

**WFSU/WFSG - TV
A PUBLIC TELECOMMUNICATIONS ENTITY
OPERATED BY
FLORIDA STATE UNIVERSITY
FINANCIAL STATEMENTS
JUNE 30, 2022**

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
TABLE OF CONTENTS
JUNE 30, 2022

	Page(s)
Independent Auditors' Report	1 – 3
Management's Discussion and Analysis	4 – 7
Financial Statements	
Statement of Net Position	8
Statement of Revenues, Expenses, and Changes in Net Position	9
Statement of Cash Flows	10
Notes to Financial Statements	11 – 22
Supplemental Information	23
Schedule of Functional Expenses (Exhibit I)	24
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 <i>Government Auditing Standards</i>	25 – 26



INDEPENDENT AUDITORS' REPORT

To the Board of Trustees,
Florida State University:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of WFSU/WFSG-TV (the "Station"), a public telecommunications entity operated by the Florida State University, as of and for the year ended June 30, 2022, 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 accompanying financial statements present fairly, in all material respects, the financial position of the Station as of June 30, 2022, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 WFSU/WFSG-TV and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Change in Accounting Principle

As discussed in Note 1(h) to the financial statements, the Station has adopted the provisions of GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The Station's 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 the Station'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 the Station'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 the Station'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

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 Florida State University that are attributable to the transactions of the Station. They do not purport to, and do not, present fairly the financial position of Florida State University as of June 30, 2022, and the changes in its financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 to 7 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.

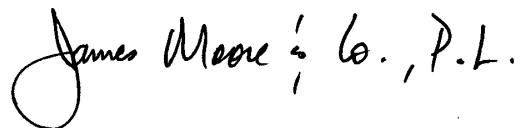
Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Station's basic financial statements. The accompanying Schedule of Functional Expenses 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 2023, on our consideration of the Station'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 the Station's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large loop at the beginning of the word "James".

Tallahassee, Florida
February 10, 2023

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

INTRODUCTION AND REPORTING ENTITY

The following discussion and analysis is an overview of the net position and activities of WFSU/WFSG-TV (“the Station”) for the year ended June 30, 2022. Management of WFSU/WFSG-TV 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 is 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 with 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.

The Station is a public service of Florida State University (FSU), licensed by the Federal Communications Commission to the Board of Trustees of The Florida State University. The University is governed by the Board of Trustees. The President of the University is responsible for the management of the University and WFSU/WFSG-TV operates as a department of the University under the management of the station General Manager.

The mission of The Station is to provide the general public with a means of expanding and enriching its knowledge by extending the University’s traditional role as a cultural and scientific resource. With over 50 years experience as a member station of the Public Broadcasting Service (PBS), The Station serves approximately 447,000 television households in northwest Florida and southwest Georgia and continues a longstanding tradition in the delivery of award-winning public affairs, children’s, cultural, and information programming.

The Station studios and production facilities are located in Tallahassee, Florida at Florida State University Public Broadcast Center. Transmission facilities are located 19 miles West in the Apalachicola National Forest. WFSU also owns and operates a full powered satellite station, WFSG-TV in Panama City, Florida. The coverage area for The Station includes 20 counties in North Florida and Southwest Georgia. The signal is also carried by numerous cable systems in the immediate and fringe viewing areas. The Station provides three distinct programming services 24 hours a day, 7 days a week: It is a main channel for PBS and local programs, CREATE with lifestyle and travel programming and The Florida Channel.

In addition to its over-the-air broadcast services, The Station manages 4FSU, the University’s cable access channel. This cable channel provides coverage of major events affecting viewers throughout the Big Bend, University-related programming, and production services to FSU, the community, and state agencies. Operating 24 hours a day, seven days a week, 4FSU offers a mix of local public television, Florida governmental affairs, and FSU programs. FSU-related programming continues to be expanded including coverage of lectures, ceremonies, concerts, and other events highlighting campus activities.

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

The Station provides gavel-to-gavel coverage of Florida's Legislature and Supreme Court when these bodies are in session, under the umbrella of The Florida Channel, our government affairs programming unit. The Florida Channel is offered as a 24-hour-a-day, 7-days-a-week program service, delivered to other public television stations and cable systems across the state. The Florida Channel is 100% closed captioned. Besides offering citizens an up-close view of government in action, these productions are great opportunities for training FSU students and recent graduates in television production.

The Station's website, <http://wfsu.org>, is rapidly expanding as a major means of distributing programming to people without easy access to its broadcast services. Most gavel-to-gavel coverage of Florida government is streamed on the Internet. Many programs are archived and are available to the public on demand.

The Station also continues its management of the state's leased satellite transponder and associated transmission facilities under an agreement with the Department of Education.

FINANCIAL HIGHLIGHTS

Fiscal Year 2022: The Station's net position decreased \$418,963, from June 30, 2021 to June 30, 2022. Operating revenue decreased by approximately \$733,000, and net nonoperating revenues increased by approximately \$122,000. Operating expenses increased by approximately \$613,000. The decrease in operating revenue was due to a decrease in other grants from the Corporation for Public Broadcasting and appropriations from Florida State University. The increase in nonoperating revenue was related to increases in capital grants and appropriations from the Florida Department of Education.

Fiscal Year 2021: The Station's net position increased by \$805,125 from June 30, 2020 to June 30, 2021. Operating revenue increased by approximately \$910,000, and net nonoperating revenues (expenses) decreased by approximately \$28,000. Operating expenses decreased by approximately \$280,000. The increase in operating revenue was due to an increase in other grants from the Corporation for Public Broadcasting and appropriations from Florida State University, which was partially offset by decreased production revenue. The decrease in nonoperating revenue was related to decreasing capital grants and appropriations from the Florida Department of Education and the University. The decrease in operating expenses was due to decreased professional services costs, travel costs, and depreciation expenses across program services and supporting services.

USING THESE FINANCIAL STATEMENTS

These financial statements consist of statements of net position and statements of revenues, expenses, and changes in net position and the statement of cash flows. 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 taken into account regardless of when cash is received or paid.

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

THE REPORTING ENTITY

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

CONDENSED STATEMENTS OF NET POSITION
TABLE 1

	June 30,	
	2022	2021
Current assets	\$ 4,820,681	\$ 5,550,287
Capital assets	6,067,995	5,891,721
Lease receivable	388,457	-
Current liabilities	417,600	563,260
Total Liabilities	417,600	563,260
Deferred inflows	399,748	-
Net position:		
Net investment in capital assets	6,067,995	5,891,721
Unrestricted	1,885,032	2,480,269
Restricted:		
Expendable	2,506,758	2,506,758
Total net position	\$ 10,459,785	\$ 10,878,748

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022

CONDENSED STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION

TABLE 2

	June 30,	
	2022	2021
Revenues:		
Operating revenues	\$ 11,755,770	\$ 12,464,603
Nonoperating revenues	208,153	85,977
Total revenues	<u>11,963,923</u>	<u>12,550,580</u>
Expenses:		
Program services:		
Programming and production	8,454,400	8,118,428
Broadcasting	2,048,540	1,943,819
Program information and promotion	267,541	284,288
Total program services	<u>10,770,481</u>	<u>10,346,535</u>
Supporting services:		
Management and general	957,707	772,839
Fundraising and membership development	392,952	368,777
Underwriting and grant solicitation	261,746	257,304
Total supporting services	<u>1,612,405</u>	<u>1,398,920</u>
Total expenses	<u>12,382,886</u>	<u>11,745,455</u>
Decrease in net position	<u>\$ (418,963)</u>	<u>\$ 805,125</u>

CONTACTING MANAGEMENT

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 need additional financial information, contact the Station at:

WFSU-WFSG-TV
1600 Red Barber Plaza
Tallahassee, FL 32310
(850) 645-7200

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
STATEMENT OF NET POSITION
JUNE 30, 2022

ASSETS

Current assets	
Cash and cash equivalents	\$ 3,333,666
Funds held and invested by Florida State University Foundation, Inc on behalf of the Station	1,143,682
Accounts and grants receivable	158,300
Due from Florida State University	16,462
Lease receivable	17,518
Interest receivable, leases	6,127
Prepaid expenses	144,926
Total current assets	4,820,681
 Noncurrent assets	
Depreciable capital assets, net	6,067,995
Long term lease receivable	388,457
Total noncurrent assets	6,456,452
 Total Assets	 \$ 11,277,133

LIABILITIES

Current liabilities	
Accounts payable and accrued expenses	\$ 154,406
Unearned revenue	6,858
Current portion of compensated absences	256,336
Total current liabilities	417,600
 Total Liabilities	 \$ 417,600

DEFERRED INFLOWS

Deferred inflows	
Leases	\$ 399,748
 Total Deferred Inflows	 \$ 399,748

NET POSITION

Net position	
Net investment in capital assets	\$ 6,067,995
Unrestricted	1,885,032
Restricted:	
Expendable	2,506,758
Total net position	\$ 10,459,785

The accompanying notes to this financial statement
is an integral part of this statement.

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

Operating revenues

Community service grants and other federal funding donated by the Corporation for Public Broadcasting	\$ 1,640,252
Other grants donated by the Corporation for Public Broadcasting	119,877
Community service grant donated by the Florida Department of Education	321,523
Appropriations from Florida State University	1,268,936
Business and industry support	261,151
Membership income	752,145
Donated facilities and administrative support from Florida State University	1,240,397
Production	5,991,724
Contributions and other	159,174
In-kind contributions	591
Total operating revenues	<u>11,755,770</u>

Operating expenses

Program services:	
Programming and production	8,454,400
Broadcasting	2,048,540
Program information and promotion	267,541
Total program services	<u>10,770,481</u>
Supporting services:	
Management and general	957,707
Fundraising and membership development	392,952
Underwriting and grant solicitation	261,746
Total supporting services	<u>1,612,405</u>
Total operating expenses	<u>12,382,886</u>

Operating loss (627,116)

Non-operating revenues

Investment income	7,969
Lease revenue	29,611
Lease interest revenue	12,609
Capital grants donated by the Florida Department of Education	140,071
Transfer in	17,893
Total non-operating revenues	<u>208,153</u>

Change in net position (418,963)

Net position, beginning of year 10,878,748

Net position, end of year \$ 10,459,785

The accompanying notes to this financial statement
is an integral part of this statement.

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

Cash flows from operating activities	
Cash received from grants, donors and fundraising activities	\$ 11,848,677
Cash paid to employees and vendors	(11,703,828)
Net cash provided by operating activities	144,849
Cash flows from capital and related financing activities	
Capital grants received	140,071
Appropriations from FSU for capital assets	17,893
Purchase of capital assets	(1,051,855)
Net cash used in capital and related financing activities	(893,891)
Cash flows from investing activities	
Investment income	7,969
Purchases of funds held and invested by Florida State University Foundation, Inc on behalf of the Station	(274,537)
Net cash provided by investing activities	(266,568)
Cash flows from financing activities	
Lease payments received	42,220
Net cash provided by financing activities	42,220
Net decrease in cash and cash equivalents	(973,390)
Cash and cash equivalents, beginning of year	4,307,056
Cash and cash equivalents, end of year	\$ 3,333,666
Reconciliation of operating loss to net cash provided by operating activities	
Operating loss	\$ (627,116)
Adjustments to reconcile operating loss to net cash provided by operating activities	
Depreciation	844,284
Net loss on disposal of capital assets	31,298
Decrease (increase) in certain assets:	
Accounts and grants receivable	124,756
Lease receivable	(405,975)
Interest receivable	(6,127)
Due from Florida State University	(2,676)
Prepaid expenses	(67,683)
Increase (decrease) in certain liabilities:	
Accounts payable and accrued expenses	(114,022)
Deferred inflow	399,748
Unearned revenue	(16,819)
Current portion of compensated absences	(14,819)
Total adjustments	771,965
Net cash provided by operating activities	\$ 144,849

The accompanying notes to this financial statement
is an integral part of this statement.

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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

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

(a) **Reporting entity**—The Station is a department of Florida State University (“the University”) located in Tallahassee, Florida and conducts various public broadcasting functions. The President of the University 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 of University Relations that relate directly to the operation of the Station, including University funds, as well as funds held by Florida State University Foundation, Inc. (“the Foundation”) and Florida State University Research Foundation, Inc. (“the Research Foundation”). These statements do not purport to present the financial position or results of operations of 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 by the Governmental Accounting Standards Board (GASB).

(c) **Net position**—In the statements of net position, net position includes the following:

Net investment in capital assets – consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any debt that is attributable to those assets.

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

Unrestricted— consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

When an expense is incurred that can be paid using either restricted or unrestricted resources, the Station’s policy is to first apply the expense towards restricted resources, and then towards unrestricted resources.

(d) **Cash and cash equivalents**—For purposes of reporting cash flows, cash and cash equivalents include cash on hand and cash in demand accounts. 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.

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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

(e) **Investments**—Section 1011.42(5), Florida Statutes, authorizes universities to invest funds awaiting clearing with the State Treasury and State Board of Administration, and requests that universities comply with the statutory requirements governing investment of public funds by local governments. Accordingly, universities are subject to the requirements of Chapter 218, Part IV, Florida Statutes. As such, pursuant to Section 218.415(17) and 1011.42(5), Florida Statutes, the University is authorized to invest in the Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969; direct obligations of the United States Treasury; interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; and other investments approved by the University’s Board of Trustees as authorized by law. The University’s Board of Trustees has not adopted a written investment policy. Investments set aside to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital assets are classified as restricted.

(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 June 30, 2022. 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. At June 30, 2022, there were no long-term costs incurred for programs not yet broadcast. 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 3 – 50 years. WFSU/WFSU-TV and WFSU/WFSQ/WFSL/WFSW-FM

(h) **Lease receivable**— WFSU/WFSU-TV receives rental income from a vendor who leases facility space from WFSU/WFSU-TV. Typically, rental agreements are structured with payment increases over the life of the lease. WFSU/WFSU-TV recognizes revenue with lease assets and liabilities, per GASB 87. As per GASB 87, leases receivable now have a current portion and long-term portion and a related deferred inflow. The current and long term portion represent the future cash payments and associated interest, while the deferred inflow represents the lease revenue to be recognized over the lease.

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

(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 and national and local programming services are not recorded as revenue or expense, respectively, as there is no objective basis available to measure the value of such services.

Contributed advertising and promotion are recorded at the fair value of the contribution portion of the total value received.

(j) **Revenue recognition**—State appropriations are recorded as revenue 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 deferred 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 statement 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.

(k) **Pledges and contributions**—The Station engages in periodic fundraising campaigns manifested by offering some special programs, as well as 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 viewers. 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 are not shown as assets in the statements of net position. Contributions and collected pledges are components of the unrestricted operating fund insofar as their usage is not limited to specific activities of the Station. This usage is consistent with appeals for contributions and pledges.

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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

(l) **Indirect support provided by Florida State University**—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 expensed 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) **Corporation for Public Broadcasting Community Service Grants**—The Corporation for Public Broadcasting (“CPB”) is a private, nonprofit grant-making organization responsible for funding more than 1,000 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.

The CSGs are reported on the accompanying financial statements as increases in restricted expendable net position.

(p) **Income taxes**—The Station is owned and operated by Florida State University which is a part of the State of Florida’s educational system. Accordingly, the Station is exempt from Federal income taxes.

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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

(q) **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, as well as revenues and expenses that result from financing and investing activities, are recorded as non-operating revenues.

(r) **Functional allocation of expenses**—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 position. Accordingly, certain costs have been allocated among program and supporting services benefited based on total personnel costs or other systematic bases.

(s) **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.

(t) **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.

(u) **New accounting pronouncements**—GASB Statement No. 87, Leases establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset (RTU), and a lessor is required to recognize a lease receivable and a deferred inflow of resources. WFSU/WFSG-TV has implemented this Statement and its various provisions in 2022.

(2) **Funds Held and Invested by Florida State University Foundation, Inc. and the Florida State University Research Foundation, Inc. on Behalf of the Station:**

The Station has an agreement with the Foundation and the Research Foundation, whereby Station funds are held and invested by the Foundation and the Research Foundation on behalf of the Station. These amounts are included in the accompanying financial statements of the Station as “Funds held and invested by Florida State University Foundation, Inc. on behalf of the Station” and “Cash and cash equivalents.”

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

(2) Funds Held and Invested by Florida State University Foundation, Inc. and the Florida State University Research Foundation, Inc. on Behalf of the Station: (Continued)

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 \$1,143,682 as of June 30, 2022. 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.

(3) Capital Assets:

Capital asset activity for the year ended June 30, 2022 was as follows:

	July 1, 2021			June 30, 2022
	Beginning	Increases	Decreases	Ending
	Balance			Balance
Buildings and improvements	\$ 4,012,844	\$ 7,098	\$ -	\$ 4,019,941
Studio equipment	8,733,980	1,044,757	(752,112)	9,026,625
Office furniture, fixtures, and equipment	444,456	-	(14,195)	430,261
Transmitter and tower	4,018,221	-	-	4,018,221
Total	17,209,501	1,051,855	(766,308)	17,495,048
Less: Accumulated depreciation	(11,317,780)	(844,283)	735,010	(11,427,053)
Capital assets, net	<u>\$ 5,891,721</u>	<u>\$ 207,572</u>	<u>\$ (31,298)</u>	<u>\$ 6,067,995</u>

(4) Risk Management Programs:

Pursuant to Section 110.123, Florida Statutes, University employees may obtain health care services through participation in the State's 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.

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

(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.

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).

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

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

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.

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 year ended June 30, 2022.

(6) **Post-Employment Benefits:**

Pursuant to the provisions of Section 112.0801, Florida Statutes, all employees who retire from the Florida State University 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.

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

(7) 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 FDIC limits are secured by collateral held by the financial institution which is pledged to the State of Florida Public Deposits Trust Fund.

(b) **Accounts and grants receivable**—The Station has accounts and grants receivable of \$158,300 at June 30, 2022. The Station has no policy requiring collateral or other security to support these amounts.

(c) **Revenues**— The Station received significant revenue from two sources. The CPB provided approximately 15% at June 30, 2022. The University provided approximately 24% for the year ended June 30, 2022, in cash support and donated facilities.

(8) Compensated Absences:

Compensated absences liability activity for the year ended June 30, 2022 was as follows:

Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022	Amount Due Within 1 Year
\$ 271,155	\$ 375,193	\$ (390,012)	\$ 256,336	\$ 256,336

(9) Grants from the Corporation for Public Broadcasting:

The Station receives a Community Service Grant (“CSG”) from the Corporation for Public Broadcasting annually. The CSGs received and expended during the most recent fiscal years were as follows:

Years of Grant	Grants Received	Expended			Uncommitted Balance at June 30, 2022
		2019-2020	2020-2021	2021-22	
2019-20	\$ 1,520,932	\$ 207	\$ 1,346,303	\$ 174,422	\$ —
2020-21	\$ 1,577,527	\$ —	\$ —	\$ 1,554,914	\$ 22,613
2021-22	\$ 1,640,252	\$ —	\$ —	\$ —	\$ 1,640,252

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

(10) 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. However, to eliminate distortions in the TV CSG grant program precipitated by extraordinary infusions of new capital investments in DTV, all capital contributions received for purposes of acquiring new equipment or upgrading existing or building new facilities regardless of source or form of the contribution are not included in calculating the NFFS. This change excludes all revenues received for any capital purchases.

A “payment” is cash, property or services received by a public broadcasting entity from specific sources in exchange for specific services or materials. Support received as a payment by a public broadcasting entity must meet the following criteria to be includable as NFFS: (1) the source must be a state, any agency or political subdivision of a state, an educational institution or organization or a nonprofit entity; (2) the form of the payment must be appropriations or contract payments in exchange for specific broadcasting 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 \$9,248,317 in fiscal year 2022.

(11) Related Party Transactions:

The Station recognized appropriations for salaries, utilities, and capital assets from the University of \$1,268,936 for the year ended June 30, 2022. Amounts due from the University for salaries were \$16,462 at June 30, 2022.

The Station also recognized indirect support from the University of \$1,240,397 for the year ended June 30, 2022.

The Station’s studios and production facilities are jointly owned and occupied by WFSU/WFSQ/WFSL/WFSW-FM (the Radio station). Joint property is composed of buildings, building improvements, and a transmitter and tower, of which the Station and the Radio station each account for half of the total value. The Radio Station’s financial statements can be obtained online via <https://wfsu.org/about/public-files.php>.

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

(12) DCA Master Control Agreement:

Digital Convergence Alliance (DCA) is a membership organization comprised of numerous public broadcasting stations in which the members have joined together to provide a centralized television video distribution hub (centralized master control). The purpose of this centralized master control, based in Jacksonville, Florida is to be more cost effective by sharing the costs of human resources for master control operations by reducing and/or eliminating the number of staff needed at each station member's location to operate an on-site master control system. Additionally, sharing equipment and data storage in one central location for the large number of HD video files needed to operate a television station maximizes efficiencies of equipment. The DCA is a partnership that was spearheaded by five Florida public broadcast stations. This partnership formed a new membership organization, DCA, which includes WFSU/WFSG-TV, to seek a Corporation for Public Broadcasting (CPB) grant to reduce the initial cost of the equipment build out for the DCA facility.

Membership in the DCA allows for \$700,000 in grant funding as part of a seven million-dollar total CPB grant for DCA infrastructure. WFSU/WFSG-TV's current annual service fee is \$252,045, with 15 TV stations utilizing the DCA service.

The initial term of this Agreement extended through February 28, 2018, and is currently in an automatic 5-year renewal term from March 1, 2018 to February 28, 2023.

In the event that the Station terminates its membership in DCA during the initial term, the Station may be subject to an assessment from CPB, to be determined solely in CPB's discretion, equal to ten (10%) percent of the grant amount, which would be \$700,000. In the event that the Station decides not to renew this Agreement for the renewal term, then the Station may be subject to an assessment for CPB to be determined solely at CPB's discretion, in an amount equal to five (5%) percent of the grant amount, which would be \$350,000. If CPB makes an assessment against the Station, the Station shall pay the assessment consistent with the terms mandated by CPB.

(13) Property Leased to Others:

WFSU/WFSU-TV leases space to commercial tenants under lease agreements. At June 30, 2022, future minimum rental payments to be received under the leases are as follows:

Years Ending	Commercial Tenants		Total	
	June 30,	Principal		Interest
2023	\$	17,518	\$ 12,348	\$ 29,866
2024		18,050	11,815	29,865
2025		24,572	11,266	35,838
2026		25,320	10,519	35,839
2027		26,090	9,749	35,839
2028-2032		165,011	35,686	200,697
2033-2037		129,414	8,207	137,621
Total	\$	<u>405,975</u>	\$ <u>99,590</u>	<u>\$ 505,565</u>

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

(14) Recent Accounting Pronouncements:

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates, effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on CareerSource Capital Region's financial statements:

GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements, in May 2020, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The provisions in GASB 96 are effective for periods beginning after June 15, 2022.

SUPPLEMENTAL INFORMATION

WFSU/WFSG-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
FLORIDA STATE UNIVERSITY
SCHEDULE OF FUNCTIONAL EXPENSES (SCHEDULE D)
FOR THE YEAR ENDED JUNE 30, 2022

2022

	Program Services				Supporting Services				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	\$ 3,704,930	\$ 626,533	\$ 154,949	\$ 4,486,412	\$ 507,261	\$ 132,411	\$ 196,642	\$ 836,314	\$ 5,322,726
Professional services	756,136	518,171	3,398	1,277,705	51,409	16,811	-	68,220	1,345,925
Facilities and administrative support	883,910	147,111	36,037	1,067,058	96,809	30,795	45,735	173,339	1,240,397
Office supplies	16,880	1,123	102	18,105	3,031	-	-	3,031	21,136
Telephone and utilities	48,773	227,748	6,182	282,703	79,513	5,784	5,749	91,046	373,749
Advertising	-	-	753	753	-	-	-	-	753
Postage and freight	1,912	590	550	3,052	41	2,902	59	3,002	6,054
Repairs and maintenance	350,006	108,263	3,235	461,504	21,603	11,494	-	33,097	494,601
Printing and publications	1,240	-	833	2,073	212	64,728	-	64,940	67,013
Travel and training	37,082	-	942	38,024	3,319	1,707	4,379	9,405	47,429
Operating and supplies	559,932	1,869	38,299	600,100	2,218	50,389	363	52,970	653,070
Programming	1,776,016	-	-	1,776,016	-	-	-	-	1,776,016
Subscriptions and fees	21,154	6,321	75	27,550	81,118	25,685	444	107,247	134,797
Loss on disposal of fixed assets	-	-	-	-	10,102	-	-	10,102	10,102
Depreciation	284,729	410,343	-	695,072	90,591	50,246	8,375	149,212	844,284
Overhead	11,700	468	22,186	34,354	10,480	-	-	10,480	44,834
	<u>\$ 8,454,400</u>	<u>\$ 2,048,540</u>	<u>\$ 267,541</u>	<u>\$ 10,770,481</u>	<u>\$ 957,707</u>	<u>\$ 392,952</u>	<u>\$ 261,746</u>	<u>\$ 1,612,405</u>	<u>\$ 12,382,886</u>

The accompanying notes to this financial statement 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,
Florida State University:

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 WFSU/WFSG-TV (the "Station"), a public telecommunications entity operated by the Florida State University, 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 February 10, 2023.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Station's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Station's internal control. Accordingly, we do not express an opinion on the effectiveness of the Station'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 the Station's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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
February 10, 2023