

**WUWF-FM**  
**A PUBLIC TELECOMMUNICATIONS ENTITY**  
**OPERATED BY THE**  
**UNIVERSITY OF WEST FLORIDA**  
  
**FINANCIAL STATEMENTS**  
  
**JUNE 30, 2022 AND 2021**

**WUWF-FM**  
**A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY**  
**THE UNIVERSITY OF WEST FLORIDA**  
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**JUNE 30, 2022 AND 2021**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees,  
University of West Florida:

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

#### ***Opinion***

We have audited the accompanying financial statements of WUWF-FM (the “Station”), a public telecommunications entity operated by the University of West Florida, as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the Station’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WUWF-FM as of June 30, 2022 and 2021, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WUWF-FM and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WUWF-FM’s ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 WUWF-FM's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WUWF-FM's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Other Matters***

#### ***Required Supplementary Information***

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

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise WUWF-FM's basic financial statements. The Schedule of Functional Expenses (Exhibit I) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Functional Expenses is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Functional Expenses is fairly stated, in all material respects, in relation to the basic financial statements as a whole.


### *Emphasis of Matter*

As discussed in Note 1, the financial statements of the Station are intended to present the financial position, and the changes in financial position and cash flows, of only the Station-related accounts of the University of West Florida that are attributable to the transactions of the Station. They do not purport to, and do not, present fairly the financial position of the University of West Florida as of June 30, 2022 and 2021, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

As discussed in Note 1(p) to the financial statements, the School has adopted the provisions of GASB Statement No. 87, *Leases*. This adoption lead to a restatement of net position as of June 30, 2021. Our opinion is not modified with respect to this matter.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2023 on our consideration of WUWF-FM's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering WUWF-FM's internal control over financial reporting and compliance.

 James Moore & Co., P.L.

Tallahassee, Florida  
January 12, 2023

**WUWF-FM**  
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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022 AND 2021**

**INTRODUCTION AND REPORTING ENTITY**

The following discussion and analysis is an overview of the financial position and activities of WUWF Radio Station for the years ended June 30, 2022 and 2021. Management of WUWF Radio Station has prepared the following discussion, and it should be read with the financial statements and related footnotes which follow this section. Our discussion and analysis are required by accounting principles generally accepted in the United States of America in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. The Governmental Accounting Standards Board has not developed accounting standards for presentation of auxiliary (or departmental) entities. The Station's accounting policies and practices do, however, conform to those permitted or allowed by the Corporation for Public Broadcasting (CPB), which generally follow published Governmental Accounting Standards. The overview presented below highlights the significant financial activities that occurred during the past year and describes changes in financial activity from the prior year.

WUWF-FM Radio Station is a public telecommunications entity operated by the University of West Florida. The University is a separate public instrumentality that is part of the State university system of public universities, which is under the general direction and control of the Florida Board of Governors. The University is directly governed by a Board of Trustees (Trustees) consisting of 13 members. The Governor appoints six citizen members, and the Board of Governors appoints five citizen members. These members are confirmed by the Florida Senate and serve staggered terms of five years. The chair of the faculty senate and the president of the student body of the University are also members. The Board of Governors establishes the powers and duties of the Trustees. The Trustees are responsible for setting policies for the University, which provide governance in accordance with State law and Board of Governors' Regulations. The Trustees select the University President. The University President serves as the executive officer and the corporate secretary of the Trustees, and is responsible for administering the policies prescribed by the Trustees.

Serving Northwest Florida and South Alabama, WUWF Public Radio is one of the most visible and active examples of the University of West Florida's public service and outreach mission, pursuing and nurturing mutually beneficial community partnerships and enhancing the educational, cultural and economic development of the region.

WUWF is a high-profile, cost-effective example of UWF's commitment to the citizens of Florida. WUWF delivers the university's resources daily to thousands who live in areas that might otherwise be culturally or educationally isolated. Businesses use the delivery of resources provided by WUWF's prestigious NPR programming to recruit quality employees with metropolitan expectations. WUWF supports the university's academic mission by providing opportunities for students to gain professional experience to supplement classroom instruction. Faculty have a platform for sharing their academic research with the general public. Through collaborative programs involving faculty, WUWF's audience is made aware of the university's connection and importance to the community.

The station broadcasts 24 hours a day, delivering a 100,000-watt signal at the frequency 88.1 FM. The station simultaneously broadcasts a hybrid digital (HD) signal delivering three distinct program services: HD-1 provides 24/7 local, regional & national news and musical arts programming; HD-2 provides 24/7 classical music; and HD-3 provides Sightline, a 24/7 reading service for the vision impaired. All of the program streams can also be accessed online at <http://wuwf.org> or through the WUWF Mobile App.

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**JUNE 30, 2022 AND 2021**  
(Continued)

With a professional staff of 13, 7-part-time professionals, 4 student employees, and nearly 25 volunteers, WUWF is known for outstanding locally produced news coverage and programming like Unearthing Florida, Acoustic Interlude, 14/59, Big Bands & Jazz, Musical Gumbo, and Radio Live.

WUWF is a founding member of the Florida Public Radio Emergency Network (FPREN), providing year-round emergency information before, during, and after significant weather events and other emergencies, and is recognized by the Florida Department of Emergency Management as the primary source of emergency information for Northwest Florida. In times of crisis, WUWF transcends its role of life enrichment to that of lifeline, partnering with regional governments and agencies in providing critical information.

As a listener-supported station, WUWF operates largely with contributions from individual listeners and local businesses. The University of West Florida provides funds for salaries, facilities, and general upkeep and utility bills. Grants from the Corporation for Public Broadcasting and the Florida Department of Education provide funds for salaries and national program acquisition costs.

#### **FINANCIAL HIGHLIGHTS**

The Station's operating revenues totaled \$2,144,456 an increase of \$30,442 from last year and operating expenses totaled \$2,329,404 which is up \$704 from last year. The increases in operating revenues were mainly attributable to an \$11,000 increase in CPB funds, and a \$12,000 increase in university appropriations. While business and industry support are up \$49,000 compared to the prior year, returning to pre-pandemic activity, individual membership income absorbs most of that gain by a loss of \$55,000 compared to the prior year. The modest increase in operating expenses occurred in management and general and broadcasting as salaries were allocated away from the programming and production category for decreased programming activities and radio programming fees. This decrease is mainly due to NPR moving towards an annual subscription versus a quarterly one, and the related discount for paying the annual amount ahead of time. The total operating expenses didn't change by much, however, amounts were reallocated for salary expenses based on updated information that impacted the major functions, with programming and production going down by \$147K, and management and general increasing by \$133,000.

The Station experienced a decrease of \$230,071 in non-operating revenue due to the prior year's one-time-only additional grants received and a large decline in investment returns through the UWF Foundation compared to the prior fiscal year. During the 2021-22 fiscal year, the Station received debt forgiveness of the Payroll Protection Program Loan of \$220,776. While in the 2020-21 fiscal year the station received the Coronavirus Aid, Relief and Economic Security Act ("CARES Act") and American Rescue Plan Act Stabilization grants donated by The Corporation for Public Broadcasting totaling \$235,536. The Station's fair value of investments at the UWF Foundation decreased to (\$76,013) in 2022, while it increased to \$140,611 in 2021.

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022 AND 2021**  
(Continued)

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The Station is a unit of University of West Florida, and these financial statements include assets, liabilities and activity related to its public broadcasting function. This includes account activity in funds which are under the control of the Station manager within the University and University of West Florida Foundation.

These financial statements consist of statements of net position and statements of revenues, expenses, and changes in net position. The statements of net position and the statements of revenues, expenses, and changes in net position are intended to demonstrate the Station's financial position as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are considered regardless of when cash is received or paid.

**THE STATEMENT OF NET POSITION AND THE STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

The statement of net position and the statement of revenues, expenses, and changes in net position are valuable report information on WUWF's current fund and activities in a way that helps the reader determine if the Station is in a better position from one year to the next. When revenues and other support exceed expenses, the result is an increase in net position. The relationship between revenues and expenses may be thought of as WUWF's operating results.

These two statements report WUWF's net position and changes in them. The net position amount, the difference between assets and liabilities, is one way to measure WUWF's financial health or financial position. Over time, increases or decreases in WUWF's net position are one indicator of whether its financial health is improving or deteriorating. However, many other non-financial factors such as certain trends in funding, condition of facilities and sponsorships should be considered in assessing the overall health of the radio station.

These statements are prepared using the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.

The statement of net position presents the assets, liabilities, and net position of WUWF's current fund as of the end of the fiscal year. Its purpose is to present to the readers of the financial statements a fiscal snapshot of the station's current fund at a certain point in time. The statement of net position presents end-of-year data concerning assets, (current and non-current), liabilities (current and non-current), and net position (assets minus liabilities).

From the data presented, readers of the statement of net position are able to determine the assets available to continue the operations of WUWF Radio Station. They are also able to determine how much the current fund owes vendors, employees, and others. Finally, the statement of net position provides a picture of the net position (assets minus liabilities) and their availability for use by WUWF.



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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022 AND 2021**  
(Continued)

**CONDENSED STATEMENTS OF NET POSITION**  
**TABLE 1**

	June 30, 2022	June 30, 2021 Restated	June 30, 2020
Current assets	\$ 1,403,299	\$ 1,625,581	\$ 1,152,874
Noncurrent assets	<u>561,164</u>	<u>624,858</u>	<u>559,990</u>
Total assets	<u>1,964,463</u>	<u>2,250,439</u>	<u>1,712,864</u>
Current liabilities	122,701	356,711	105,474
Noncurrent liabilities	<u>304,097</u>	<u>322,213</u>	<u>170,567</u>
Total liabilities	<u>426,798</u>	<u>678,924</u>	<u>276,041</u>
Net position			
Invested in capital assets	436,354	482,309	559,990
Restricted	435,435	471,646	313,831
Unrestricted	<u>665,876</u>	<u>617,560</u>	<u>563,002</u>
Total net position	<u>\$ 1,537,665</u>	<u>\$ 1,571,515</u>	<u>\$ 1,436,823</u>

**CONDENSED STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**TABLE 2**

	June 30, 2022	June 30, 2021	June 30, 2020
Revenues			
Operating revenues	\$ 2,144,456	\$ 2,114,014	\$ 2,211,876
Non-operating revenues (expenses)	<u>151,097</u>	<u>381,168</u>	<u>(509)</u>
Total revenues	<u>2,295,553</u>	<u>2,495,182</u>	<u>2,211,367</u>
Expenses			
Total expenses	<u>2,329,404</u>	<u>2,328,700</u>	<u>2,226,270</u>
Increase (decrease) in net position	<u>\$ (33,851)</u>	<u>\$ 166,482</u>	<u>\$ (14,903)</u>

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**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2022 AND 2021**  
(Continued)

**REQUEST FOR INFORMATION**

This financial narrative is designed to provide a general overview of the Station's finances and to show accountability for the contributions received by the Station. If you have questions about this report or a need for additional financial information, contact the Station at:

WUWF  
11000 University Parkway  
Pensacola, FL 32514  
(850) 474-2787

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**STATEMENTS OF NET POSITION**  
**JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u> <i>(Restated)</i>
<b><u>ASSETS</u></b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 907,558	\$ 1,048,952
Funds held and invested by the University of West Florida Foundation, Inc. on behalf of the Station	459,413	556,449
Accounts and grants receivable	8,951	8,844
Prepaid program costs	27,376	11,336
Total current assets	<u>1,403,298</u>	<u>1,625,581</u>
<b>Noncurrent assets</b>		
Capital assets, net of accumulated depreciation	467,229	514,099
Right-of-use leased asset, net of accumulated amortization	93,936	110,760
Total noncurrent assets	<u>561,165</u>	<u>624,859</u>
<b>Total assets</b>	<u>1,964,463</u>	<u>2,250,440</u>
<b><u>LIABILITIES</u></b>		
<b>Current liabilities</b>		
Accounts payable and accrued expenses	65,129	67,170
Unearned revenue	27,169	26,973
Current portion of compensated absences	11,428	11,391
Short-term lease liability	18,975	17,680
Refundable advance, Payroll Protection Program	-	233,497
Total current liabilities	<u>122,701</u>	<u>356,711</u>
<b>Noncurrent liabilities</b>		
Long-term portion of compensated absences	198,673	197,814
Long-term lease liability	105,424	124,399
Total noncurrent liabilities	<u>304,097</u>	<u>322,213</u>
<b>Total liabilities</b>	<u>426,798</u>	<u>678,924</u>
<b><u>NET POSITION</u></b>		
<b>Net position</b>		
Net investment in capital assets	436,354	482,310
Unrestricted	665,876	617,560
Restricted:		
Expendable	285,435	321,646
Nonexpendable - Endowment	150,000	150,000
Total net position	<u>\$ 1,537,665</u>	<u>\$ 1,571,516</u>

The accompanying notes to financial statements  
are an integral part of these statements.

**WUWF-FM**  
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**STATEMENTS OF REVENUES, EXPENSES,**  
**AND CHANGES IN NET POSITION**  
**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u> <i>(Restated)</i>
<b>Operating revenues</b>		
Community service grants donated by the Corporation for Public Broadcasting	\$ 161,895	\$ 150,276
Community service grants donated by the Florida Department of Education	100,000	99,219
Appropriations from the University of West Florida	691,829	679,817
Business and industry support	257,526	208,541
Membership income	533,242	587,940
Donated facilities and administrative support from the University of West Florida	357,163	368,203
In-kind contributions	12,762	5,716
Other sources	30,039	14,302
Total operating revenues	<u>2,144,456</u>	<u>2,114,014</u>
<b>Operating expenses (Exhibit I)</b>		
Programming and production	1,044,281	1,269,697
Broadcasting	431,122	284,424
Program information and promotion	69,223	63,218
Management and general	466,414	333,715
Fundraising and membership development	163,406	253,747
Underwriting and grant solicitation	154,958	123,899
Total operating expenses	<u>2,329,404</u>	<u>2,328,700</u>
<b>Operating loss</b>	<u>(184,948)</u>	<u>(214,686)</u>
<b>Non-operating revenues (expenses)</b>		
Interest income	6,334	5,021
Net increase (decrease) in fair value of investments	(76,013)	140,611
Payroll Protection Program Loan Forgiveness	220,776	-
CARES ACT Stabilization Funds	-	75,000
American Rescue Plan Funds	-	160,536
Total non-operating revenues (expenses)	<u>151,097</u>	<u>381,168</u>
<b>Increase (decrease) in net position</b>	<u>(33,851)</u>	<u>166,482</u>
<b>Net position, beginning of year</b>	1,571,516	1,436,823
Adjustment to Beginning Net Position	-	(31,789)
<b>Net position, beginning of year, as restated</b>	<u>1,571,516</u>	<u>1,405,034</u>
<b>Net position, end of year</b>	<u><u>\$ 1,537,665</u></u>	<u><u>\$ 1,571,516</u></u>

The accompanying notes to financial statements  
are an integral part of these statements.

**WUWF-FM**  
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**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash flows from operating activities</b>		
Cash received from grants, donors and fundraising activities	\$ 1,069,750	\$ 1,032,723
Cash paid to suppliers and vendors	(688,147)	(533,981)
Cash paid to employees for salaries and benefits	(519,953)	(612,081)
Net cash used in operating activities	<u>(138,350)</u>	<u>(113,339)</u>
<b>Cash flows from investing activities</b>		
Sales (purchases) of funds held and invested by the University of West Florida Foundation, Inc. on behalf of the Station, net of fees	97,037	(137,056)
Investment income (loss)	(69,679)	145,632
Net cash provided by investing activities	<u>27,358</u>	<u>8,576</u>
<b>Cash flows from financing activities</b>		
Proceeds (repayments) from Payroll Protection Program loan	(12,721)	233,497
Payments of lease principal	(17,680)	(16,991)
Net cash provided by (used in) financing activities	<u>(30,401)</u>	<u>216,506</u>
<b>Cash flows from noncapital financing activities</b>		
Proceeds from CARES Act Stabilization Funds	-	75,000
Proceeds from American Rescue Plan Funds	-	160,536
Net cash provided by noncapital financing activities	<u>-</u>	<u>235,536</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(141,393)</u>	<u>347,279</u>
<b>Cash and cash equivalents, beginning of year</b>	1,048,952	701,673
<b>Cash and cash equivalents, end of year</b>	<u><u>\$ 907,559</u></u>	<u><u>\$ 1,048,952</u></u>
<b>Reconciliation of operating loss to net cash provided by (used in) operating activities</b>		
<b>Operating loss</b>	<u>\$ (184,948)</u>	<u>\$ (214,686)</u>
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities</b>		
Depreciation and amortization	76,735	57,624
Fixed asset appropriations received from the University	(13,041)	(11,733)
(Increase) decrease in certain assets:		
Accounts and grants receivable	(107)	(624)
Prepaid program costs	(16,040)	12,252
Increase (decrease) in certain liabilities:		
Accounts payable and accrued expenses	(2,041)	13,196
Compensated absences	896	28,839
Unearned revenue	196	(15,198)
Total adjustments	<u>46,598</u>	<u>84,356</u>
<b>Net cash provided by (used in) operating activities</b>	<u><u>\$ (138,350)</u></u>	<u><u>\$ (130,330)</u></u>
<b>Supplemental schedule of non-cash investing activities:</b>		
Fixed asset appropriations received from the University	\$ 13,041	\$ 11,733

The accompanying notes to financial statements  
are an integral part of these statements.

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**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**(1) Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies of WUWF-FM (the “Station”), which affect significant elements of the accompanying financial statements:

(a) **Reporting entity**—The Station is a department of the University of West Florida (the “University”) located in Pensacola, Florida and conducts various public broadcasting functions. The President of the University of West Florida is responsible for the management of the University and the Station operates as a department of the University under the control of the Station manager. The financial statements include only those funds under the administrative control of the Vice President for Advancement, that relate directly to the operations of the Station, including funds held by University of West Florida Foundation, Inc. (the “Foundation”). These statements do not purport to present the financial position or results of operations for the University as a whole.

(b) **Basis of accounting**—For financial reporting purposes, the Station is considered a special-purpose government engaged only in business-type activities. Accordingly, the Station prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for proprietary funds, which is similar to those of private business enterprises. Accordingly, revenues are recorded when earned and expenses are recorded when incurred. The Station’s accounting policies conform with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB).

(c) **Net Position** -Net position is classified and displayed in three components:

(i) Net investment in capital assets - consists of capital assets, including right of use leased assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of any debt and lease liabilities that are attributable to those assets.

(ii) Restricted - consists of assets that have constraints placed upon their use either by external donors or creditors or through laws, regulations or constraints imposed by law through constitutional provisions or enabling legislation, reduced by any liabilities to be paid from these assets.

*Nonexpendable restricted net position*—consists of endowment and similar type funds in which donors or other outside sources have stipulated that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing present and future income, which may either be expended or added to principal.

*Expendable restricted net position*—includes resources in which the Station is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.

(iii) Unrestricted - consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted net position is available for use, it is the Station's policy to use the restricted resources first, then unrestricted resources as they are needed.

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(1) **Summary of Significant Accounting Policies:** (Continued)

(d) **Cash and cash equivalents**—For purposes of reporting cash flows, cash and cash equivalents include cash on hand and cash in demand accounts with original maturities of three months or less. University cash deposits are held in banks qualified as public depositories under Florida law. All such deposits are insured by federal depository insurance up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool in accordance with Florida statutes.

(e) **Investments**—Investments are carried at fair value, and realized and unrealized gains and losses are reflected in the statements of revenues, expenses and changes in net position.

(f) **Costs incurred for programs not yet broadcast**—Costs incurred for programs not yet broadcast (prepaid program costs) are recorded as a deferred asset. Such costs relate to programs purchased or produced by the Station that will be broadcast subsequent to year end. Programs to be completed and broadcast within one year are classified as current assets whereas programs to be completed and broadcast in more than one year are classified as long-term. As the programs are broadcast, the costs incurred will be included in program services. Program status is evaluated annually. Costs associated with programs not considered to have future benefit are adjusted to net realizable value.

(g) **Capital assets**—Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives of the assets ranging from five to fifty years.

(h) **Revenue recognition**—State appropriations are recorded as support in the statements of revenues, expenses and changes in net position when an expenditure is recorded.

Membership contributions are recognized as support in the period they are received.

Program production grants are reported as unearned revenues for programs not yet broadcast until the specific program is broadcast. At such time, amounts are included as revenues and the expenditures are recorded.

Revenue related to program underwriting for subsequent fiscal years is reflected as unearned revenues in the accompanying statements of net position. Revenue is recognized when the related program is aired.

Contributed support represents expenses paid on behalf of the Station by others outside the reporting entity, and includes contributed professional services, donated materials or facilities, and indirect administrative support.

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(1) **Summary of Significant Accounting Policies:** (Continued)

(i) **In-kind contributions**—Contributed materials, supplies, facilities, and property are recorded at their estimated fair value at the date of donation. The Station reports gifts of equipment, materials and other nonmonetary contributions as support in the accompanying statements of revenues, expenses, and changes in net position.

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

(j) **Pledges and contributions**—The Station engages in periodic fundraising campaigns manifested by offering some special programs and on-air and mail fundraising appeals. These appeals encourage supporters, both individuals and organizations, to provide financial contributions to the Station for enhancement of program offerings and other expenses. Financial contributions are frequently evidenced by pledges received from responding listeners. Contributions including unconditional promises to give and membership receipts are recognized as revenue in the period received or given. However, uncollected pledges are not enforceable against contributors and not shown as assets on the statements of net position. Contributions and collected pledges are components of the unrestricted operating fund in as much as their usage is not limited to specific activities of the Station. This usage is consistent with appeals for contributions and pledges.

(k) **Corporation for Public Broadcasting Grants**—The Corporation for Public Broadcasting (CPB) is a private, nonprofit grant making organization responsible for helping fund more than 1,500 television and radio stations. CPB distributes annual Community Service Grants (CSGs) to qualifying public broadcasting entities. CSGs are used to augment the financial resources of public broadcasting entities and thereby to enhance the quality of programming and expand the scope of public broadcasting services. Each CSG may be expended over one or two Federal fiscal years as described in the Communications Act, 47 United States Code Annotated, Section 396(k)(7). In any event, each grant must be expended within two years of the initial grant authorization.

According to the Communications Act, funds may be used at the discretion of recipients for purposes relating primarily to production and acquisition of programming. Also, the grants may be used to sustain activities begun with CSGs awarded in prior years. Certain *General Provisions* must be satisfied in connection with application for and use of the grants to maintain eligibility and meet compliance requirements. These *General Provisions* pertain to the use of grant funds, record keeping, audits, financial reporting, mailing lists, and licensee status with the Federal Communications Commission.

CARES Act and American Rescue Plan Act Stabilization Grants have also been distributed by the CPB. The stabilization funds were provided by Congress to help public radio stations maintain programming and services impacted by revenue loss during the COVID-19 pandemic. No spending period exists for these funds. The stabilization grant funds have been recognized in the 2021 fiscal year as non-operating revenue within the statements of revenues, expenses, and changes in net position. As the funds are expended, expenses are recorded in the appropriate functional expense category.



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(1) **Summary of Significant Accounting Policies:** (Continued)

(l) **Indirect support provided by the University of West Florida**—Indirect support from the University consists of allocated institutional support and physical plant costs incurred by the University for which the Station receives benefits. The fair value of this support is recognized in the statements of revenues, expenses, and changes in net position as donated facilities and administrative support and is allocated as an expense to each of the functional expense categories.

(m) **Production revenue**—The Station uses the percentage-of-completion method of accounting for production revenue, whereby the cumulative production revenue earned equals the ratio of costs incurred to the estimated total costs at completion applied to the total committed revenues from outside sponsors. Production costs include charges by subcontractors plus all direct labor and other direct costs. Indirect and general and administrative expenses are charged to expense as incurred. Cost estimates on programs are reviewed periodically as the work progresses and adjustments, if needed, are reflected in the period in which the estimates are revised.

(n) **Program and production underwriting**—Revenue for program underwriting is recorded on a pro-rata basis for the period covered and for production underwriting on an estimated percentage-of-completion basis.

(o) **Operating activities**—The Station's policy for defining operating activities as reported on the statements of revenues, expenses, and changes in net position are those that generally result from the provision of public broadcasting and instructional technology services, and from the production of program material for distribution in those services. Revenues associated with, or restricted by donors to use for capital improvements, and revenues and expenses that result from financing and investing activities are recorded as non-operating revenues.

(p) **Income taxes**—The Station is owned and operated by the University of West Florida which is an agency of the State of Florida with the power to operate as a body corporate. Florida Statute 1001.72(2) states that the corporation is constituted as a public instrumentality, and the exercise by the corporation is considered to be the performance of an essential public function. This meets the criteria for the "essential government function test" as described in described in Section 115 (1) I.R.C. Accordingly, the Station is exempt from Federal income taxes. However, income from certain event activities related to the stations purpose is subject to taxation as unrelated business income.

(q) **Functional allocation of expenses**—The costs of providing the various programs and other activities have been summarized on a functional basis in the schedule of functional expenses.

Accordingly, certain costs have been allocated among program and supporting services benefited based on total personnel costs or other systematic bases.

(r) **Use of 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 revenues and expenses during the reporting period, accordingly, results could differ from those estimates.

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(1) **Summary of Significant Accounting Policies:** (Continued)

(s) **Compensated absences**—The liability for compensated absences represents employees accrued annual and sick leave based on length of service subject to certain limitations as defined by state statute and University policies.

(t) **Advertising Costs**— Advertising costs are expensed in the period in which they are incurred. As of June 30, 2022, there was \$350 of advertising expenses compared to \$100 as of June 30, 2021.

(u) **Accounts Receivable**— Consists of pledged donations or sponsorships and grants receivable:

All non-endowed pledges are stated at the amount management expects to collect from outstanding balances. Receivables are carried at their estimated collectible amounts. Credit is generally extended on a short-term basis; thus, accounts receivable do not bear interest. Based on the Station's historical information, credit losses, when realized, have not been significant, accordingly no discount is recognized.

Grants receivable are collected within the year and have not had any prior credit losses, accordingly, these receivables are carried at an estimated collectible amount, do not bear interest, and have no discount either.

(2) **Adjustment to Beginning Net Position**

For the year ended June 30, 2021, beginning net position for Net Investment in capital assets for the Radio Station was decreased by \$31,789 due to the implementation of GASB Statement No.87.

(3) **Funds Held by the University of West Florida Foundation, Inc. on Behalf of the Station:**

The Station has an agreement with the University of West Florida Foundation, Inc., whereby Station funds are held and invested by the University of West Florida Foundation, Inc. on behalf of the Station. These amounts are included in the accompanying financial statements of the Station as "Funds held and invested by the University of West Florida Foundation, Inc. on behalf of the Station."

All funds held and invested by the Foundation on behalf of the Station are invested in uninsured and unregistered investments, which are held in the name of the Foundation. All funds held and invested by the Foundation on behalf of the Station are reflected at fair value. The Foundation categorizes the fair value measurement of these investments within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Station has the following recurring fair value measurements for funds held and invested by the Foundation of \$459,413 and \$556,449 as of June 30, 2022 and 2021, respectively. Funds held and invested by the Foundation are recorded at the Station's ownership of a share of an investment pool, not the underlying securities. These funds are valued at NAV of units held, as reported by the Foundation.

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**(3) Funds Held by the University of West Florida Foundation, Inc. on Behalf of the Station:**  
(Continued)

The Station reviews and evaluates the values and assesses the valuation methods and assumptions used in determining the fair value of these investments. Because the investment pool is not readily marketable, NAV is used as a practical expedient, and the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a readily available market for such investment existed, and differences could be material. The Station relies on policies developed and administered by the University and the Foundation for managing interest rate risk or credit risk for these investment pools.

In accordance with GASB 72, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The following table discloses the nature and risk of investments for which fair value has been estimated using the NAV of the investments as a practical expedient as of June 30, 2022 and 2021, respectively.

<b>Investments Measured at NAV as of June 30, 2022</b>					
	<b><u>Total Fair Value</u></b>	<b><u>Unfunded Commitments</u></b>	<b><u>Redemption Frequency</u></b>	<b><u>Redemption Notice Period</u></b>	
Funds held and invested by the Foundation	\$ 459,413	\$ -	Quarterly	10 days	

<b>Investments Measured at NAV as of June 30, 2021</b>					
	<b><u>Total Fair Value</u></b>	<b><u>Unfunded Commitments</u></b>	<b><u>Redemption Frequency</u></b>	<b><u>Redemption Notice Period</u></b>	
Funds held and invested by the Foundation	\$ 556,449	\$ -	Quarterly	10 days	

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**(4) Capital Assets:**

Capital asset activity for the years ended June 30, 2022 and 2021, was as follows:

	<b>July 1, 2021 Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>June 30, 2022 Ending Balance</b>
Building	\$ 1,202,643	\$ -	\$ -	\$ 1,202,643
Furniture and fixtures	750,000	13,041	-	763,041
Right to use asset, lease	127,584	-	-	127,584
Total	<u>2,080,227</u>	<u>13,041</u>	<u>-</u>	<u>2,093,268</u>
Less: Accumulated depreciation	(1,438,544)	(59,911)	-	(1,498,454)
Accumulated amortization	(16,824)	(16,824)	-	(33,648)
Total	<u>(1,455,368)</u>	<u>(76,735)</u>	<u>-</u>	<u>(1,532,103)</u>
Capital assets, net	<u>\$ 624,859</u>	<u>\$ (63,694)</u>	<u>\$ -</u>	<u>\$ 561,165</u>

	<b>July 1, 2020 Beginning Balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>June 30, 2021 Ending Balance</b>
Building	\$ 1,202,643	\$ -	\$ -	\$ 1,202,643
Furniture and fixtures	738,267	11,733	-	750,000
Right to use asset, lease	127,584	-	-	127,584
Total	<u>2,068,494</u>	<u>11,733</u>	<u>-</u>	<u>2,080,227</u>
Less: Accumulated depreciation	(1,380,920)	(57,624)	-	(1,438,544)
Accumulated amortization	-	(16,824)	-	(16,824)
Total	<u>(1,380,920)</u>	<u>(74,448)</u>	<u>-</u>	<u>(1,455,368)</u>
Capital assets, net	<u>\$ 687,574</u>	<u>\$ (62,715)</u>	<u>\$ -</u>	<u>\$ 624,859</u>

**(5) State Retirement Plans:**

**General State Employees' Retirement System**

The Florida Retirement System (FRS) is primarily a State-administered, cost-sharing, multiple-employer, defined benefit retirement plan (Plan). FRS provisions are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Essentially, all regular employees of participating employers are eligible to enroll as members of the FRS.

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**(5) State Retirement Plans:** (Continued)

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, which may include up to four years of credit for military service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, and death benefits, and annual cost-of-living adjustments to eligible participants.

A Deferred Retirement Option Program (DROP) subject to provisions of Sections 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. University employees already participating in the State University System Optional Retirement Program or the DROP are not eligible to participate the investment plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The Investment Plan is funded with the same employer and employee contributions that are based on salary and membership class (Regular Class, Special Risk Class, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services Web site ([www.dms.myflorida.com](http://www.dms.myflorida.com)).

**State University System Optional Retirement Program**

Section 121.35, Florida Statutes, provides for an Optional Retirement Program (Program) for eligible university instructors and administrators. The Program is designed to aid State universities in recruiting employees by offering more portability to employees not expected to remain in the FRS for eight or more years.

The Program is a defined contribution plan, which provides full and immediate vesting of all contributions submitted to the participating companies on behalf of the participant. Employees in eligible positions can make an irrevocable election to participate in the Program, rather than the FRS, and purchase retirement and death benefits through contracts provided by certain insurance carriers. The employing university contributes 5.14 percent of the participant's salary to the participant's account, 4.19 percent to cover the unfunded actuarial liability of the FRS pension plan, and 0.01 percent to cover administrative costs, for a total of 9.34 percent, and employees contribute 3 percent of the employee's salary. Additionally, the employee may contribute, by payroll deduction, an amount not to exceed the percentage contributed by the University to the participant's annuity account. The contributions are invested in the company or companies selected by the participant to create a fund for the purchase of annuities at retirement.

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**(5) State Retirement Plans:** (Continued)

Disclosures pertaining to the University's retirement plans that are required by Statement No. 68 of the Governmental Accounting Standards Board are included in the University's financial statements for the years ended June 30, 2022 and 2021. The Station's contributions to the plans for the years ended June 30, 2022 and 2021 were \$74,930 and \$70,363, respectively.

**(6) Postemployment Benefits**

Pursuant to the provisions of Section 112.0801, Florida Statutes, all employees who retire from the University or its component units, University of West Florida Foundation, Inc., West Florida Historic Preservation, Inc., and UWF Business Enterprises, Inc., are eligible to participate in the State Group Health Insurance Program, an agent multiple employer defined-benefit plan. The University subsidizes the premium rates paid by retirees by allowing them to participate in the plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because retiree healthcare costs are generally greater than active employee healthcare costs. The benefits provided under this defined benefit plan are provided for a fixed number of years determined at the time of retirement based on the number of years worked for the University. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible.

Disclosures pertaining to the University's postemployment benefits are required by Statement No. 75 of the Governmental Accounting Standards Board are included in the University's financial statements for the years ended June 30, 2022 and 2021.

**(7) Risk Management Programs:**

Pursuant to Section 1001.72(2), Florida Statutes, the University participates in State self-insurance programs providing insurance coverage for property and casualty, workers' compensation, general liability, fleet automotive liability, Federal civil rights, and employment discrimination liability. During the 2021-22 fiscal year, for property losses, the State retained the first \$2 million per occurrence for all perils except named windstorm and flood. The State retained the first \$2 million per occurrence with an annual aggregate retention of \$40 million for named windstorm and flood losses. After the annual aggregate retention, losses in excess of \$2 million per occurrence were commercially insured up to \$57.5 million for named windstorm and flood through February 15, 2022. For perils other than named windstorm and flood, losses in excess of \$2 million per occurrence were commercially insured up to \$168.7 million; and losses exceeding those amounts were retained by the State. No excess insurance coverage is provided for workers' compensation, general and automotive liability, Federal Civil Rights and employment action coverage; all losses in these categories are completely self-insured by the State through the State Risk Management Trust Fund established pursuant to Chapter 284, Florida Statutes. Payments on tort claims are limited to \$200,000 per person and \$300,000 per occurrence as set by Section 768.28(5), Florida Statutes. Calculation of premiums considers the cash needs of the program and the amount of risk exposure for each participant. There have been no significant reductions in insurance coverage from the prior year coverage. Settlements have not exceeded insurance coverage during the past three fiscal years.

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(7) **Risk Management Programs:** (Continued)

Pursuant to Section 110.123, Florida Statutes, University employees may obtain healthcare services through participation in the State group health insurance plan or through membership in a health maintenance organization plan under contract with the State. The State's risk financing activities associated with State group health insurance, such as risk of loss related to medical and prescription drug claims, are administered through the State Employees Group Health Insurance Trust Fund. It is the practice of the State not to purchase commercial coverage for the risk of loss covered by this Fund. Additional information on the State's group health insurance plan, including the actuarial report, is available from the Florida Department of Management Services, Division of State Group Insurance.

(8) **Significant Concentrations:**

Information related to significant concentrations of revenues and credit risk for financial instruments owned by the Station, except as otherwise disclosed, is as follows:

(a) **Cash and cash equivalents**—The Station has demand deposits held at financial institutions for the University which are secured up to FDIC limits. Amounts in excess of this limit are secured by collateral held by the financial institution which is pledged to the State of Florida Public Deposits Trust Fund. These deposits amounted to \$907,558 and \$1,048,952 at June 30, 2022 and 2021, respectively.

(b) **Funds held by the Foundation**—The Foundation holds cash/investments for the Station. The amount held by the Foundation for the Station was \$459,414 and \$556,450 at June 30, 2022 and 2021, respectively. The Station has no policy requiring collateral or other security to support these amounts.

(c) **Revenues**— The Station received significant revenue from three sources. The CPB provided approximately 8% of operating revenues, the Florida Department of Education provided 5% of operating revenues, and the University provided approximately 49% of operating revenues in cash support and donated facilities during the year ended June 30, 2022. The CPB provided 7% of operating revenues and 62% of non-operating revenues, Florida DOE provided 5%, and the University provided approximately 50% in cash support and donated facilities of the operating revenues for the fiscal year ended June 30, 2021.

(d) **Accounts, grants and pledges receivable**—The Station has grants and accounts receivable of \$8,951 and \$8,844 at June 30, 2022 and 2021, respectively. The Station has no policy requiring collateral or other security to support these amounts.

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(9) **Compensated Absences:**

Compensated absences liability activity for the years ended June 30, 2022 and 2021, was as follows:

<u>Balance</u> <u>June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2022</u>	<u>Amount Due</u> <u>Within 1 Year</u>
\$ 209,205	\$ 130,153	\$ 129,257	\$ 210,101	\$ 11,428
<u>Balance</u> <u>June 30, 2020</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2021</u>	<u>Amount Due</u> <u>Within 1 Year</u>
\$ 180,366	\$ 200,698	\$ 171,859	\$ 209,205	\$ 11,391

(10) **Right to Use Leases Payable:**

The Radio Station leases a broadcasting tower from an external party which the lease commenced on February 1, 2003 and ended in January 31, 2008, but included four automatic renewal terms of 60 months each. The Radio Station is currently in the third renewal option year. The contract also includes a clause that the lessor may increase the amount of the then, current monthly rent by an amount not to exceed the Consumer Price Index each anniversary of the “commencing” dates, throughout the initial term and each successive term. In accordance with GASB Statement No. 87, the Radio Station records right-to-use assets and lease liabilities based on the present value of expected payments over the lease term of the respective leases. The expected payments are discounted using the interest rate charged on the lease, if available, or are otherwise discounted using the station’s incremental borrowing rate. At June 30, 2022 the future rental payment to be made under the lease are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u> <u>Payments</u>	<u>Interest</u> <u>Payments</u>	<u>Total</u>
2023	\$ 18,975	\$ 4,819	\$ 23,794
2024	20,326	4,015	24,341
2025	21,769	3,132	24,901
2026	23,276	2,198	25,474
2027	24,860	1,200	26,060
2028	15,193	211	15,404
<b>Total</b>	<u>\$ 124,399</u>	<u>\$ 15,575</u>	<u>\$ 139,974</u>



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**(11) Community Service Grants:**

The Station receives a CSG from the Corporation for Public Broadcasting annually. The CSGs received and expended during the most recent fiscal years were as follows:

Year of Grant	Grants Received	Expended			Uncommitted Balance at June 30, 2022
		2019-20	2020-21	2021-22	
2019-21-Unres	125,616	66,627	58,989	-	-
2019-21-Rest	45,687	-	45,687	-	-
2020-22-Unres	109,746	-	60,559	49,187	-
2020-22-Rest	40,530	-	-	40,530	-
2021-23-Unres	118,814	-	-	68,365	50,449
2021-23-Rest	43,081	-	-	-	43,081
Total	<u>\$ 483,474</u>	<u>\$ 66,627</u>	<u>\$ 165,235</u>	<u>\$ 158,082</u>	<u>\$ 93,530</u>

**(12) Nonfederal Financial Support (NFFS):**

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

A “contribution” is cash, property or services given to a public broadcasting entity for general operational purposes. Support received as a contribution by a public broadcasting entity must meet the following criteria to be includable as NFFS: (1) the source may be an entity except the Federal government or any other public broadcasting entity; (2) the contribution may take the form of a gift, grant, bequest, donation or appropriation; (3) the purpose must be for the construction or operation of a noncommercial, educational public broadcast station or for the production, acquisition, distribution or dissemination of educational television or radio program and related activities; and (4) the recipient must be a public broadcasting entity on behalf of a public broadcast station.

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

Reported NFFS for the Station was \$1,917,216 and \$1,899,499 for the years ended June 30, 2022 and 2021, respectively.

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**THE UNIVERSITY OF WEST FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2022 AND 2021**

**(13) Refundable Advance – Paycheck Protection Program:**

On February 26, 2021, the Station received proceeds in the amount of \$233,497 pursuant to the Paycheck Protection Program (PPP) established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act). Under the terms of the PPP, loan proceeds and accrued interest are forgivable if they are used for qualifying expenses such as payroll, benefits, rent and utilities, and the Station maintains its payroll levels as described in the CARES Act during the covered period. Subsequent to June 30, 2021, the full amount of the loan was forgiven in July 2021 and as a result, the balance outstanding of \$233,497 at year-end is presented separately under current liabilities in the statement of financial position. Although the full amount of the loan was forgiven subsequent to year end, the result of an internal audit conducted by the University resulted in a repayment of \$12,721 to the SBA loan provider in November 2021. The net balance of the loan was recognized as debt extinguishment income of \$220,776 in the year ended June 30, 2022.

## **SUPPLEMENTAL INFORMATION**

**WUWF-FM**  
**A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY**  
**THE UNIVERSITY OF WEST FLORIDA**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2022 WITH SUMMARIZED**  
**INFORMATION FOR THE YEAR ENDED JUNE 30, 2021**

	Program Services				Supporting Services				Total Expenses	2021 Total Expenses
	Programming and Production	Broadcasting	Program Information and Promotion	Total	Management and General	Fundraising and Membership Development	Underwriting and Grant Solicitation	Total		
Salaries, payroll taxes and employee benefits	\$ 421,563	\$ 196,536	\$ 52,865	\$ 670,964	\$ 388,256	\$ 48,333	\$ 107,158	\$ 543,747	\$ 1,214,711	\$ 1,147,079
Professional services	19,346	69,524	275	89,145	14,410	2,798	-	17,208	106,353	97,446
Facilities and administrative support from the University of West Florida	176,743	26,072	6,881	209,696	54,187	36,594	47,800	138,581	348,277	375,702
Office supplies	5,980	16,948	465	23,393	536	4,138	-	4,674	28,067	19,898
Telephone and utilities	793	56,280	50	57,123	119	-	-	119	57,242	55,224
Postage and freight	-	469	2,895	3,364	-	2,709	-	2,709	6,073	5,730
Advertising	250	-	80	330	-	20	-	20	350	100
Repairs and maintenance of equipment	-	2,610	-	2,610	-	-	-	-	2,610	2,042
Printing and publications	-	205	128	333	165	10,838	-	11,003	11,336	11,506
Travel and training	6,603	448	5,584	12,635	-	295	-	295	12,930	416
Operating supplies	-	2,203	-	2,203	-	-	-	-	2,203	2,939
Programming	391,000	980	-	391,980	6,305	-	-	6,305	398,285	459,704
Subscriptions and fees	4,030	85	-	4,115	2,436	57,681	-	60,117	64,232	93,290
Depreciation and amortization	17,973	58,762	-	76,735	-	-	-	-	76,735	57,624
	<u>\$ 1,044,281</u>	<u>\$ 431,122</u>	<u>\$ 69,223</u>	<u>\$ 1,544,626</u>	<u>\$ 466,414</u>	<u>\$ 163,406</u>	<u>\$ 154,958</u>	<u>\$ 784,778</u>	<u>\$ 2,329,404</u>	<u>\$ 2,328,700</u>

The accompanying notes to financial statements  
are an integral part of this schedule.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Trustees,  
University of West Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of WUWF-FM (the "Station"), a public telecommunications entity operated by the University of West Florida, which comprise the statement of net position as of June 30, 2022, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 12, 2023.

**Internal Control over Financial Reporting**

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

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

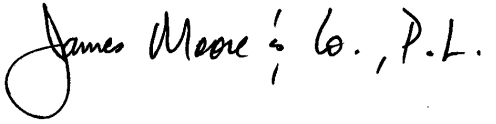
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

**Compliance and Other Matters**

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

### **Purpose of this Report**

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

James Moore & Co., P.L.

Tallahassee, Florida  
January 12, 2023