

KSLU – FM RADIO

**A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
SOUTHEASTERN LOUISIANA UNIVERSITY**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT**

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

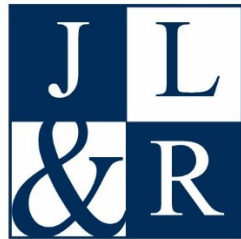
KSLU – FM Radio
A Public Telecommunications Entity Operated by
Southeastern Louisiana University

Table of Contents
For the Years Ended June 30, 2021 and 2020

| | <u>Exhibit</u> | <u>Page</u> |
|---|----------------|-------------|
| Independent Auditor's Report | - | 1 - 2 |
| Financial Statements: | | |
| Statements of Financial Position | A | 3 |
| Statements of Activities | B | 4 |
| Statements of Functional Expenses | C | 5 |
| Statements of Cash Flows | D | 6 |
| Notes to the Financial Statements | - | 7 - 13 |
| Other Supplemental Information: | | |
| Schedule of Compensation, Benefits, and Other Payments to Agency Head | - | 15 |
| Other Independent Auditor's Reports and Findings & Recommendations | | |
| Independent Auditor's 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> | - | 17 - 18 |
| Schedule of Findings and Responses | - | 19 |
| Schedule of Prior Year Findings | - | 20 |

Dennis E. James, CPA
Lyle E. Lambert, CPA
Paul M. Riggs, Jr., CPA
J. Bryan Ehricht, CPA

Megan E. Lynch, CPA
B. Jacob Steib, CPA
Christie J. Barado
Connor J. Collura
Sharon B. Bravata
Krystal L. Waddell
Jenny I. Schliegelmeier
Debbie G. Faust, EA



**JAMES
LAMBERT RIGGS
& ASSOCIATES, INC.**
CERTIFIED PUBLIC ACCOUNTANTS
www.jlrcpafirm.com



Member of
American Institute of CPAs
Society of Louisiana CPAs

Independent Auditor's Report

Mrs. Deborah Wickham, CPA, Interim General Manager
KSLU-FM Radio
Hammond, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of KSLU-FM Radio, a licensee and public telecommunications entity operated by Southeastern Louisiana University, which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Mrs. Deborah Wickham, CPA
Interim General Manager

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of KSLU-FM Radio as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

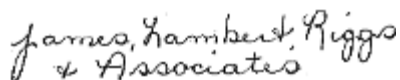
Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of compensation, benefits, and other payments to agency head is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2022, on our consideration of KSLU-FM Radio'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 solely 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 the effectiveness of KSLU-FM Radio's 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 KSLU-FM Radio's internal control over financial reporting and compliance.



James Lambert Riggs & Associates, Inc.
Hammond, Louisiana

January 11, 2022

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University
 Statements of Financial Position
 June 30, 2021 and 2020

Exhibit A

| | <u>06/30/21</u> | <u>06/30/20</u> |
|---|--------------------------|--------------------------|
| Assets | | |
| Current Assets: | | |
| Cash | \$ 15,981 | \$ 17,473 |
| University Intra-Fund Balance | 575,867 | 297,705 |
| Accounts Receivable, Net of Uncollectible Allowance | <u>2,661</u> | <u>3,086</u> |
| Total Current Assets | 594,509 | 318,264 |
| Property & Equipment: | | |
| Broadcast Equipment | 491,406 | 488,711 |
| Office Furniture & Fixtures | 22,211 | 22,210 |
| Less: Accumulated Depreciation | <u>(492,890)</u> | <u>(499,621)</u> |
| Total Property & Equipment | <u>20,727</u> | <u>11,300</u> |
| | | |
| Total Assets | <u>\$ 615,236</u> | <u>\$ 329,564</u> |
| Liabilities and Net Assets | | |
| Liabilities: | | |
| Current Liabilities: | | |
| Accounts Payable | <u>\$ -</u> | <u>\$ -</u> |
| Total Current Liabilities | <u>-</u> | <u>-</u> |
| Total Liabilities | <u>-</u> | <u>-</u> |
| Net Assets: | | |
| Without Donor Restrictions | 193,385 | 146,330 |
| With Donor Restrictions | <u>421,851</u> | <u>183,234</u> |
| Total Net Assets | <u>615,236</u> | <u>329,564</u> |
| | | |
| Total Liabilities and Net Assets | <u>\$ 615,236</u> | <u>\$ 329,564</u> |

The accompanying notes are an integral part of this statement.

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University

Statements of Activities

For the Years Ended June 30, 2021 and 2020

Exhibit B

| | June 30, 2021 | | | June 30, 2020 | | |
|--|----------------------------------|-------------------------------|---------------------|----------------------------------|-------------------------------|---------------------|
| | Without Donor Restrictions | With Donor Restrictions | Total Net Assets | Without Donor Restrictions | With Donor Restrictions | Total Net Assets |
| Revenues: | | | | | | |
| Revenues from Southeastern Louisiana University: | | | | | | |
| General Appropriation | \$ - | \$ 194,837 | \$ 194,837 | \$ - | \$ 201,612 | \$ 201,612 |
| Donated Facilities & Administrative Support | - | 86,455 | 86,455 | - | 125,218 | 125,218 |
| Student Tuition Assessment | 121,453 | - | 121,453 | 124,727 | - | 124,727 |
| Grant Revenue | - | 298,131 | 298,131 | - | 184,449 | 184,449 |
| Private Sector Revenue | 28,724 | - | 28,724 | 32,679 | - | 32,679 |
| Net Assets Released from Restriction: | | | | | | |
| Transfer to Inventory | 13,616 | (13,616) | - | 8,162 | (8,162) | - |
| Total Revenues | 163,793 | 565,807 | 729,600 | 165,568 | 503,117 | 668,685 |
| Expenses: | | | | | | |
| Southeastern Louisiana University Appropriations | 7,771 | 281,291 | 289,062 | 5,755 | 326,830 | 332,585 |
| Student Tuition Assessment Funds | 100,900 | - | 100,900 | 127,776 | - | 127,776 |
| Private Sector Revenue | 8,067 | - | 8,067 | 65,522 | - | 65,522 |
| Community Service Grants | - | 28,807 | 28,807 | - | 17,126 | 17,126 |
| National Production & Program Acquisition Grants | - | 17,092 | 17,092 | - | 22,159 | 22,159 |
| Loss on Disposal of Fixed Assets | - | - | - | - | - | - |
| Total Expenses | 116,738 | 327,190 | 443,928 | 199,053 | 366,115 | 565,168 |
| Change in Net Assets | 47,055 | 238,617 | 285,672 | (33,485) | 137,002 | 103,517 |
| Net Assets - Beginning of the Year | 146,330 | 183,234 | 329,564 | 179,815 | 46,232 | 226,047 |
| Net Assets - End of the Year | \$ 193,385 | \$ 421,851 | \$ 615,236 | \$ 146,330 | \$ 183,234 | \$ 329,564 |

The accompanying notes are an integral part of this statement.

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University
 Statements of Functional Expenses
 For the Years Ended June 30, 2021 and 2020

| | June 30, 2021 | | | June 30, 2020 | | |
|-----------------------|-----------------------|-------------------|----------------------|-----------------------|-------------------|----------------------|
| | Program Services | Support Services | Total | Program Services | Support Services | Total |
| | Programs / Production | Broadcasts | Management & General | Programs / Production | Broadcasts | Management & General |
| Salaries & Benefits | \$ 98,723 | \$ 93,198 | \$ 55,875 | \$ 105,735 | \$ 93,002 | \$ 143,435 |
| Occupancy | 77 | 73 | 2 | 453 | 398 | 12 |
| Dues & Subscriptions | 18,435 | - | - | 23,199 | - | 125 |
| Xerox copies | - | - | 335 | - | - | 52 |
| Repairs | - | 7,188 | - | - | 3,673 | 595 |
| Advertising | - | - | - | - | - | 1,650 |
| Professional Services | - | 6,600 | 16,240 | - | - | 22,840 |
| Office Supplies | 80 | 2,896 | 3,048 | 93 | - | 2,879 |
| Depreciation | - | 4,151 | 39 | - | 3,371 | 77 |
| Telephone | - | 120 | 5,616 | - | 120 | 5,534 |
| Institutional Support | 37,948 | 35,759 | 1,185 | 59,815 | 52,612 | 1,626 |
| Physical Plant | 5,123 | 4,828 | 160 | 5,403 | 4,752 | 147 |
| Student Work Study | - | 42,130 | 66 | - | 28,697 | 482 |
| Rentals | - | 409 | 43 | - | 1,837 | - |
| Miscellaneous | - | - | 3,581 | - | - | 2,554 |
| Totals | \$ 160,386 | \$ 197,352 | \$ 86,190 | \$ 194,698 | \$ 188,462 | \$ 182,008 |
| | | | \$ 443,928 | | | \$ 565,168 |

The accompanying notes are an integral part of this statement.

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University

Exhibit D

Statements of Cash Flows
For the Years Ended June 30, 2021 and 2020

| | <u>06/30/21</u> | <u>06/30/20</u> |
|--|------------------|------------------|
| Cash Flows from Operating Activities: | | |
| Change in Net Assets | \$ 285,672 | \$ 103,517 |
| Adjustments to Reconcile Change in Net Assets To | | |
| Net Cash Used by Operating Activities: | | |
| Depreciation | 4,190 | 3,448 |
| Loss on Disposal of Fixed Assets | - | - |
| (Increase) Decrease in Accounts Receivable | 425 | 525 |
| (Increase) Decrease in University Intra-Fund Receivable | <u>(278,162)</u> | <u>(100,651)</u> |
| Net Cash Provided by Operating Activities | 12,125 | 6,839 |
| Cash Flows from Investing Activities: | | |
| Purchase of Equipment | <u>(13,617)</u> | <u>(7,781)</u> |
| Net Cash Used by Investing Activities | <u>(13,617)</u> | <u>(7,781)</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | (1,492) | (942) |
| Cash and Cash Equivalents - Beginning of the Year | <u>17,473</u> | <u>18,415</u> |
| Cash and Cash Equivalents - End of the Year | <u>\$ 15,981</u> | <u>\$ 17,473</u> |

The accompanying notes are an integral part of this statement.

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University
Notes to the Financial Statements
For the Years Ended June 30, 2021 and 2020

Introduction

KSLU-FM Radio (the “Station”) is a public telecommunications entity operated by Southeastern Louisiana University (the “University”) in Hammond, Louisiana. Its purpose is to provide public radio programming and broadcasting in Hammond, Louisiana and the surrounding area. The Station is funded in part by direct state appropriations through the University, in-kind support from the University, and self-assessed student fees through the University. The Station is also funded through grants provided by the Corporation for Public Broadcasting (CPB) as well as private sector underwriting sources. The Station presently has three full-time employees.

1. Summary of Significant Accounting Policies

A. Basis of Accounting

In accordance with generally accepted accounting principles, the accompanying financial statements have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred.

B. Basis of Presentation

Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Station and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Revenues are reported as increases in net assets without restrictions, unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without restrictions.

Net Assets with Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulated that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

C. Fund Accounting

To ensure observance of limitations and restrictions placed on the use of resources available to the Station, the accounts of the Station are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by fund group.

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University

Notes to the Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

The assets, liabilities, and net assets of the Station are reported in self-balancing fund groups as follows:

Operating Funds include resources available to support the operations of the Station. Primary support is provided by the University; however, additional support is provided through in-kind donations.

Property Fund includes resources invested in property and equipment used in the Station's operations.

Community Service Grant Funds represent grants funded by CPB. The amounts funded are designated for the Station's operating expenses.

National Production and Programming Grant Funds represent grants funded by CPB. The amounts funded are designated for national production and program acquisition expenses.

D. Revenue and Support with Donor Restrictions and without Donor Restrictions

Contributions received are recorded as increases in net assets without donor restrictions or increases in net assets with donor restrictions, depending on the existence and / or nature of any donor restrictions.

All donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same accounting period are reported as support and revenues without restrictions.

Fundraising and other revenues are recognized as earned. State appropriation support is reported as increases in net assets with donor restrictions.

E. Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses which are directly associated with program services or supportive services are charged directly to that functional area. Institutional support, physical plant, and occupancy related expenses have been allocated based upon a reasonable split percentage developed by management.

F. Cash and Cash Equivalents

For reporting purposes, the Station considers all highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents. The University provides cash management services to the Station. Amounts included in intra-fund balances represent the respective payable or receivable between the Station and the University.

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University

Notes to the Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

G. Accounts Receivable

Accounts receivable are stated net of an allowance for doubtful accounts. The Station has assessed all receivables at June 30, 2021 and 2020, and \$-0- for 2020 is considered to be possibly uncollectible; therefore, \$-0- and \$-0- have been recorded as an allowance for doubtful accounts at June 30, 2021 and 2020, respectively.

H. Fixed Assets

All acquisitions of property and equipment in excess of \$100 whose useful lives extend beyond a one-year period and betterments which naturally add to the value of related assets or materially extend the useful lives of assets are capitalized. Repairs and maintenance that do not extend the asset's useful life are expensed as incurred. Property and equipment are carried at historical cost, or, if donated, at their acquisition value (entry price) at the date of donation. The Station records depreciation on its property and equipment using the straight-line method (property acquired before 1981 after 1989) and the accelerated cost recovery method (property acquired from 1982 to 1989). Estimated useful lives used in depreciation calculations range from three to ten years.

The Station periodically evaluates the carrying value of long-lived assets to be held and used when events and circumstances warrant such a review. The carrying value of a long-lived asset is considered impaired when the anticipated undiscounted cash flow from such asset is separately identifiable and is less than its carrying value. In that event, a loss is recognized based on the amount by which the carrying value exceeds the fair market value of the long-lived asset. Fair market value is determined by independent market appraisals or by using the anticipated cash flows discounted at a rate commensurate with the risk involved. Losses on long-lived assets to be disposed of are determined in a similar manner except that fair market values are reduced for the cost to dispose. There were no impairments of long-lived assets recognized for the years ended June 30, 2021 and 2020.

The Station reports gifts of land, buildings, and equipment as increases in net assets without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as increases in net assets with donor restrictions. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Station reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

I. Indirect Contributions and Support

Donated facilities from the University consist of studio and office space together with related occupancy costs and are recorded in revenue and expense at either fair market value or the direct cost with allocations based on the Station's respective usage.

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University

Notes to the Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

J. Concentration of Risk

For the fiscal years ended June 30, 2021 and 2020, the Station received a total of \$729,600 and \$668,685, respectively, in total revenues and support. The majority of these revenues came from two sources – CPB and the University. During each of the years ended June 30, 2021 and 2020, the Station received \$402,745 (55.20%) and \$451,557 (67.53%), respectively, of support from the University. During each of the years ended June 30, 2021 and 2020, the Station received \$298,131 (52.69%) and \$184,449 (27.58%), respectively, of support from CPB.

K. Advertising Expense

Advertising costs are expensed as incurred. Advertising expense amounted to \$-0- and \$1,650 for the years ended June 30, 2021 and 2020, respectively.

L. Reclassifications

Certain reclassifications have been made to the prior year financial statements in order for them to be in conformity with the current year presentation. Total net assets are unchanged due to these reclassifications.

M. 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 support and revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

2. Property and Equipment

A summary of property and equipment for the years ended June 30, 2021 and 2020, is as follows:

| | |
|--------------------------------------|------------------------|
| Transmitting and Broadcast Equipment | \$ 491,406 |
| Furniture and Office Equipment | 22,211 |
| | <hr/> 513,617 |
| Less: Accumulated Depreciation | (492,890) |
| Net Property and Equipment | <hr/> <u>\$ 20,727</u> |

Depreciation expense for the years ended June 30, 2021 and 2020, amounted to \$4,190 and \$3,448, respectively.

3. Pension Plan

Employees of the Station are employees of the University and are members of the Louisiana State Teachers Retirement System. Contributions by the Station to this retirement system during the year totaled \$42,904.

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University

Notes to the Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Required disclosures relating to the status of this retirement systems is provided in the University's financial statements.

4. Grants from the Corporation for Public Broadcasting

CPB is a private, nonprofit grant making organization responsible for funding more than 1,000 television and radio stations. Annually, CPB distributes funds in the form of Community Service Grants (CSGs) and National Program Production and Acquisition Grants (NPPAGs) to qualifying public telecommunication entities.

CSGs are used to augment the financial resources of public broadcasting stations 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), 1983 Supplement. 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. In addition, the grants may be used to sustain activities begun with CSGs awarded in prior years.

NPPAGs are grants limited to the production, acquisition, promotion, and distribution of national programming. National programming has been defined as a program placed in the national marketplace of public radio programming. Public broadcasting uses these funds for purposes relating primarily to production and acquisition of programming.

Both the CSG and NPPAG grants are reported on the accompanying financial statements as restricted operating funds. Certain guidelines must be satisfied in connection with application for and use of the grants to maintain eligibility and compliance requirements. These guidelines pertain to the use of grant funds, record keeping, audits, financial reporting, and licensee status with the Federal Communications Commission.

The CPB grants received and expended during the most recent fiscal years were as follows:

| Type of Grant | Grant Period | Grants Received | Expended | | | Ending Balance |
|---------------|--------------|-----------------|--------------|-------------|-------------|----------------|
| | | | Prior - 2019 | 2019 - 2020 | 2020 - 2021 | |
| NPPAG | 2017 - 19 | \$ 18,839 | \$ 18,059 | \$ 780 | \$ - | \$ - |
| CSG | 2018 - 20 | 53,128 | 27,242 | 24,907 | 979 | - |
| NPPAG | 2018 - 20 | 19,185 | - | 19,185 | - | - |
| CSG | 2019 - 21 | 53,027 | - | - | 41,444 | 11,583 |
| NPPAG | 2019 - 21 | 19,286 | - | 2,194 | 17,092 | - |
| CARES Act | 2019 - 21 | 112,136 | - | - | - | 112,136 |
| CSG | 2020 - 22 | 77,367 | - | - | - | 77,367 |
| NPPAG | 2020 - 22 | 28,573 | - | - | - | 28,573 |
| ARPA | 2020 - 22 | 192,191 | - | - | - | 192,191 |

In addition to the normal CSG and NPPAG grants received annually, the Station also received a \$112,136 CARES Act Fiscal Stabilization Grant during the June 30, 2020 fiscal year. In addition, the Station also received an American Rescue Plan (ARP) Act grant totaling \$192,191 during the June 30, 2021 fiscal year.

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University

Notes to the Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

Both of these grants were provided by CPB in to assist the Station with potential revenue declines and financial relief due to the COVID-19 viral pandemic.

5. State Appropriations

This classification includes financial resources provided to the Station through budgetary authorizations of the State of Louisiana. State appropriations utilized for the year ended June 30, 2021, were as follows:

| | | |
|--------------------------------|----|---------|
| Authorized State Appropriation | \$ | 194,837 |
| Unexpended Appropriation | | - |
| Total Operating Fund | | 194,837 |
| Property Fund | | - |
| Total | \$ | 194,837 |

6. Indirect Administrative Support

Portions of the licensee’s general overhead costs relate to and benefit the public broadcaster. Such items include administration, utilities, maintenance, and repair. These services were provided without cost and have been allocated to the Station. The fair value of these services is reported as revenue and expense in the accompanying statements of activities.

Donated facilities from the licensee are based on the depreciated value of space occupied.

7. Net Assets with Donor Restrictions

The Station's net assets with donor restrictions at June 30 consisted of the following:

| | 2021 | 2020 |
|--|------------|------------|
| Corporation for Public Broadcasting: | | |
| Community Service Grants (CSG) | \$ 88,951 | \$ 54,006 |
| National Program Production and Acquisition Grants (NPPAG) | 28,573 | 17,092 |
| CARES Act Fiscal Stabilization | 112,136 | 112,136 |
| American Rescue Plan Act | 192,191 | - |
| Total | \$ 421,851 | \$ 183,234 |

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University

Notes to the Financial Statements (Continued)
For the Years Ended June 30, 2021 and 2020

8. Net Assets Released from Donor Restrictions

Net assets were released from donor restrictions by satisfaction of the restricted purposes during the years ended June 30, as follows:

| | 2021 | 2020 |
|--|-----------|-----------|
| Corporation for Public Broadcasting: | | |
| Community Service Grants (CSG) | \$ 42,423 | \$ 25,288 |
| National Program Production and Acquisition Grants (NPPAG) | 17,092 | 22,159 |
| CARES Act Fiscal Stabilization | - | - |
| American Rescue Plan Act | - | - |
| Total | \$ 59,515 | \$ 47,447 |

9. Liquidity and Availability of Financial Assets

The following reflects the Station's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts available include donor restricted amounts that are available for general expenditure in the following year.

| | 2021 | 2020 |
|---|------------|------------|
| Financial Assets, at Year-End: | | |
| Cash | \$ 15,981 | \$ 17,473 |
| University Intra-Fund Balance | 575,867 | 297,705 |
| Accounts Receivable, Net | 2,661 | 3,086 |
| Financial Assets Available to Meet Cash Needs for | | |
| General Expenses Within One Year | \$ 594,509 | \$ 318,264 |

10. Date of Management's Review

Subsequent events have been evaluated through January 11, 2022, which is the date the financial statements were available to be issued.

On August 29, 2021, Hurricane Ida hit southeast Louisiana. D Vickers Hall at Southeastern Louisiana University (which houses the broadcasting and management operations of the Station) sustained major damage due to the hurricane and the Station has been forced to temporarily relocate its operations. It is unknown as of the date of these financial statements when the damage to D Vickers Hall will be repaired and normal operations may resume from this location.

Other Supplemental Information

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University
Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended June 30, 2021

Agency Head: Deborah Wickham, Interim General Manager

| <u>Purpose</u> | <u>Amount</u> |
|-------------------------------------|------------------|
| Salary | \$ 71,854 |
| Supplemental Pay | - |
| Benefits - Insurance | 246 |
| Benefits - Retirement | 17,949 |
| Deferred Compensation | - |
| Benefits - Other - Supplemental Pay | - |
| Car Allowance | - |
| Vehicle Provided by Government | - |
| Vehicle Rental | - |
| Cell Phone | 716 |
| Dues | - |
| Per Diem | - |
| Reimbursements | 762 |
| Travel | - |
| Registration Fees | - |
| Conference Travel | - |
| Housing | - |
| Unvouchered Expenses | - |
| Special Meals | - |
| Other | - |
| Total | <u>\$ 91,527</u> |

See independent auditor's report.

**Other Independent Auditor's Reports and
Findings and Recommendations**

Dennis E. James, CPA
Lyle E. Lambert, CPA
Paul M. Riggs, Jr., CPA
J. Bryan Ehricht, CPA

Megan E. Lynch, CPA
B. Jacob Steib, CPA
Christie J. Barado
Connor J. Collura
Sharon B. Bravata
Krystal L. Waddell
Jenny I. Schliegelmeier
Debbie G. Faust, EA



**JAMES
LAMBERT RIGGS
& ASSOCIATES, INC.**
CERTIFIED PUBLIC ACCOUNTANTS
www.jlrcpafirm.com


Member of
American Institute of CPAs
Society of Louisiana CPAs

Independent Auditor's 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*

Mrs. Deborah Wickham, CPA, Interim General Manager
KSLU-FM Radio
Hammond, Louisiana

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 KSLU-FM Radio, a licensee and public telecommunications entity operated by Southeastern Louisiana University, which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated January 11, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered KSLU-FM Radio'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 KSLU-FM Radio's internal control. Accordingly, we do not express an opinion on the effectiveness of KSLU-FM Radio'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a 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

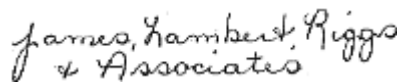
As part of obtaining reasonable assurance about whether KSLU-FM Radio's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do

Mrs. Deborah Wickham, CPA
Interim General Manager

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 organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "James Lambert Riggs & Associates".

James Lambert Riggs & Associates, Inc.
Hammond, Louisiana

January 11, 2022

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University
Schedule of Findings and Responses
For the Year Ended June 30, 2021

Internal Control over Financial Reporting

None

Compliance and Other Matters

None

KSLU-FM Radio
A Public Telecommunications Entity Operated By
Southeastern Louisiana University
Schedule of Prior Year Findings
For the Year Ended June 30, 2020

| Ref # | Fiscal Year Findings Initially Occurred | Description of Finding | Corrective Action Taken |
|-------|--|------------------------|-------------------------|
|-------|--|------------------------|-------------------------|

Internal Control over Financial Reporting

None

Compliance and Other Matters

None

Note: This schedule was prepared by management of KSLU-FM Radio.