	39,550	39,550	190,397
Site Utilities	26,088	65,125	-	91,213	29	110	139	91,352
Interest Expense	-	-	-	-	286	-	286	286
Premiums	41	-	-	41	-	23,394	23,394	23,435
Bank Card Expense	90	2	-	92	-	29,140	29,140	29,232
Uncollectible Debts	-	-	-	-	-	18,455	18,455	18,455
On-Air Advertising Trades	-	-	-	-	-	143,338	143,338	143,338
Foundation Expense	129	-	-	129	-	149,493	149,493	149,622
General Program Support	23,374	6,336	5,013	34,723	130,449	3,955	134,404	169,127
Equipment Lease Payments	-	-	-	-	11,745	-	11,745	11,745
Operating Equipment	1,480	23,398	75	24,953	-	-	-	24,953
Total	3,025,869	1,128,963	80,319	4,235,151	489,012	1,318,846	1,807,858	6,043,009
Indirect Administrative and Facilities Support	384,789	143,566	10,214	538,569	62,186	165,061	227,247	765,816
Depreciation	-	156,018	-	156,018	-	-	-	156,018
Total	<u>\$ 3,410,658</u>	<u>\$ 1,428,547</u>	<u>\$ 90,533</u>	<u>\$ 4,929,738</u>	<u>\$ 551,198</u>	<u>\$ 1,483,907</u>	<u>\$ 2,035,105</u>	<u>\$ 6,964,843</u>

