

MARYLAND PUBLIC BROADCASTING COMMISSION
AND
MPT FOUNDATION, INC.
FINANCIAL STATEMENTS
JUNE 30, 2023 AND 2022

**MARYLAND PUBLIC BROADCASTING COMMISSION
AND
MPT FOUNDATION, INC.**

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INDEPENDENT AUDITORS' REPORT

To the Commissioners of
Maryland Public Broadcasting Commission

Opinion

We have audited the accompanying combined financial statements of the Maryland Public Broadcasting Commission (the "Commission") (a nonprofit organization) and MPT Foundation, Inc. (the "Foundation"), which comprise the combined statement of financial position - CPB basis as of June 30, 2023, and the related combined statements of activities and changes in net assets - CPB basis, functional expenses - CPB basis, and cash flows - CPB basis for the year then ended, and the related notes to the combined financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of the Commission and the Foundation as of June 30, 2023, and its support, revenue, and expenses for the year then ended, in accordance with the financial reporting practices prescribed or permitted by the Financial Reporting Guidelines (the "Guidelines") of the Corporation for Public Broadcasting (the "CPB") as described in Note 1.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 the Commission and Foundation and to meet our other 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.

Basis of Accounting

We draw attention to Note 1 of the combined financial statements, which describes the basis of accounting. As described in Note 1 to the combined financial statements, the combined financial statements are prepared by the Commission in accordance with the financial reporting practices prescribed or permitted by the Guidelines of the CPB, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the CPB. As a result, the combined financial statements may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with the Guidelines prescribed or permitted by the CPB. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement, whether due to fraud or error.

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC. AUDITORS' REPORT (Cont'd.)**

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 generally accepted auditing standards 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 generally accepted auditing standards, we:

- Exercised 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 Commission and Foundation'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 Commission and Foundation'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.

Supplementary Combining Information

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The combining statements on pages 21-22 are presented for purposes of additional analysis and are not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC. AUDITORS' REPORT (Cont'd.)**

Restricted Use

Our report is intended solely for the information and use of the Commission and management of the Commission and the CPB, and is not intended to be, and should not be, used by anyone other than these specified parties.

Prior Period Financial Statements and Summarized Comparative Information

We have previously audited the Commission and Foundation's combined financial statements as of June 30, 2022, and we expressed an unmodified audit opinion on those statements in our reported dated February 10, 2023. In our opinion the summarized comparative information presented herein as of and for the year ended June 30, 2022 is consistent, in material respects, with the audited combined financial statements from which it has been derived.

UHY LLP

Towson, Maryland
February 13, 2024

**MARYLAND PUBLIC BROADCASTING COMMISSION
AND
MPT FOUNDATION, INC.
COMBINED STATEMENTS OF FINANCIAL POSITION - CPB BASIS**

	June 30,	
	2023	2022
ASSETS		
Cash and cash equivalents	\$ 7,257,779	\$ 7,633,768
Encumbrance - State of Maryland	-	567,603
Contributions receivable, net	760,512	2,075,273
Accounts receivable	806,567	1,688,943
Inventory of supplies	250,322	267,013
Prepaid expenses	64,616	25,202
Licensed program rights	263,518	260,433
Investments	12,207,454	9,379,437
Property and equipment, net	29,541,595	30,292,404
Total assets	<u>\$ 51,152,363</u>	<u>\$ 52,190,076</u>
LIABILITIES		
Accounts payable and accrued expenses	\$ 980,689	\$ 1,871,100
Accrued salaries and vacations	2,620,490	2,517,719
Finance lease liability	109,332	369,787
Deferred revenue	754,881	373,064
Refundable advances	12,200	55,000
Total liabilities	<u>4,477,592</u>	<u>5,186,670</u>
NET ASSETS		
Without donor restrictions	36,447,838	36,360,790
With donor restrictions	10,226,933	10,642,616
Total net assets	<u>46,674,771</u>	<u>47,003,406</u>
Total liabilities and net assets	<u>\$ 51,152,363</u>	<u>\$ 52,190,076</u>

The Notes to Combined Financial Statements are an integral part of these statements.

**MARYLAND PUBLIC BROADCASTING COMMISSION
AND
MPT FOUNDATION, INC.
COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS - CPB BASIS**

	Year Ended June 30, 2023			Year Ended
	Without Donor Restrictions	With Donor Restrictions	Total	June 30, 2022
REVENUE				
Community Service Grants	\$ -	\$ 3,294,245	\$ 3,294,245	\$ 3,227,980
Other CPB grants	172,936	-	172,936	66,971
Public Broadcasting Service revenue	76,106	-	76,106	68,441
Federal revenue	5,904,301	-	5,904,301	7,983,285
Spectrum Repacking funds	-	-	-	38,132
Membership pledges and contributions	9,189,320	964,865	10,154,185	9,719,112
Underwriting and other telecasting revenue	7,207,121	584,170	7,791,291	9,949,277
Support from State of Maryland	11,917,507	-	11,917,507	11,003,053
Support from State of Maryland - contributions of nonfinancial assets	568,646	-	568,646	3,640,705
Special fundraising activities	96,018	-	96,018	222,933
Investment revenue, net of fees	128,151	86,445	214,596	106,224
Net gain (loss) on investments	302,946	379,523	682,469	(1,310,995)
Gain on disposal of property and equipment	9,758	-	9,758	-
Other revenue	27,875	-	27,875	47,100
Net assets released from restrictions	5,724,931	(5,724,931)	-	-
Total revenue	<u>41,325,616</u>	<u>(415,683)</u>	<u>40,909,933</u>	<u>44,762,218</u>
EXPENSES				
Program services				
Programming and production	22,748,285	-	22,748,285	23,737,271
Broadcasting and engineering	2,171,671	-	2,171,671	2,048,164
Total program services	<u>24,919,956</u>	<u>-</u>	<u>24,919,956</u>	<u>25,785,435</u>
Supporting services				
Fundraising, solicitation and membership	7,044,064	-	7,044,064	6,030,974
Management and general	7,915,442	-	7,915,442	7,175,348
Depreciation	1,359,106	-	1,359,106	1,112,437
Total supporting services	<u>16,318,612</u>	<u>-</u>	<u>16,318,612</u>	<u>14,318,759</u>
Total expenses	<u>41,238,568</u>	<u>-</u>	<u>41,238,568</u>	<u>40,104,194</u>
CHANGE IN NET ASSETS	87,048	(415,683)	(328,635)	4,658,024
NET ASSETS				
Beginning of year	<u>36,360,790</u>	<u>10,642,616</u>	<u>47,003,406</u>	<u>42,345,382</u>
End of year	<u>\$ 36,447,838</u>	<u>\$ 10,226,933</u>	<u>\$ 46,674,771</u>	<u>\$ 47,003,406</u>

The Notes to Combined Financial Statements are an integral part of these statements.

**MARYLAND PUBLIC BROADCASTING COMMISSION
AND
MPT FOUNDATION, INC.
COMBINED STATEMENTS OF FUNCTIONAL EXPENSES - CPB BASIS**

	Year Ended June 30, 2023						
	Program services		Supporting services				Total
	Programming & Production	Broadcasting and Engineering	Fundraising	Management and General	Other		
Payroll expenses	\$ 9,730,409	\$ 1,318,475	\$ 3,063,177	\$ 4,996,433	\$ -	\$ 19,108,494	
Travel, conferences, and meetings	93,712	6,170	269,730	123,805	-	493,417	
Office expenses	41,076	92,632	327,435	141,193	-	602,336	
Contract services	8,362,323	284,675	2,682,500	1,039,300	-	12,368,798	
Occupancy	-	388,282	-	1,410,767	-	1,799,049	
Supplies	12,566	72,832	408,085	71,280	-	564,763	
Equipment	763,170	4,089	4,443	48,119	-	819,821	
Dues, subscriptions, and licenses	3,745,029	4,516	288,694	84,545	-	4,122,784	
Depreciation	-	-	-	-	1,359,106	1,359,106	
	<u>\$ 22,748,285</u>	<u>\$ 2,171,671</u>	<u>\$ 7,044,064</u>	<u>\$ 7,915,442</u>	<u>\$ 1,359,106</u>	<u>\$ 41,238,568</u>	

	Year Ended June 30, 2022						
	Program services		Supporting services				Total
	Programming & Production	Broadcasting and Engineering	Fundraising	Management and General	Other		
Payroll expenses	\$ 8,810,474	\$ 1,240,140	\$ 2,489,452	\$ 4,319,577	\$ -	\$ 16,859,643	
Travel, conferences, and meetings	54,522	89	168,782	116,653	-	340,046	
Office expenses	39,411	93,850	300,701	137,311	-	571,273	
Contract services	10,797,481	249,915	2,271,052	947,143	-	14,265,591	
Occupancy	-	376,665	-	1,332,619	-	1,709,284	
Supplies	112,511	60,029	495,308	74,656	-	742,504	
Equipment	66,595	26,285	32,224	121,639	-	246,743	
Dues, subscriptions, and licenses	3,856,277	1,191	273,455	125,750	-	4,256,673	
Depreciation	-	-	-	-	1,112,437	1,112,437	
	<u>\$ 23,737,271</u>	<u>\$ 2,048,164</u>	<u>\$ 6,030,974</u>	<u>\$ 7,175,348</u>	<u>\$ 1,112,437</u>	<u>\$ 40,104,194</u>	

The Notes to Combined Financial Statements are an integral part of these statements.

**MARYLAND PUBLIC BROADCASTING COMMISSION
AND
MPT FOUNDATION, INC.
COMBINED STATEMENTS OF CASH FLOWS - CPB BASIS**

	Year Ended June 30,	
	2023	2022
OPERATING ACTIVITIES		
Change in net assets	\$ (328,635)	\$ 4,658,024
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation expense	1,359,106	1,112,437
Amortization of licensed program rights	329,969	298,894
Gain on disposal of property and equipment	(9,758)	-
Net loss (gain) on investments	(682,469)	1,310,995
Contributions restricted for long-term purposes	(113,026)	(11,100)
In-kind contribution	(568,646)	(3,640,705)
Encumbrance - State of Maryland	567,603	421,849
Changes in operating assets and liabilities		
Contributions receivable, net	1,314,761	(1,057,158)
Accounts receivable	882,376	(597,135)
Inventory of supplies	16,691	(1,364)
Prepaid expenses	(39,414)	71,560
Licensed program rights	(333,054)	(342,637)
Accounts payable and accrued expenses	(891,839)	648,913
Refundable advances	(42,800)	-
Accrued salaries and vacations	104,199	251,234
Deferred revenue	381,817	157,366
Net cash provided by operating activities	<u>1,946,881</u>	<u>3,281,173</u>
INVESTING ACTIVITIES		
Purchase of investments	(3,630,212)	(3,049,842)
Proceeds from sales of property and equipment	9,825	-
Decrease in investments - short-term	(224,043)	(33,647)
Proceeds from sales of investments	1,708,707	1,581,749
Additions to property and equipment	(39,718)	(34,345)
Net cash used in investing activities	<u>(2,175,441)</u>	<u>(1,536,085)</u>
FINANCING ACTIVITIES		
Finance lease payments	(260,455)	(499,429)
Contributions restricted for long-term purposes	113,026	11,100
Net cash used in financing activities	<u>(147,429)</u>	<u>(488,329)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	(375,989)	1,256,759
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>7,633,768</u>	<u>6,377,009</u>
End of year	<u>\$ 7,257,779</u>	<u>\$ 7,633,768</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash paid for interest	\$ 11,985	\$ 25,198
In-kind contributions - equipment purchased by Maryland	568,646	3,640,705

The Notes to Combined Financial Statements are an integral part of these statements.

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS**

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The accompanying combined financial statements include the accounts of Maryland Public Broadcasting Commission, (the "Commission") and MPT Foundation, Inc. (the "Foundation"). The Commission and the Foundation are financially interrelated organizations. The Commission recognizes its right in the net assets held by the Foundation as an asset. The combined financial statements are prepared in accordance with the reporting requirements for public telecommunication entities as prescribed by the Corporation for Public Broadcasting (the "CPB"). All intercompany balances are eliminated.

The Maryland Public Broadcasting Commission

Nature of Organization

The Commission is an agency of the State of Maryland. The Commission is also referred to as Maryland Public Television ("MPT").

The Commission operates under the provisions of Title 24, Subtitle 2 of the Education Article of the Annotated Code of the State of Maryland and the Cumulative Supplements. The Governor appoints the eleven members of the Commission.

The Commission's mission is to educate, entertain and enlighten the people of Maryland and beyond through creative programs and services of the highest quality delivered through traditional public broadcasting and new multimedia technologies.

The Commission operates six noncommercial telecommunication stations in the State of Maryland. The following is a list of the call letters:

Digital Call Letters

WMPB - DT in Baltimore	WWPB - DT in Hagerstown
WMPT - DT in Annapolis	WGPT - DT in Oakland
WCPB - DT in Salisbury	WFPT - DT in Frederick

Cash and Cash Equivalents

Cash and cash equivalents of the Commission consist of a checking account and funds on deposit in the State of Maryland central accounts.

Accounts Receivable

Accounts receivable consists of amounts due from state agencies and third parties relating to contracts entered into for the production and airing of public service announcements. At June 30, 2023 receivables past due ninety days or more totaled \$15,225. Management believes these amounts to be fully collectible. There is no allowance for doubtful accounts at June 30, 2023 and 2022.

Inventory of Supplies

Inventories are stated at the lower of cost or market using the first-in, first-out method.

Licensed Program Rights

The cost of program rights acquired are recorded at the lower of unamortized cost or estimated net realizable value. Generally, these program rights are amortized on a straight-line basis based on the anticipated number of future broadcasts or the license period. Amortization expense for the year ended June 30, 2023 was \$329,969 and was reported in broadcasting and engineering expenses in the statement of activities. The Commission expects to amortize approximately \$195,000, \$71,000, and \$5,000 for the years ended June 30, 2024, 2025 and 2026, respectively.

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS - CPB BASIS (Cont'd.)**

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Property and Equipment

In accordance with the accounting policies of the State of Maryland, it is the policy of the Commission to capitalize property and equipment over \$50,000. Property and equipment are capitalized at cost, or if donated, at the approximate fair value at the date of donation and is depreciated over its estimated useful life in a systematic and rational manner, unless they are inexhaustible assets. It has been the practice of the State of Maryland to fund equipment acquisition and replacements out of current operating funds and the State's general construction loan fund. Equipment held under the State's Master Lease Program is stated at the fair market value of the equipment at the inception of the lease or the present value of the total minimum lease payments, whichever is lower, and is amortized over the equipment's estimated useful life using the straight-line method.

Deferred Revenue

Deferred revenue represents amounts received or billed in advance of services performed or ads airing.

Revenue Recognition

Corporation for Public Broadcasting Community Service Grants

The Corporation for Public Broadcasting 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 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 the 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 net assets with donor restrictions until satisfaction of the time or purpose restrictions, after which they are reported as a release from net assets with donor restrictions and an increase in net assets without donor restrictions.

Membership Pledges and Contributions Revenue

The Commission engages in periodic fundraising campaigns manifested by offering special programs and on-air and mail fundraising appeals. These appeals encourage supporters, both individuals and organizations, to provide financial contributions to the Commission for enhancement of program offerings and other operating 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. An allowance for uncollectible member pledges is provided based upon management's judgment including such factors as prior collection history and type of pledge.

Unconditional contributions, which include unconditional contributions receivable, are recognized as support at the earlier of the period received or when the promise is made.

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS - CPB BASIS (Cont'd.)**

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Revenue Recognition (Cont'd.)

Underwriting and Other Telecasting Revenue

The Commission receives contributions and grants from entities to underwrite the cost of some of its programs and productions. In such instances, the Commission recognizes the total contribution and grant as revenue upon receipt of the gift and they are included within net assets with donor restrictions. When the donor restriction expires through performance and/or lapse of time, the contribution and grant are transferred from net assets with donor restrictions to net assets without donor restrictions.

The Commission earns revenue from royalties and licensing agreements with third parties allowing the third party to use a name that is trademarked by the Commission or air programs produced and distributed by the Commission. These contracts are generally a set price for a twelve month period. Revenue is recognized evenly over a period of twelve months.

The Commission earns revenue from contracts entered into with other state agencies and third parties for the production of public service announcements, and for the airing of those public service announcements. The Commission earns revenue from contracts for creating online classes for the continuing education of teachers, and for creating online classes for students. Revenue is recognized as costs are incurred as the contract term is generally a period of time with no specific milestones noted. Customers are invoiced based on invoicing schedules specified in individual contracts. Some of these contracts are funded with federal grants and are included in federal revenue on the statement of activities.

The Commission also earns revenue through the sale of online classes. Payment is required at the time of registration. Payments received in advance are deferred until courses are completed. Revenue is recognized as classes are completed.

Indirect Administrative Support

Indirect support from other State of Maryland agencies consists of allocated institutional support and physical plant costs incurred by the State for which the Commission receives benefits. The fair value of this support is recognized in the statements of activities as support and as expense.

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS - CPB BASIS (Cont'd.)**

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation of the current year financial statements. Total net assets and changes to net assets are unchanged due to these reclassifications.

MPT Foundation, Inc.

Nature of Organization

The Foundation is a not-for-profit foundation exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Foundation's primary purpose is to support and promote the objectives of the Commission in the following ways:

To facilitate fundraising programs and contributions from private sources to foster and promote the general welfare of the Commission;

To promote, sponsor and implement educational, scientific, charitable, and cultural activities for the benefit of the Commission; and

To accumulate and provide funds to be invested and to utilize the principal and income thereof for activities that enhance and further the mission of the Commission.

Cash and Cash Equivalents

The Foundation considers all highly liquid debt instruments with a maturity of three months or less when purchased to be cash equivalents.

Investments

The Foundation reports investment securities at fair value with gains and losses included in the statement of activities.

Contributions

Contributions are considered available for use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as revenue with donor restrictions that increase net assets with donor restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the Foundation reports the support as revenue without donor restrictions. Otherwise, when a restriction expires, 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.

Income Taxes

The Foundation is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code on all income except unrelated business income. Certain income related to sale of advertising space and travel tours is considered unrelated business income. Since related expenses exceed the income, no provision for income taxes has been reported. The Foundation's management believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Foundation's policy is to reflect interest and penalties related to uncertain tax positions as part of its income tax expense, when and if they become applicable.

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS - CPB BASIS (Cont'd.)**

NOTE 1 - NATURE OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

The Commission and Foundation

Basis of Presentation

Information regarding the financial position and activities is reported according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

In-kind Contributions and Contributed Services

In-kind contributions are reflected as contributions at their fair value at the date of donation and are reported as unrestricted support unless explicit donor stipulations specify how donated assets must be used. Contributed services are recognized at fair value if the services received (a) create or enhance long-lived assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Summarized Prior Year Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with reporting requirements prescribed by the CPB. Accordingly, such information should only be read in conjunction with the combined financial statements for the year ended June 30, 2022, from which the summarized information was derived.

New Accounting Pronouncements

The Commission adopted FASB issued ASU 2016-02, *Leases (Topic 842)*. On July 1, 2022. A lessee is required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months. Leases with a term of 12 months or less will be accounted for similar to existing guidance for operating leases today. There was no material impact on the Commission and Foundation financial statements as a result of adoption.

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS - CPB BASIS (Cont'd.)**

NOTE 2 - CONCENTRATION OF CREDIT RISK

In the ordinary course of business, the Commission and the Foundation may have funds held by financial institutions in excess of Federal insurance limits. The Foundation generally maintains mutual fund balances in financial institutions in excess of the SIPC limitations.

NOTE 3 - CONTRIBUTIONS RECEIVABLE

Contributions receivable reflect unconditional donor pledges receivable as of June 30, 2023 and 2022.

	<u>2023</u>	<u>2022</u>
Receivable in less than one year	\$ 666,170	\$ 1,967,257
Receivable in one to five years	<u>100,000</u>	<u>130,000</u>
	766,170	2,097,257
Allowance for doubtful accounts	(1,812)	(5,112)
Unamortized discount	<u>(3,846)</u>	<u>(16,872)</u>
	<u>\$ 760,512</u>	<u>\$ 2,075,273</u>

Contributions receivable due in more than one year are discounted at 4%. Amortization of the discount will be included in restricted revenue in future years.

NOTE 4 - INVESTMENTS

Investments reported at fair value are classified based on inputs used to determine the value as follows:

- Level 1 - Observable inputs that reflect unadjusted quoted prices for identical assets in active markets;
- Level 2 - Inputs other than quoted prices that are observable for the asset either directly or indirectly, and;
- Level 3 - Unobservable inputs, such as reporting entity's data.

The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used at June 30, 2023 and 2022. The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of June 30, 2023 and 2022:

	<u>June 30, 2023</u>		<u>June 30, 2022</u>	
	<u>Level 1</u>	<u>Total</u>	<u>Level 1</u>	<u>Total</u>
Mutual funds	<u>\$ 12,207,454</u>	<u>\$ 12,207,454</u>	<u>\$ 9,379,437</u>	<u>\$ 9,379,437</u>

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS - CPB BASIS (Cont'd.)**

NOTE 4 - INVESTMENTS (Cont'd.)

The Foundation's investments in mutual fund securities are reported at their fair value determined using quoted market prices in active markets and consist of the following at June 30:

	<u>2023</u>	<u>2022</u>
General		
Money market fund	\$ 110,676	\$ 84,456
Exchange traded products	217,833	-
Mutual funds - international	399,518	399,594
Mutual funds - bonds	1,430,093	1,044,319
Mutual funds - equity	<u>1,310,024</u>	<u>734,229</u>
Total general	<u>3,468,144</u>	<u>2,262,598</u>
Endowment		
Money market fund	164,759	145,698
Exchange traded products	335,782	-
Mutual funds - international	1,422,246	1,553,397
Mutual funds - bonds	2,250,143	2,000,123
Mutual funds - equity	<u>4,566,380</u>	<u>3,417,621</u>
Total endowment	<u>8,739,310</u>	<u>7,116,839</u>
	<u>\$ 12,207,454</u>	<u>\$ 9,379,437</u>

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30:

	<u>2023</u>	<u>2022</u>
Land and improvements	\$ 631,366	\$ 631,366
Buildings and improvements	41,158,926	40,618,080
Equipment	<u>21,875,492</u>	<u>22,488,886</u>
	63,665,784	63,738,332
Less: Accumulated depreciation	<u>34,124,189</u>	<u>33,445,928</u>
	<u>\$ 29,541,595</u>	<u>\$ 30,292,404</u>

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS - CPB BASIS (Cont'd.)**

NOTE 6 - FINANCE LEASE LIABILITY

The Commission leases broadcasting equipment under the State of Maryland's Master Lease Program. The leases contain a purchase option upon expiration. Maintenance and insurance costs are not included in the lease payments but must be provided by the Commission. At June 30, 2023, the right of use asset of this equipment was \$930,285, and is included in property and equipment, net on the statement of financial position. Accumulated amortization amounted to \$915,831 at June 30, 2023 and is included in property and equipment, net on the statement of financial position.

Future minimum lease payments under capital leases are as follows:

Year ending June 30:	
2023	\$ 110,956
Total minimum lease payments	110,956
Amount representing interest	(1,624)
	<u>\$ 109,332</u>

NOTE 7 - ENDOWMENT FUNDS

The Foundation established a charitable endowment that is comprised of several specific funds and one general fund. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Foundation's Board of Directors has interpreted the Maryland Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies the original value of gifts designated by donors to be restricted in perpetuity as not subject to appropriation. The Foundation classifies the original value of contributions that have been designated by donors to one of the specific funds as well as all income on these endowment funds as subject to specified purpose or time period based on donor intent. In the absence of a purpose restriction on the use of endowment fund income, donor restrictions on the income will lapse only when and to the degree that management appropriates an amount for expenditure in a manner consistent with UPMIFA.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

The Foundation has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return.

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS - CPB BASIS (Cont'd.)**

NOTE 7 - ENDOWMENT FUNDS (Cont'd.)

Endowment net asset composition by type of fund as of June 30, 2023 and 2022 is as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
June 30, 2023			
Donor-restricted endowment funds	\$ -	\$ 6,142,374	\$ 6,142,374
Board-designated endowment funds	<u>2,596,936</u>	<u>-</u>	<u>2,596,936</u>
Total funds	<u>\$ 2,596,936</u>	<u>\$ 6,142,374</u>	<u>\$ 8,739,310</u>
June 30, 2022			
Donor-restricted endowment funds	\$ -	\$ 4,676,838	\$ 4,676,838
Board-designated endowment funds	<u>2,440,001</u>	<u>-</u>	<u>2,440,001</u>
Total funds	<u>\$ 2,440,001</u>	<u>\$ 4,676,838</u>	<u>\$ 7,116,839</u>

Changes in endowment net assets as of June 30, 2023 and 2022 are as follows:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets, June 30, 2021	\$ 2,065,651	\$ 5,294,066	\$ 7,359,717
Contributions	760,257	100,000	860,257
Investment income	28,112	53,035	81,147
Net depreciation	(352,297)	(664,633)	(1,016,930)
Amounts appropriated for expenditure	<u>(61,722)</u>	<u>(105,630)</u>	<u>(167,352)</u>
Endowment net assets, June 30, 2022	2,440,001	4,676,838	7,116,839
Contributions	928	1,101,839	1,102,767
Investment income	36,188	86,445	122,633
Net depreciation	158,879	379,523	538,402
Amounts appropriated for expenditure	<u>(39,060)</u>	<u>(102,271)</u>	<u>(141,331)</u>
Endowment net assets, June 30, 2023	<u>\$ 2,596,936</u>	<u>\$ 6,142,374</u>	<u>\$ 8,739,310</u>

NOTE 8 - REVENUE FROM CONTRACTS WITH CUSTOMERS

The Commission's significant revenue streams from contracts with customers are royalties and licensing fees, fees for services, and online classes which are included in the underwriting and other telecasting revenue line item on the combined statement of activities. For each of these revenue streams, revenue recognition is subject to the completion of performance obligations. Revenue recognized from contracts with customers was approximately \$9.4 million and \$11.5 million for the years ended June 30, 2023 and 2022, respectively.

Ending contract balances as of June 30, 2023 and 2022 were as follows:

	<u>2023</u>	<u>2022</u>
Billed receivables	<u>\$ 617,350</u>	<u>\$ 1,570,172</u>
Unbilled receivables	<u>\$ 23,766</u>	<u>\$ 22,802</u>
Advances	<u>\$ 643,007</u>	<u>\$ 154,580</u>

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS - CPB BASIS (Cont'd.)**

NOTE 8 - REVENUE FROM CONTRACTS WITH CUSTOMERS (Cont'd.)

The aggregate amount of contract performance obligation as of June 30, 2023 that we expect to recognize as revenue in the next year is \$643,007.

NOTE 9 - NONFEDERAL FINANCIAL SUPPORT (NFFS)

The 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 either as 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 and related activities; and (4) the recipient must be a public broadcasting entity. 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.

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 payments must be appropriations or contract payments in exchange for specific services or materials; (3) the purpose must be for any related activity of the public broadcast station; and (4) the recipient must be a public broadcasting entity on behalf of a public broadcast station.

Reported NFFS was \$24,712,050 and \$23,897,194 for June 30, 2023 and 2022, respectively.

NOTE 10 - RETIREMENT BENEFITS

Substantially all of the employees of the Commission are covered by one of the following plans in the State Retirement and Pension System of Maryland (the “System”).

- Retirement Systems – retirement programs for substantially all employees who are not participants of the State Pension System, and;
- Pension Systems – retirement programs for employees hired after January 1, 1980, and prior employees who have elected to transfer from the Retirement Systems.

The State’s required contributions are based upon actuarial valuations. In accordance with the law governing the System, all benefits of the System are funded in advance. Members of the Retirement System are required to contribute to the System a fixed percentage of their regular salaries and wages (7% or 5% depending on the retirement plan selected). Members of the Pension System are required to contribute to the System 5% of their regular salaries and wages which exceed the Social Security wage base. All contributions are deducted from each member’s salary, and wage payments are remitted to the System on a regular, periodic basis.

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS - CPB BASIS (Cont'd.)**

NOTE 10 - RETIREMENT BENEFITS (Cont'd.)

Inasmuch as the Commission is an agency of the State of Maryland, a separate actuarial computation of the plan benefit obligations, net assets available for plan benefit, and the component parts of the current benefit expense for employees of the agency was not made. A full disclosure of selected data for the plans as a whole is presented in the Comprehensive Annual Report of the State of Maryland.

Pension expenditures by the Commission for the years ended June 30, 2023 and 2022 amounted to \$2,470,481 and \$2,120,968, respectively, in the aggregate for all programs.

NOTE 11 - INDIRECT ADMINISTRATIVE SUPPORT

The Commission utilizes facilities of the State of Maryland and has recorded occupancy cost, imputed based upon appraisal reports and methodology prescribed by the CPB, of \$722,061 and \$720,573 support from the State of Maryland and as management and general expense for the years ended June 30, 2023 and 2022, respectively.

The Commission recorded the administrative cost allocation from the State of Maryland of \$162,404 and \$192,323 as support from the State of Maryland and as management and general expense for the years ended June 30, 2023 and 2022, respectively.

NOTE 12 - CONTRIBUTIONS OF NONFINANCIAL ASSETS

The Commission received gifts-in-kind for the years ended June 30:

	<u>2023</u>	<u>2022</u>
Infrastructure and improvements	\$ 568,646	\$ 1,774,105
Construction in progress	-	1,866,600
	<u>\$ 568,646</u>	<u>\$ 3,640,705</u>

The Commission's policy related to gifts-in-kind is to utilize the assets given to carry out its mission. If an asset is provided that does not allow the Commission to utilize it in its normal course of business, the asset will be sold at its fair market value. All gifts-in-kind received during the years ended June 30, 2023 and 2022 are fixed assets and construction in progress purchased by the State of Maryland for the Commission. These gifts in kind are recorded at amounts paid by the State of Maryland.

All gifts-in-kind received by the Commission for the years ended June 30, 2023 and 2022 were considered without donor restrictions and able to be used by the Commission as determined by members of the Commission and management.

NOTE 13 - PAYROLL PROTECTION PROGRAM LOAN

The Foundation received forgiveness and recognized \$87,662 under the Small Business Administration's Payroll Protection Program (PPP) in December 2020. The Small Business Administration has the right to audit whether a borrower qualified for a PPP loan and met the condition for forgiveness of the loan up to six years after forgiveness is received. The Foundation believes the risk of noncompliance is not significant.

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS - CPB BASIS (Cont'd.)**

NOTE 14 - NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are comprised of the following as of June 30:

	<u>2023</u>	<u>2022</u>
Subject to expenditure for a specified purpose:		
Education	\$ 507,696	\$ 398,071
Regional programming and program acquisition	4,264,054	3,598,443
Arts programming	246,913	194,095
Artworks	<u>108,432</u>	<u>93,220</u>
	<u>5,127,095</u>	<u>4,283,829</u>
Subject to expenditure after specified time period:		
Underwriting contributions	694,170	2,192,616
Endowment contributions and earnings	<u>619,297</u>	<u>492,826</u>
	<u>1,313,467</u>	<u>2,685,442</u>
Original endowment gifts not subject to appropriation or expenditure:		
General	1,590,217	1,490,217
Education	1,396,154	1,383,128
Arts programming	650,000	650,000
Artworks	<u>150,000</u>	<u>150,000</u>
	<u>3,786,371</u>	<u>3,673,345</u>
 Total net assets with donor restrictions	 <u>\$ 10,226,933</u>	 <u>\$ 10,642,616</u>

NOTE 15 - LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The Commission and Foundation regularly monitor liquidity required to meet annual operating needs and other contractual commitments while also striving to maximize the return on investment of its funds not required for annual operations. Financial assets available for general expenditure comprise the following at June 30:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 7,257,779	\$ 7,633,768
Receivables, net	1,463,779	3,651,088
Investments	<u>12,207,454</u>	<u>9,379,437</u>
Total financial assets at year-end	<u>20,929,012</u>	<u>20,664,293</u>
Less amounts not available to be used within one year		
Board designated funds	2,596,936	2,440,001
Donor restricted funds	<u>10,226,933</u>	<u>10,330,563</u>
Financial assets not available to be used for general expenditures	<u>12,823,869</u>	<u>12,770,564</u>
Financial assets available to meet general expenditures over the next 12 months	<u>\$ 8,105,143</u>	<u>\$ 7,893,729</u>

**MARYLAND PUBLIC BROADCASTING COMMISSION AND
MPT FOUNDATION, INC.
NOTES TO COMBINED FINANCIAL STATEMENTS - CPB BASIS (Cont'd.)**

NOTE 16 - COMMITMENTS AND CONTINGENCIES

The Commission receives significant financial assistance from the U.S. Government. Entitlement to the resources is generally conditioned upon compliance with terms and conditions of the grant agreements and applicable Federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance audits by the grantors. Any disallowances as a result of these audits become a liability of the fund that received the grant. As of June 30, 2023, the Commission estimates that no material liabilities will result from such audits.

NOTE 17 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 13, 2024, the date that the financial statements were available to be issued. Except as disclosed below, no recognized or non-recognized subsequent events were identified for recognition or disclosure in the financial statements.

The Commission entered into a financing liability on July 1, 2023 for \$711,402. The agreement requires an interest only payment of \$15,362 in January 2024, and then beginning July 1, 2024 semi-annual payment of principal and interest of \$87,674 through July 2028.

**MARYLAND PUBLIC BROADCASTING COMMISSION
AND
MPT FOUNDATION, INC.
COMBINING STATEMENT OF FINANCIAL POSITION - CPB BASIS
YEAR ENDED JUNE 30, 2023**

	Maryland Public Broadcasting Commission	MPT Foundation Inc.	Eliminations	Combined Total
ASSETS				
Cash and cash equivalents	\$ 3,326,141	\$ 3,931,638	\$ -	\$ 7,257,779
Net beneficial interest in MPTF	16,803,791	-	(16,803,791)	-
Contributions receivable, net	-	760,512	-	760,512
Accounts receivable	806,567	-	-	806,567
Inventory of supplies	250,322	-	-	250,322
Prepaid expenses	64,616	-	-	64,616
Licensed program rights	263,518	-	-	263,518
Investments	-	12,207,454	-	12,207,454
Property and equipment, net	29,541,595	-	-	29,541,595
Total assets	<u>\$ 51,056,550</u>	<u>\$ 16,899,604</u>	<u>\$ (16,803,791)</u>	<u>\$ 51,152,363</u>
LIABILITIES				
Accounts payable and accrued expenses	\$ 904,935	\$ 75,754	\$ -	\$ 980,689
Accrued salaries and vacations	2,612,631	7,859	-	2,620,490
Finance lease liability	109,332	-	-	109,332
Deferred revenue	754,881	-	-	754,881
Refundable advances	-	12,200	-	12,200
Total liabilities	<u>4,381,779</u>	<u>95,813</u>	<u>-</u>	<u>4,477,592</u>
NET ASSETS				
Without donor restrictions	36,447,838	9,931,093	(9,931,093)	36,447,838
With donor restrictions	10,226,933	6,872,698	(6,872,698)	10,226,933
Total net assets	<u>46,674,771</u>	<u>16,803,791</u>	<u>(16,803,791)</u>	<u>46,674,771</u>
Total liabilities and net assets	<u>\$ 51,056,550</u>	<u>\$ 16,899,604</u>	<u>\$ (16,803,791)</u>	<u>\$ 51,152,363</u>

See Independent Auditors' Report.

**MARYLAND PUBLIC BROADCASTING COMMISSION
AND
MPT FOUNDATION, INC.
COMBINING STATEMENT OF ACTIVITIES - CPB BASIS
YEAR ENDED JUNE 30, 2023**

	Maryland Public Broadcasting Commission	MPT Foundation, Inc.	Eliminations	Combined Total
NET ASSETS WITHOUT DONOR RESTRICTIONS				
REVENUE				
Other CPB grants	\$ 154,936	\$ 18,000	\$ -	\$ 172,936
Public Broadcasting Service revenue	27,731	48,375	-	76,106
Federal revenue	5,815,801	88,500	-	5,904,301
Membership pledges and contributions	8,247,647	941,673	-	9,189,320
Underwriting and other telecasting revenue	5,401,777	2,498,824	(693,480)	7,207,121
Support from State of Maryland	11,917,507	-	-	11,917,507
Support from State of Maryland - contributions of nonfinancial assets	568,646	-	-	568,646
Special fundraising activities, net	-	48,277	47,741	96,018
Investment revenue, net of fees	-	128,151	-	128,151
Net gain on investments	-	302,946	-	302,946
Gain on disposal of property and equipment	9,758	-	-	9,758
Other revenue	-	27,875	-	27,875
Net change in beneficial interest in MPTF without restrictions	4,327,576	-	(4,327,576)	-
Net assets released from restrictions	3,480,043	2,244,888	-	5,724,931
Total unrestricted revenue	<u>39,951,422</u>	<u>6,347,509</u>	<u>(4,973,315)</u>	<u>41,325,616</u>
EXPENSES				
Program services				
Programming and production	22,832,785	52,000	(136,500)	22,748,285
Broadcasting and engineering	2,171,671	-	-	2,171,671
Total program services	<u>25,004,456</u>	<u>52,000</u>	<u>(136,500)</u>	<u>24,919,956</u>
Supporting services				
Fundraising, solicitation and membership	5,883,992	1,620,510	(460,438)	7,044,064
Management and general	7,616,820	347,423	(48,801)	7,915,442
Depreciation	1,359,106	-	-	1,359,106
Total supporting services	<u>14,859,918</u>	<u>1,967,933</u>	<u>(509,239)</u>	<u>16,318,612</u>
Total expenses	<u>39,864,374</u>	<u>2,019,933</u>	<u>(645,739)</u>	<u>41,238,568</u>
CHANGE WITHOUT DONOR RESTRICTIONS	<u>87,048</u>	<u>4,327,576</u>	<u>(4,327,576)</u>	<u>87,048</u>
NET ASSETS WITH DONOR RESTRICTIONS				
Community Service Grants	3,294,245	-	-	3,294,245
Member pledges and contributions	-	964,865	-	964,865
Underwriting and other telecasting revenue	-	584,170	-	584,170
Investment revenue, net of fees	-	86,445	-	86,445
Net gain on investments	-	379,523	-	379,523
Net change in beneficial interest in MPTF with donor restrictions	(229,885)	-	229,885	-
Net assets released from restrictions	(3,480,043)	(2,244,888)	-	(5,724,931)
CHANGE WITH DONOR RESTRICTIONS	<u>(415,683)</u>	<u>(229,885)</u>	<u>229,885</u>	<u>(415,683)</u>
CHANGE IN NET ASSETS	<u>\$ (328,635)</u>	<u>\$ 4,097,691</u>	<u>\$ (4,097,691)</u>	<u>\$ (328,635)</u>

See Independent Auditors' Report.