WUFT-TV
A PUBLIC TELECOMMUNICATIONS ENTITY
OPERATED BY
THE UNIVERSITY OF FLORIDA

FINANCIAL STATEMENTS

JUNE 30, 2020 AND 2019

WUFT-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE UNIVERSITY OF FLORIDA
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JUNE 30, 2020 AND 2019

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James Moore
Certified Public Accountants and Consultants

INDEPENDENT AUDITORS' REPORT

To the Board of Trustees,
University of Florida:

Report on the Financial Statements

We have audited the accompanying financial statements of WUFT-TV (the "Station"), a public telecommunications entity operated by the University of Florida, as of and for the years ended June 30, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Station's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Station as of June 30, 2020 and 2019, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

121 Executive Circle
Daytona Beach, FL 32114-1180
Telephone: 386-257-4100

133 East Indiana Avenue
DeLand, FL 32724-4329
Telephone: 386-738-3300

5931 NW 1st Place
Gainesville, FL 32607-2063
Telephone: 352-378-1331

2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308-4386
Telephone: 850-386-6184

Website: www.jmco.com | Email: info@jmco.com | Member of AGN International with offices in principal cities worldwide

Other Matters

Emphasis of Matters

As discussed in Note 15 to the financial statements, the 2019 financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

As discussed in Note 1, the financial statements of the Station are intended to present the financial position, and the changes in financial position and cash flows, of only the Station-related accounts of the University of Florida that are attributable to the transactions of the Station. They do not purport to, and do not, present fairly the financial position of the University of Florida as of June 30, 2020 and 2019, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Station's basic financial statements. The schedule of functional expenses (Exhibit I) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

James Moore & Co., P.L.

Gainesville, Florida
January 14, 2021

WUFT-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE UNIVERSITY OF FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020 AND 2019

This report is provided for your convenience and understanding of WUFT-TV's (the "Station's") financial condition and operating activities for the fiscal years ended June 30, 2020 and 2019. The Governmental Accounting Standards Board has not developed accounting standards for presentation of auxiliary (or departmental) entities. The Station's accounting policies and practices do, however, conform to those permitted or allowed by the Corporation for Public Broadcasting, which generally follow published Governmental Accounting Standards. Our discussion and analysis is required by accounting principles generally accepted in the United States of America in Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* and Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis – for Colleges and Universities*. The overview presented below highlights the significant financial activities which occurred during the past year and describes changes in financial activity from the prior year. Please read this overview in conjunction with our comparative statements of net position on page 9, our statements of revenues, expenses and changes in net position on page 10, and our notes to the financial statements which begin on page 12.

Financial Highlights for the Year Ended June 30, 2020

Fiscal year 2020 has clearly been like no other and has certainly provided one of the most unique and challenging environments public broadcasting has ever experienced. For a year that started very positive for the University of Florida's media enterprise including WUFT-TV, the COVID-19 pandemic presented a number of new and never-before seen variables and challenges to our operating scenario. The combination of health concerns and economic slowdown presented unique issues but the WUFT-TV staff responded at a high level maintaining the core values of the organization while modifying the norms of workplace location and new guidelines to accomplish the goals of the television station. In spite of all the challenges, the fiscal impact to WUFT-TV has, thus far, been not only manageable but the station remains in a strong financial position.

A key component of dealing with the numerous challenges of 2020/2021 has been providing local news and information to the audiences throughout the region and WUFT-TV's Innovation News Center (INC) has remained a key component of the UF College of Journalism's mission of service to community, especially during the pandemic. And, even with the challenges of COVID-19, the staff of WUFT-TV and WUFT-FM have worked to ensure journalism students have continued to benefit through professional experiences provided by the stations. WUFT-TV/FM's INC is recognized annually with local, regional, state and even national awards for excellence in journalism and community service and this past year was no different.

WUFT-TV's total assets at year-end were $7,750,338 as compared to $7,553,258 during the prior year. Additionally, the television station's total liabilities at year end remained very low at only $40,592.

As WUFT-TV began incorporating a new indirect support calculation the noted revenue dropped to $3,857,755 from the prior year's $4,879,124. Grant support from the state of Florida increased slightly to $320,400 while underwriting and membership also saw increases in spite of the late fiscal year challenges of COVID-19. WUFT-TV's net position at the end of FY'20 was $7,709,746 compared to $7,517,277 at the close of FY '19 reinforcing the position that WUFT-TV has, to date, withstood the challenges of the COVID-19 pandemic and remains a strong enterprise for the University of Florida, our students and the communities of north central Florida.

While the overall climate remains challenging for public television and especially in light of the 2020-2021 pandemic, WUFT-TV remains positioned well for the future, focusing on the core mission of education, information and entertainment. The staff and management of WUFT-TV remain enthusiastic regarding WUFT-TV's position in the marketplace and ability to operate successfully well into the future due to our ongoing efforts to diversify revenue sources beyond the tradition public broadcasting foundation of membership and underwriting.

Financial Highlights for the Year Ended June 30, 2019

(a) WUFT-TV is the full-power public television station, and PBS affiliate, operated by the University of Florida College of Journalism & Communications. The television station has fully embraced a mission dedicated to service to the community through broadcasting award-winning early childhood educational programming, engaging the diverse communities of north Florida through unique and powerful content generation and the launch and engagement created through the Innovation News Center, a state of the art news facility focused on local content for distribution via the University of Florida's public media outlets and associated online (WUFT.org), social and mobile platforms.

(b) WUFT-TV has continued to focus efforts on growing revenue and while ensuring operating expenses are held in check even while working to enhance our commitment to educational programming and providing our students with unique and powerful experiences related to journalism and community service.

(c) WUFT-TV's total liabilities at year end remained very low $35,981 in comparison to prior year when they stood at $38,581.

(d) Overall the net position of WUFT-TV decreased slightly to $7,517,277 at the close of FY '19 compared to $7,662,276 at the close of FY'18. WUFT-TV remains a strong and fiscally responsible operation.

(e) Operating revenues for WUFT-TV remain strong. In total, the television station generated revenues of $4,879,124 in FY '19 as opposed to $4,231,810 in FY '18. Greater investments continue to be made in areas such as fundraising, underwriting and membership support and management and general in an effort to further bolster the overall financial position of the television station.

USING THESE FINANCIAL STATEMENTS

These financial statements consist of statements of net position and statements of revenues, expenses and changes in net position and cash flows. The statements of net position and the statements of revenues, expenses and changes in net position help to answer the question of whether the Station is better or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

THE REPORTING ENTITY

The Station is a department of the University of Florida and these financial statements included assets, liabilities and activity related to its public broadcasting function. This includes account activity within the University, as well as the University of Florida Foundation, which are under the control of the Station manager.

TABLE 1
CONDENSED STATEMENTS OF NET POSITION

	June 30, 2020	June 30, 2019	June 30, 2018
Current Assets	$ 4,523,885	$ 4,135,659	$ 4,027,466
Noncurrent assets	3,226,453	3,417,599	3,673,391
Total assets	7,750,338	7,553,258	7,700,857
Current liabilities	40,592	35,981	38,581
Non-current liabilities	-	-	-
Total liabilities	40,592	35,981	38,581
Net position			
Net investment in capital assets	2,615,278	2,793,122	3,061,086
Restricted:			
Nonexpendable	611,175	624,477	612,305
Expendable	1,672,227	1,869,242	1,975,182
Unrestricted	2,811,066	2,230,436	2,013,703
Total net position	$ 7,709,746	$ 7,517,277	$ 7,662,276

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

	June 30, 2020	June 30, 2019	June 30, 2018
Revenues			
Operating revenues	$ 3,593,933	$ 4,818,916	$ 4,606,749
Non-operating revenues (expenses)	263,822	60,208	(374,939)
Total revenues	3,857,755	4,879,124	4,231,810
Operating expenses			
Programming and production	1,896,055	2,771,166	2,611,092
Broadcasting	425,484	661,352	725,904
Management and general	793,527	910,577	870,196
Fundraising and membership development	353,573	385,947	452,351
Underwriting and grant solicitation	196,647	295,081	237,587
Total operating expenses	3,665,286	5,024,123	4,897,130
Increase (decrease) in net position	192,469	(144,999)	(665,320)
Net position, beginning of year	7,517,277	7,662,276	8,298,443
Adjustment for change (Note 14)			29,153
Net position, end of year	$ 7,709,746	$ 7,517,277	$ 7,662,276

TABLE 3
CONDENSED STATEMENTS OF CASH FLOWS

	June 30, 2020	June 30, 2019	June 30, 2018
Net cash provided by (used in) operating activities	$ (491,681)	$ 100,900	$ 688,934
Net cash provided by noncapital financing activities	260,204	-	-
Net cash used in capital and related financing activities	(66,530)	(91,107)	(123,738)
Net cash provided by (used in) investing activities	116,919	108,189	391,498
Net increase in cash and cash equivalents	(181,088)	117,982	956,694
Cash and cash equivalents, beginning of year	2,344,252	2,226,270	1,269,576
Cash and cash equivalents, end of year	$ 2,163,164	$ 2,344,252	$ 2,226,270

Current assets consist primarily of cash and cash equivalents, underwriting receivables, investments, and prepaid program costs. The Station's investment in capital assets includes building and building improvements, furniture, fixtures and equipment, transmitter, transmitter building and construction in process. Current liabilities consist of accounts payable and accrued expenses, and unearned revenue.

Operating revenue consists primarily of community service and other grants from the Corporation of Public Broadcasting (25.6%), appropriations and indirect support from the University of Florida (32.1%), State of Florida Department of Education funds (8.9%), membership and business contributions and contributed support (22.7%), donated assets and services (0.6%), and other (10.1%). Noticeable changes from the prior year include the impact from the one-time COVID-19 relief grant from the CPB and the percentage growth of membership, underwriting and other business support. Operating expenses consists of expenses for programming and production, broadcasting, management and general, and membership development.

NEXT YEAR

As all of our nation and the world grapple with the impact of the COVID-19 pandemic, so too does the University of Florida's public media stations. While, to date, WUFT-TV and WUFT-FM have continued to operate in the public interest and meet the unique educational mission of the stations, it remains to be seen how the economy and typical funding sources will be impacted by the pandemic. WUFT-TV is a full-power public television/PBS affiliate operated through the University of Florida's College of Journalism & Communications and, as such, has unique responsibilities related to community service and news. WUFT-TV is somewhat unique in the public television universe in that it operates a full local news operation consisting of paid, professional journalists and a large number of students enrolled in the University's College of Journalism and Communications. Throughout the history of the television station the University, faculty, staff and students have uniformly embraced WUFT-TV's unique mission of service to the various communities and demographic groups of North Florida while investing in the future careers and lives of thousands of broadcast, multimedia and journalism professionals. WUFT-TV's contributions to the University and communities of north Florida cannot be overstated as the television station has provided service to the region and to the students of the University of Florida for decades. In 2020 the staff and resources of the station have been tested and stretched to the limit by the pandemic and subsequent needs in the community and University. The student engagement model at the University of Florida's College of Journalism and Communications and through WUFT-TV are called "student immersive experiences", which numbers in the hundreds each semester and creates an extraordinary excitement and sense of positive momentum at WUFT-TV and in the College of Journalism & Communications. At UF and through WUFT-TV, the student engagement is some of the highest in the nation and the core experiences the television station provides are unmatched. Even during the pandemic WUFT-TV identified methods through which students could continue learning and those efforts continue as we move into 2021 and beyond, regardless of the impact of the pandemic.

In recent years WUFT-TV focused on developing a more diversified suite of revenue sources and projects beyond the core goals of public television; providing the highest quality early childhood educational programming and the best local news, information and entertainment programming. Dovetailing perfectly with the mission of PBS, WUFT-TV continues to target underrepresented audiences throughout northern Florida. Fueling the television station's continued growth and good health are multimedia

production units within the WUFT-TV operation and a growing external relations/membership department in the television station. As highlighted in prior year-end reviews, WUFT-TV productions now include venue services for the University of Florida's commencement and convocation exercises, broadcast live on the television station and streamed throughout campus and the world for thousands of viewers. Other non-traditional revenue-generating efforts include producing live talkback broadcasts for major networks and assisting with content distribution from WUFT-TV's studios. With this theme toward diversifying revenue sources for the future, WUFT-TV is proud of the ever-expanding role it plays on various platforms across north Florida. WUFT-TV's media services (or production) department is a tremendous success story for the television station and it serves to further position the station for future growth and impact.

WUFT-TV continues to form the foundation of the University of Florida's Division of Media Properties, operating as a unit of the College of Journalism & Communications. WUFT-TV will continue to operate in an efficient, productive and visionary manner working to ensure our viewers and students are served to the best of our ability. The television station and all of the University's associated media assets take the dual mission of community service and educating future generations of media professionals quite serious and looks to continue enhancing news and community event coverage and enhancement of the students' experiences that are so central to the success of the television station and the UF College of Journalism & Communications.

There's no doubt that the COVID-19 pandemic has changed our lives and the business of broadcasting forever. WUFT-TV will continue to work to ensure communities are served and students at the University of Florida College of Journalism and Communications receive the best possible education in broadcasting and media.

BUDGETS

While certain Station accounts are under the University budgeting control, the University of Florida Foundation and certain other expenditures, such as in-kind and indirect support amounts, are not budgeted. Accordingly, budget information amounts are not presented within these financial statements.

CONTACTING MANAGEMENT

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

WUFT-TV
PO Box 118405
Gainesville, FL 32611-8405
(352) 392-5551

WUFT-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE UNIVERSITY OF FLORIDA
STATEMENTS OF NET POSITION
JUNE 30, 2020 AND 2019

	2020	2019
ASSETS		
Current assets		
Cash and cash equivalents	$ 496,383	$ 480,298
Restricted cash	1,666,781	1,863,954
Funds held and invested by the University of Florida Foundation, Inc. on behalf of the Station		
Unrestricted	1,537,899	1,584,180
Restricted	5,446	5,288
Underwriting and production receivables	22,522	23,518
Prepaid program costs	794,854	171,390
Prepaid expenses	-	7,031
Total current assets	4,523,885	4,135,659
Noncurrent assets		
Funds held and invested by the University of Florida Foundation, Inc. on behalf of the Station		
Restricted	611,175	624,477
Capital assets, net	2,615,278	2,793,122
Total noncurrent assets	3,226,453	3,417,599
Total assets	7,750,338	7,553,258
LIABILITIES		
Current liabilities		
Accounts payable and accrued expenses	22,131	16,735
Due to the University of Florida	18,461	18,461
Unearned revenue	-	785
Total current liabilities	40,592	35,981
Total liabilities	40,592	35,981
NET POSITION		
Net position		
Net investment in capital assets	$ 2,615,278	$ 2,793,122
Restricted:		
Nonexpendable	611,175	624,477
Expendable	1,672,227	1,869,242
Unrestricted	2,811,066	2,230,436
Total net position	$ 7,709,746	$ 7,517,277

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

WUFT-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE UNIVERSITY OF FLORIDA
STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
Operating revenues		
Community service grants donated by the Corporation for Public Broadcasting	$ 850,073	$ 955,523
Other grants donated by the Corporation for Public Broadcasting	72,010	17,151
Community service and other grants donated by the Department of Education, State of Florida	320,400	307,447
Appropriations from the University of Florida	946,938	1,069,078
Business and industry support	137,524	132,776
Membership income	678,891	567,175
Donated facilities and administrative support from the University of Florida	205,688	1,159,085
Income from auxiliary sales and other	352,062	574,983
Other miscellaneous grants	9,694	12,559
In-kind contributions	20,653	23,139
Total operating revenues	3,593,933	4,818,916
Operating expenses (Exhibit I)		
Programming and production	1,896,055	2,771,166
Broadcasting	425,484	661,352
Management and general	793,527	910,577
Fundraising and membership development	353,573	385,947
Underwriting and grant solicitation	196,647	295,081
Total operating expenses	3,665,286	5,024,123
Operating loss	(71,353)	(205,207)
Non-operating revenues (expenses)		
CARES Act stabilization funds	260,204	-
Transfer to affiliate station	(53,876)	(82,319)
Investment income, net	57,494	142,527
Total non-operating revenues (expenses)	263,822	60,208
Increase (decrease) in net position	192,469	(144,999)
Net position, beginning of year, as restated (Note 14)	7,517,277	7,662,276
Net position, end of year	$ 7,709,746	$ 7,517,277

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

WUFT-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE UNIVERSITY OF FLORIDA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019

	2020	2019
Cash flows from operating activities		
Cash received from grants, donors and fundraising activities	$ 2,420,865	$ 2,603,565
Cash paid to suppliers and vendors	(1,334,173)	(796,475)
Cash paid to employees for salaries and benefits	(1,578,373)	(1,706,190)
Net cash provided by (used in) operating activities	(491,681)	100,900
Cash flows from noncapital financing activities		
Proceeds from CARES Act stabilization funds	260,204	-
Cash flows from capital and related financing activities		
Transfer to affiliate station	(53,876)	(82,319)
Purchase of capital assets	(12,654)	(8,788)
Net cash used in capital and related financing activities	(66,530)	(91,107)
Cash flows from investing activities		
Gift and other income	825,889	689,789
Transfers and other expenses	(766,464)	(724,127)
Investment income	57,494	142,527
Net cash provided by investing activities	116,919	108,189
Net increase (decrease) in cash and cash equivalents	(181,088)	117,982
Cash and cash equivalents, beginning of year	2,344,252	2,226,270
Cash and cash equivalents, end of year	$ 2,163,164	$ 2,344,252
Shown on the statements of net position as:		
Cash and cash equivalents	$ 496,383	$ 480,298
Restricted cash	1,666,781	1,863,954
Total cash and cash equivalents	$ 2,163,164	$ 2,344,252
Reconciliation of operating loss to net cash provided by (used in) operating activities:		
Operating loss	$ (71,353)	$ (205,207)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities		
Depreciation	190,498	276,752
Decrease (increase) in certain assets:		
Underwriting and production receivables	996	(11,029)
Due from WUFT-FM	-	51,952
Prepaid program costs	(623,464)	(8,105)
Prepaid expenses	7,031	(863)
Increase (decrease) in certain liabilities:		
Accounts payable and accrued expenses	5,396	2,372
Unearned revenue	(785)	(4,972)
Total adjustments	(420,328)	306,107
Net cash provided by (used in) operating activities	$ (491,681)	$ 100,900

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

(1) Summary of Significant Accounting Policies:

The following is a summary of the more significant accounting policies of WUFT-TV (the "Station"), which affect significant elements of the accompanying financial statements:

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

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

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

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

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

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

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

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

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

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

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

(e) **Restricted cash**—Restricted cash represents cash held with the University that is restricted as to withdrawal or use under the terms of certain contractual agreements.

(f) **Underwriting and production receivables**—Underwriting and production receivables are stated at the amount management expects to collect from outstanding balances. Receivables are carried at their estimated collectible amounts. Credit is generally extended on a short-term basis; thus accounts receivable do not bear interest. Based on the Station's historical information, credit losses, when realized, have not been significant.

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

(h) **Capital assets**—Capital assets purchased or acquired with an original cost of $5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives of the assets ranging from 5 – 40 years. Depreciation expense for the years ended June 30, 2020 and 2019 was $190,498 and $276,752, respectively.

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

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

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

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

Contributed support represents expenses paid on behalf of the Station by others outside the reporting entity, and includes donated materials or facilities, as well as indirect administrative support. These amounts are recorded in revenue during the period in which the support is provided.

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

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

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

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

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

(l) **Corporation for Public Broadcasting Community Service and Other Grants**—The Corporation for Public Broadcasting (CPB) is a private, nonprofit grant-making organization responsible for funding more than 1,000 television and radio stations. CPB distributes annual Community Service Grants (CSGs) to qualifying public broadcasting entities. CSGs are used to augment the financial resources of public broadcasting entities and thereby to enhance the quality of programming and expand the scope of public broadcasting services. Each CSG may be expended over one or two Federal fiscal years as described in the Communications Act, 47 United States Code Annotated, Section 396(k)(7). In any event, each grant must be expended within two years of the initial grant authorization.

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

Any remaining CSG funds and other CPB restricted grant funds at fiscal year-end are reported as restricted cash and restricted-expendable net position on the accompanying statements of net position.

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

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

For the year ended June 30, 2020, indirect support is calculated using the CPB's Standard Method. For purposes of this calculation, expenses for non-broadcasting activities and unrelated business income taxes are removed from the Station's total operating expenses, along with depreciation, amortization, in-kind contributions, and donated property and equipment to determine the Station's net direct expenses. For the year ended June 30, 2020, there were no non-broadcasting activities and unrelated business income taxes. Additionally, in accordance with the CPB Standard Method, fees paid to the University of $142,479 were removed in the calculation of indirect administrative support for the year ended June 30, 2020.

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

(o) **Operating and non-operating activities**—The Station's policy for defining operating activities as reported on the statements of revenues, expenses and changes in net position are those that generally result from the provision of public broadcasting and instructional technology services and from the production of program material for distribution in those services. Revenues associated with, or restricted by donors to use for, capital improvements, and revenues and expenses that result from financing and investing activities are recorded as non-operating revenues. CARES Act stabilization funds are also included within non-operating activities as these funds did not result from normal operations of the Station.

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

(q) **Income taxes**—The Station is owned and operated by the University which is a part of the State of Florida's educational system. Accordingly, the Station is exempt from Federal income taxes. Any taxable income is aggregated at the University level and taxes paid, if any, are paid by the University.

(r) **Functional allocation of expenses**—The costs of providing the various programs and other activities have been summarized on a functional basis in the schedule of functional expenses. Accordingly, certain costs have been allocated among program and supporting services benefited based on total personnel costs or other systematic bases.

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

(s) **Use of estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, results could differ from those estimates.

(t) **Advertising costs**—Advertising costs are expensed in the period in which they are incurred. Advertising expense for the years ended June 30, 2020 and 2019, was $54,691 and $72,058, respectively.

(u) **Reclassifications**—Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation. These reclassifications had no effect on net position.

(v) **Recent accounting pronouncements**—In June 2017, the GASB issued Statement No. 87, *Leases*, to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this statement are effective for reporting periods beginning after June 15, 2021. Earlier application is encouraged. The Station is currently evaluating the effect that implementation of the new statement will have on its financial statements.

In June 2018, GASB issued Statement No. 89, *Interest Cost in Construction*. GASB 89 was made to enhance the comparability of information about capital assets and the cost of borrowing for a reported period, and aims to simplify accounting for the interest cost incurred before the end of a construction period. The provisions in GASB 89 are effective for periods beginning after December 15, 2020. The Station is currently evaluating the impact this statement will have on its financial statements.

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

The Station has an agreement with the University of Florida Foundation, Inc., whereby Station funds are held and invested by the University of Florida Foundation, Inc. on behalf of the Station. These amounts are included in the accompanying statements of net position of the Station as "Funds held and invested by the University of Florida Foundation, Inc. on behalf of the Station." Total cash and investments held by the Foundation are $2,154,520 and $2,213,945 as of June 30, 2020 and 2019, respectively. These totals included $616,621 and $629,765 of restricted funds as of June 30, 2020 and 2019, respectively.

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

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

The Station has the following recurring fair value measurements as of June 30, 2020 and 2019:

Funds held and invested by the Foundation – recorded at the Station's ownership of a share of an investment pool, not the underlying securities. These funds are valued at net asset value (NAV) of units held, as reported by the Foundation. The Station reviews and evaluates the values and assesses the valuation methods and assumptions used in determining the fair value of these investments. Because the investment pool is not readily marketable, NAV is used as a practical expedient, and the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a readily available market for such investment existed, and differences could be material. The Station relies on policies developed and administered by the University and the Foundation for managing interest rate risk or credit risk for these investment pools.

In accordance with GASB 72, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The following table discloses the nature and risk of investments for which fair value has been estimated using the NAV of the investments as a practical expedient as of June 30, 2020 and 2019, respectively.

	Investments Measured at NAV as of June 30, 2020			
	Total Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Funds held and invested by the Foundation	$ 2,154,520	$ -	Daily	N/A

	Investments Measured at NAV as of June 30, 2019			
	Total Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Funds held and invested by the Foundation	$ 2,213,945	$ -	Daily	N/A

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

Net investment return on the statement of activities is comprised of the following for the years ended June 30, 2020 and 2019:

	2020	2019
Interest	$ 5,015	$ 6,136
Dividends	-	-
Realized gains/(losses), net	5,067	4,269
Unrealized gains/(losses), net	51,647	135,299
Investment expense	(4,235)	(3,177)
Investment return, net	$ 57,494	$ 142,527

(3) **Capital Assets:**

Capital asset activity for the years ended June 30, 2020 and 2019, was as follows:

	July 1, 2019	Increases	Decreases	June 30, 2020
Building and building improvements	$ 4,913,945	$ -	$ -	$ 4,913,945
Furniture, fixtures and equipment	4,988,987	12,654	(636,360)	4,365,281
Transmitter	863,566	-	-	863,566
Transmitter building	124,272	-	-	124,272
Total	10,890,770	12,654	(636,360)	10,267,064
Less: Accumulated depreciation	8,097,648	190,498	(636,360)	7,651,786
Capital assets, net	$ 2,793,122	$(177,844)	$ -	$ 2,615,278

	July 1, 2018	Increases	Decreases	June 30, 2019
Building and building improvements	$ 4,913,945	$ -	$ -	$ 4,913,945
Furniture, fixtures and equipment	5,015,510	8,788	(35,311)	4,988,987
Transmitter	863,566	-	-	863,566
Transmitter building	124,272	-	-	124,272
Total	10,917,293	8,788	(35,311)	10,890,770
Less: Accumulated depreciation	7,856,207	276,752	(35,311)	8,097,648
Capital assets, net	$ 3,061,086	$(267,964)	$ -	$ 2,793,122

(4) State Retirement Plans:

As the Station is a department of the University, any pension liability is reported by the University.

(a) **Florida Retirement System (FRS)**—Essentially all regular employees of the University are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple employer defined benefit plans and other nonintegrated programs. These include a defined benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62, or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55, or at any age after 25 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk, who are eligible for normal retirement benefits at age 60, or at any age after 30 years of service. Employees enrolled in the Plan may include up to four years of military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

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

The State of Florida establishes contribution rates for participating employers. Contribution rates during the years ended June 30, 2020, 2019 and 2018, were as follows:

	Years ended June 30,		
	2020	2019	**2018**
Regular	8.47%	8.26%	7.92%
Senior Management Service Class	25.41%	24.06%	22.71%
DROP	14.60%	14.03%	13.26%

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

The Station's retirement liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the University. For the years ended June 30, 2020, 2019 and 2018 total contributions were approximately $73,000, $80,000, and $92,000, respectively. Employees contribute 3% of their salary to their FRS account.

(b) **Florida Retirement System Investment Plan (Investment Plan)**—As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. University employees already participating in the State University System Optional Retirement Program or DROP are not eligible to participate in this program. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Service retirement benefits are based upon the value of the member's account upon retirement. Benefit terms, including contribution requirements, are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contributions as the FRS defined benefit plan; these contributions are based on salary and membership class (Regular Class, Senior Management Service Class, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings.

There were 3, 4, and 3 participants during the fiscal years ended June 30, 2020, 2019, and 2018, respectively The contribution amounts were approximately $14,000, $16,000, and $15,000 for the fiscal year ended June 30, 2020, 2019, and 2018, respectively.

(c) **Optional retirement program**—Section 121.35, Florida Statutes, provides for an Optional Retirement Program (Program) for eligible university instructors and administrators. The Program is designed to aid State universities in recruiting employees by offering more portability to employees not expected to remain in the FRS for eight or more years. The Program is a defined-contribution plan, which provides full and immediate vesting of all contributions submitted to the participating investment companies on behalf of the participant. Employees in eligible positions can make an irrevocable election to participate in the Program, rather than the FRS, and purchase retirement and death benefits through contracts provided by certain insurance carriers. The Station contributes 5.14 percent of the participant's salary to the participant's account and .01 percent to cover administrative costs. Employees contribute 3 percent of their salary. Additionally, the employee may contribute, by payroll deduction, an amount not to exceed the percentage contributed by the University to the participant's annuity account. The contributions are invested in the company or companies selected by the participant to create a fund for the purchase of annuities at retirement.

There were 2, 2, and 7 participants during the fiscal years ended June 30, 2020, 2019, and 2018, respectively. Required contributions to the Program during the years ended June 30, 2020, 2019, and 2018, were approximately $5,000, $4,000 and $23,000, respectively.

During the fiscal years ended June 30, 2020, 2019, and 2018, and as of June 30, 2020, 2019, and 2018, the Program held no securities issued by the University.

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

The Division of State Group Insurance's Other Postemployment Benefits Plan (OPEB Plan) is a multiple employer defined benefit plan administered by the State of Florida. Pursuant to the provisions of Section 112.0801, Florida Statutes, all employees who retire from the Station are eligible to participate in the State Group Health Insurance Program. Retirees and their eligible dependents shall be offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. A retiree means any officer or employee who retires under a State retirement system or State optional annuity or retirement program or is placed on disability retirement and who begins receiving retirement benefits immediately after retirement from employment. In addition, any officer or employee who retires under the Florida Retirement System Investment Plan is considered a "retiree" if he or she meets the age and service requirements to qualify for normal retirement or has attained the age of 59.5 years and has the years of service required for vesting. The University subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because retiree healthcare costs are generally greater than active employee healthcare costs. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The OPEB Plan contribution requirements and benefit terms necessary for funding the OPEB Plan each year is on a pay-as-you-go basis as established by the Governor's recommended budget and the General Appropriations Act. Retirees are required to enroll in the Federal Medicare (Medicare) program for their primary coverage as soon as they are eligible. As the Station is a department of the University, any other post-employment benefit liability is reported to the University.

(6) **Risk Management Programs:**

The Station is exposed to various risks of loss related to torts; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Pursuant to Section 1001.72(2), Florida Statutes, the University participates in State self-insurance programs providing insurance for property and casualty, workers' compensation, general liability, fleet automotive liability, Federal Civil Rights, and employment discrimination liability. During the 2018-19 fiscal year, for property losses, the State retained the first $2 million per occurrence for all perils except named windstorm and flood. The State retained the first $2 million of losses per occurrence with an annual aggregate retention of $40 million for named windstorm and flood losses. After the annual aggregate retention, losses in excess of $2 million per occurrence were commercially insured up to $78 million for named windstorm and flood losses through February 14, 2019, and decreased to $68.5 million starting February 15, 2019. For perils other than named windstorm and flood, losses in excess of $2 million per occurrence were commercially insured up to $225 million; losses exceeding those amounts were retained by the State. No excess insurance coverage is provided for workers' compensation, general and automotive liability, Federal Civil Rights, and employment action coverage; all losses in these categories are completely self-insured by the State through the State Risk Management Trust Fund established pursuant to Chapters 284, Florida Statutes. Payments on tort claims are limited to $200,000 per person, and $300,000 per occurrence as set by Section 768.28(5), Florida Statutes. Calculation of premiums considers the cash needs of the program and the amount of risk exposure for each participant. There have been no significant reductions in insurance coverage from the prior year coverage. Settlements have not exceeded insurance coverage during the past three fiscal years.

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

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

(7) **Lien on Property and Equipment:**

The Federal government has a ten-year priority lien on any facilities and equipment purchased with funds from the National Telecommunications and Information Administration (NTIA). The lien is to ensure that telecommunications facilities funded with Federal monies will continue to be used to provide public telecommunications services to the public during the period of Federal interest. The original cost of the property acquired with NTIA funds was approximately $2,114,000 and the liens expired in years through 2019.

(8) **Significant Concentrations:**

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

(a) **Cash and cash equivalents**—The Station has demand deposits held at financial institutions for the University which are secured up to FDIC protection limits and amounts in excess of FDIC protection limits are secured by collateral held by the financial institution which is pledged to the State of Florida Public Deposits Trust Fund. There are no uninsured cash balances at year-end.

(b) **Funds held and invested by the University of Florida Foundation, Inc. on behalf of the Station**—The Station has an agreement with the Foundation, whereby Station funds are held by the Foundation on behalf of the Station as described in Note 2. The Station has no policy requiring collateral or other security to support these amounts.

(c) **Revenues**—The Station received significant revenue from two sources. The CPB provided approximately 30% and 20% and the University provided approximately 29% and 44% in cash and contributed support during each of the years ended June 30, 2020 and 2019, respectively.

(d) **Underwriting and production receivables**—Underwriting and production receivables represent support from local business and industry. At June 30, 2020 and 2019, two contracts represented 80% and 59% underwriting and production receivables, respectively. The Station has no policy requiring collateral or other security to support its underwriting receivables.

(9) **Restrictions on Net Position:**

Investment income, including unrealized appreciation and depreciation, is allocated to the restricted expendable account on a pro rata basis based on the nonexpendable balance. In accordance with state law, and absent any donor restrictions, these funds are then available for expenditure when the specific donor criteria are met. Also included in restricted expendable net position at June 30, 2020 and 2019, are certain grant funds totaling $1,657,374 and $1,853,747 respectively, and contributions totaling $9,407 and $10,207, respectively.

The following displays the total endowment balance as of June 30, 2020 and 2019:

	2020	2019
Total endowment balance	$ 616,621	$ 629,765
Less: Appreciation portion deemed restricted expendable	5,446	5,288
Permanently restricted nonexpendable balance	$ 611,175	$ 624,477

(10) **Community Service Grants:**

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

Year of Grant	Grants Received	Expended			Uncommitted Balance at June 30, 2020
		2017-18	2018-19	2019-20	
2019-21	$ 850,073	$ -	$ -	$ 160	$ 849,913
2018-20	955,523	-	-	480,277	475,246
2017-19	910,318	-	20,834	889,484	-

(11) **Risks and Uncertainties:**

The Station invests in uninsured and unregistered investments, held and managed by the University of Florida Foundation, Inc. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the carrying values reported in the statements of net position.

In early 2020, local, U.S., and world governments have encouraged self-isolation to curtail the spread of the global pandemic, coronavirus disease “COVID-19”, by mandating temporary work stoppage in many sectors and imposing limitations on travel and size and duration of group meetings. Most industries are experiencing disruption to business operations and the impact of reduced consumer spending and investment markets have been substantially impacted. There is unprecedented uncertainty surrounding the duration of the pandemic, its potential economic ramifications, and any government actions to mitigate them. Accordingly, while management cannot quantify the financial and other impact to the Station as of January 14, 2021, management believes that a material impact on the Station’s financial position and results of future operations is reasonably possible.

(12) **Related Party Transactions:**

As of June 30, 2020 and 2019, the Station owed $18,461 to the University as reported in the statements of net position. This amount represented costs of maintenance performed by the University. During the years ended June 30, 2020 and 2019, there were net transfers of $53,876 and $82,319, respectively, to affiliate stations for station operating costs.

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

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

A "contribution" is cash, property or services given to a public broadcasting entity for general operational purposes. Support received as a contribution by a public broadcasting entity must meet the following criteria to be includable as NFFS: (1) the source may be an entity except the Federal government or any other public broadcasting entity; (2) the contribution may take the form of a gift, grant, bequest, donation or appropriation; (3) the purpose must be for the construction or operation of a noncommercial, educational public broadcasting station or for the production, acquisition, distribution or dissemination of educational television or radio program and related activities; and (4) the recipient must be a public broadcasting entity on behalf of a public broadcast station. However, to eliminate distortions in the TV CSG grant program precipitated by extraordinary infusions of new capital investments in DTV, all capital contributions received for purposes of acquiring new equipment or upgrading existing or building new facilities regardless of source or form of the contribution are not included in calculating the NFFS. This change excludes all revenues received for any capital purchases.

A "payment" is cash, property or services received by a public broadcasting entity from specific sources in exchange for specific services or materials. Support received as a payment by a public broadcasting entity must meet the following criteria to be includable as NFFS: (1) the source must be a state or local government or agency thereof, or an educational institution; (2) the form of the payment must be an appropriation or contract payment in exchange for specific materials or services related to public broadcasting; (3) the purpose must be for services or materials with respect to the provision of educational or instructional television or radio programs; and (4) the recipient must be a public broadcasting entity on behalf of a public broadcast station.

Reported NFFS for the Station was $2,171,289 and $3,068,490 for the years ended June 30, 2020 and 2019, respectively.

(14) **Overhead Charges:**

Starting July 1, 2010, the University began charging departments a Responsibility Centered Management (RCM) overhead allocation. For the years ended June 30, 2020 and 2019, the Station was allocated $117,894 and $81,812 in RCM, respectively. In addition, the Station was charged by the University overhead of $24,585 and $24,031, for the years ended June 30, 2020 and 2019, respectively.

(15) **Prior Period Adjustment:**

The financial statements for fiscal year 2019 have been restated to record fixed assets and related depreciation expense that was not identified and recorded when purchased. In previously issued financial statements, WUFT-TV did not record equipment of $75,647 and related accumulated depreciation, which was purchased in fiscal years 2009 and 2016. These corrections resulted in the following restatements for WUFT-TV in the statements of net position and statements of revenues, expenses and changes in net position.

2019 Capital assets, net as previously stated	$	2,777,076
Record the fiscal year 2009 acquired fixed assets		10,116
Record the fiscal year 2016 acquired fixed assets		65,531
Record the related accumulated depreciation for the 2009 acquired fixed assets		(10,116)
Record the related accumulated depreciation for the 2016 acquired fixed assets		(49,485)
2019 Capital assets, net as restated	$	2,793,122

2019 Net position, beginning of year as previously stated	$	7,633,123
Record the fiscal year 2009 acquired fixed assets		10,116
Record the fiscal year 2016 acquired fixed assets		65,531
Record the related accumulated depreciation for the 2009 acquired fixed assets through fiscal year 2018		(10,116)
Record the related accumulated depreciation for the 2016 acquired fixed assets through fiscal year 2018		(36,378)
2019 Net position, beginning of year as restated	$	7,662,276

2019 Decrease in net position as previously stated	$	(131,892)
Record the fiscal year 2019 depreciation expense related to the acquired fixed assets in broadcasting expenses		(13,107)
2019 Decrease in net position as restated	$	(144,999)

2019 Net position, end of year as previously stated	$	7,501,231
Record the fiscal year 2009 acquired fixed assets		10,116
Record the fiscal year 2016 acquired fixed assets		65,531
Record the related accumulated depreciation for the 2009 acquired fixed assets through fiscal year 2019		(10,116)
Record the related accumulated depreciation for the 2016 acquired fixed assets through fiscal year 2019		(49,485)
2019 Net position, end of year as restated	$	7,517,277

SUPPLEMENTAL INFORMATION

WUFT-TV
A PUBLIC TELECOMMUNICATIONS ENTITY OPERATED BY
THE UNIVERSITY OF FLORIDA
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020
(With Summarized Comparative Totals for the Year Ended June 30, 2019)

	Program Services			Supporting Services					
	Programming and Production	Broadcasting	Total	Management and General	Fundraising and Membership Development	Underwriting and Grant Solicitation	Total	Total Expenses	2019 Total Expenses
Salaries, payroll taxes and employee benefits	$ 797,727	$ 275,779	$ 1,073,506	$ 229,569	$ 135,271	$ 140,027	$ 504,867	$ 1,578,373	$ 1,706,190
Professional services	55,535	2,084	57,619	60,072	20,362	27,576	108,010	165,629	314,192
Supplies and materials	30,715	29,384	60,099	4,939	9,158	4,309	18,406	78,505	91,897
Subscriptions and dues	3,172	255	3,427	31,407	3,335	-	34,742	38,169	34,168
Postage, shipping and handling	416	124	540	889	20,423	-	21,312	21,852	18,760
Telephone and utilities	2,644	835	3,479	225,576	49	-	225,625	229,104	222,638
Rental and maintenance of equipment	25,924	-	25,924	1,760	5,347	-	7,107	33,031	43,365
Travel and training	16,487	1,312	17,799	5,487	618	48	6,153	23,952	47,288
Premiums	-	-	-	452	61,005	-	61,457	61,457	50,072
Programming	777,457	-	777,457	100	-	430	530	777,987	819,774
Service fees	-	15	15	46,032	1,318	-	47,350	47,365	44,804
Advertising	3,779	69	3,848	3,664	47,110	69	50,843	54,691	72,058
Special events	-	-	-	-	16,506	-	16,506	16,506	16,871
Donated facilities and administrative support from the University of Florida	103,957	35,938	139,895	29,917	17,628	18,248	65,793	205,688	1,159,085
Depreciation	78,242	79,689	157,931	11,184	15,443	5,940	32,567	190,498	276,752
Overhead charges	-	-	-	142,479	-	-	142,479	142,479	105,843
	$ 1,896,055	$ 425,484	$ 2,321,539	$ 793,527	$ 353,573	$ 196,647	$ 1,343,747	$ 3,665,286	$ 5,023,757

See accompanying notes to financial statements.