

**KLCC-FM RADIO OF  
LANE COMMUNITY COLLEGE**

**FINANCIAL STATEMENTS**

**Year Ended June 30, 2024**

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## **Report of Independent Auditors**

The Board of Education of Lane Community College  
KLCC-FM Radio of Lane Community College

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the business-type activities and discretely presented component unit of KLCC-FM Radio of Lane Community College ("KLCC"), a component unit of Lane Community College, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise KLCC's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and discretely presented component unit of KLCC as of June 30, 2024, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of KLCC Public Radio Foundation, the component unit of KLCC, which represents 100% of the assets, 100% of the net assets, and 100% of the revenues of the component unit of KLCC. Those financial statements were audited by other auditors, whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for KLCC Public Radio Foundation, is based solely on the report of the other auditors.

#### ***Basis for Opinions***

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

#### ***Emphasis of Matter***

As discussed in Note 1, the financial statements of KLCC are intended to present the financial position, the changes in financial position, and cash flows of only that portion of the financial statements of Lane Community College that is attributable to the transactions of KLCC. They do not purport to, and do not, present fairly the financial position of Lane Community College as of June 30, 2024, the changes in its financial position, or its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of KLCC'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 KLCC'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.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

A handwritten signature in black ink that reads "Moss Adams LLP". The signature is written in a cursive, flowing style.

Portland, Oregon

March 20, 2025

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The Management's Discussion and Analysis section of the KLCC-FM Radio of Lane Community College's (KLCC) annual financial performance provides an overview of the financial activities of KLCC for the fiscal year ended June 30, 2024. The discussion is designed to assist the readers in understanding the accompanying financial statements through an objective and easily readable analysis of KLCC's financial activities.

### **Overview of the Basic Financial Statements**

The management's discussion and analysis serve as an introduction to KLCC's basic entity-wide financial statements. The entity-wide presentation is designed to provide readers with a broad overview of KLCC's finances. These financial statements focus on KLCC's overall financial condition, its results of operations and its cash flows. The entity-wide statements are comprised of the following:

- The ***Statement of Net Position*** presents KLCC's assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position are indicators of the improvement or erosion of KLCC's financial condition. Assets and liabilities are generally measured using current values; capital assets are stated at historical cost, less an allowance for depreciation.
- The ***Statement of Activities*** presents the revenues earned and the expenses incurred during the year. Revenues and expenses are reported using the accrual method of accounting, which records transactions as soon as they occur, regardless when cash is exchanged. Usage of capital assets is reported as depreciation expense, which amortizes the cost of the assets over their estimated useful lives. Revenues and expenses are reported as either operating or non-operating. Primary sources of operating revenue are underwriting and grants and contracts for specific operating activities of KLCC. Contributions and memberships revenues and Lane Community College support are classified as non-operating revenues.
- The ***Statement of Cash Flows*** presents information on cash flows from operating activities, non-capital financing activities, capital financing activities and investing activities. It provides the net increase or decrease in cash between the beginning and end of the fiscal year. This statement assists in evaluating financial viability and KLCC's ability to meet financial obligations as they become due.
- The ***Notes to the Basic Financial Statements*** provide additional information that is essential to a full understanding of the data provided in the entity-wide financial statements.

**Financial Highlights**

- KLCC finished fiscal year 2024 with a reduction in net position of \$463 thousand, finished fiscal year 2023 with a positive \$94.1 thousand change in net position, and finished fiscal year 2022 with a positive \$28.7 thousand change in net position.
- KLCC's cash and cash equivalents of \$650,727 at June 30, 2024 has decreased by 36.9% compared to the \$1.0 million at June 30, 2023 and by 59.2% compared to the \$1.6 million at June 30, 2022.
- KLCC was awarded a Community Service Grant from the Corporation for Public Broadcasting of \$304.7 thousand during fiscal year 2024 which was expended and recognized as earned revenue during the year. Additionally, \$96 thousand from the 2023 Community Service Grant was expended and recognized as earned revenue during 2024.
- KLCC was awarded a \$200,000 Spencer grant by KLCC Public Radio Foundation (Foundation) during fiscal year 2024 to enhance reporting, hosting and editing positions. Of this amount, \$200,000 is recognized as grant revenue, \$76,071 is included in management and general expenses, and the remaining \$123,929 is restricted for reporter, host and editor expenses.
- KLCC was also awarded a \$50,000 grant by the Foundation in fiscal year 2024 to partially fund a lead reporter position. The \$50,000 is recognized as grant revenue, \$6,816 is included in management and general expenses, and the unspent portion is restricted for future reporter expenses.
- Of the \$450 thousand Public Affairs grant awarded by KLCC Public Radio Foundation during fiscal year 2023 which was recognized as revenue in that year, \$215 thousand has been spent. The remaining \$235 thousand is restricted for public affairs expenses.
- KLCC created a not-for-profit organization, the KLCC Community Support Board, to assist the station with fundraising including soliciting major gifts and acquiring grants. The foundation changed their name to KLCC Public Radio Foundation (Foundation). The Foundation has been granted tax exempt status from the IRS and is presented as a component unit of KLCC-FM Radio of Lane Community College.



*KLCC-FM Radio of Lane Community College*  
*For year ended June 30, 2024*

*Analysis of the Statement of Net Position*

The Statement of Net Position includes all assets and liabilities of KLCC using the accrual basis of accounting. Net position is the difference between assets and liabilities. It is an important measure of the financial condition of KLCC.

	June 30,		
	2024	2023	2022
Assets:			
Total current assets	\$ 925,727	\$ 1,187,715	\$ 1,594,609
Non-current assets			
Grant receivable	150,000	300,000	-
Right of use lease assets, net of amortization	279,618	-	-
Capital assets, net of accumulated depreciation	1,045,047	1,139,560	1,190,058
Total non-current assets	1,474,665	1,439,560	1,190,058
Total assets	<u>\$ 2,400,392</u>	<u>\$ 2,627,275</u>	<u>\$ 2,784,667</u>
Liabilities:			
Total current liabilities	\$ 300,964	\$ 101,495	\$ 351,725
Non-current liabilities			
Compensated absences	10,541	-	-
Unearned revenue, long-term portion	159,812	364,565	365,846
Right of use Liability, long-term portion	231,017	-	-
Total non-current liabilities	<u>401,370</u>	<u>364,565</u>	<u>365,846</u>
Total liabilities	<u>\$ 702,334</u>	<u>\$ 466,060</u>	<u>\$ 717,571</u>
Net Position:			
Net Investment in Capital Assets	\$ 1,039,204	\$ 1,139,560	\$ 1,190,058
Restricted for Foundation Grants	402,084	353,422	-
Unrestricted	256,770	668,233	877,038
Total net position	<u>\$ 1,698,058</u>	<u>\$ 2,161,215</u>	<u>\$ 2,067,096</u>
Total liabilities and net position	<u>\$ 2,400,392</u>	<u>\$ 2,627,275</u>	<u>\$ 2,784,667</u>

At June 30, 2024, KLCC's current assets of \$925,727 was sufficient to cover KLCC's current liabilities of \$300,964. Current assets consist of cash and cash equivalents, the current portion of a grant receivable and accounts receivable. Included in noncurrent assets are the long-term portions of grants receivable, right of use lease assets, net of amortization and capital assets (land, buildings, and equipment) net of accumulated depreciation.

Current liabilities consist of accounts payable and the current portions of compensated absences, unearned revenue, and right of use liability. Non-current liabilities consist of unearned revenue from cash received from grantors in excess of related grant expenditures, as well as the long-term portions of compensated absences and right of use liability.

*KLCC-FM Radio of Lane Community College*  
*For year ended June 30, 2024*

Within net position, the “Net investment in capital assets” amount of \$1,039,204 is the total original cost of all KLCC’s land, buildings, and equipment, less total accumulated depreciation on these assets, as well as the right of use lease assets, reduced by the related liability. Restricted for Foundation grants represents the unspent amounts from the Foundation Public Affairs, Spencer, and Lead Reporter grants.

*Analysis of the Statement of Activities*

The Statement of Activities presents the operating results of KLCC as well as the non-operating revenues and expenses.

	Years Ended June 30,		
	2024	2023	2022
Revenues:			
Underwriting	\$ 576,324	\$ 506,284	\$ 526,549
Grants and contracts			
CPB Community Service grant	401,067	302,104	279,616
Foundation grants	243,585	-	-
Public Affairs grant	-	450,000	-
In-kind contributions	-	-	24,402
Contributions and memberships	1,095,636	1,292,234	1,090,445
Lane Community College			
General appropriation	43,834	44,086	41,162
Donated facilities and administrative support	449,000	387,000	310,149
Forgiveness of PPP loan	-	-	231,313
Total revenues	2,809,446	2,981,708	2,503,636
Expenses:			
Program services	1,733,898	1,505,323	1,388,431
Supporting services	1,438,349	1,331,768	1,037,666
Loss on disposal of capital assets	45,672	-	-
Depreciation and Amortization	54,684	50,498	48,889
Total expenses	3,272,603	2,887,589	2,474,986
Change in net position	(463,157)	94,119	28,650
Net position - beginning of year	2,161,215	2,067,096	2,038,446
Net position - end of year	\$ 1,698,058	\$ 2,161,215	\$ 2,067,096

*KLCC-FM Radio of Lane Community College*  
*For year ended June 30, 2024*

**Revenues:**

Total operating revenues, which consist of underwriting revenue, CPB Community Services and Spencer Foundation grants were \$1.2 million, \$808.4 thousand, and \$830.6 thousand for fiscal years 2024, 2023 and 2022, respectively. The primary source of operating revenue was from underwriting.

Non-operating revenues excluding loss on disposal of assets for fiscal year 2024 were \$1.6 million which is a \$585 thousand decrease from 2023 and a \$85 thousand decrease from 2022. Contributions and membership are the largest share at \$1.1 million in 2024, \$1.3 million in 2023, and \$1.1 million in 2022.

Total 2024 revenues decreased 5.8% from 2023 and increased 12.2% from 2022.

**Expenses:**

Total expenses of KLCC for the fiscal years were \$3.3 million for 2024, \$2.9 million for 2023, and \$2.5 million for 2022. Program services expenses increased \$229 thousand or 15.2% from 2023 and increased \$345 thousand or 24.9% from 2022. Supporting services expenses increased \$107 thousand or 8.0% from 2023 and increased \$401 thousand or 38.6% from 2022.

Total 2024 expenses increased 13.3% from 2023 and increased 32.2% from 2022.

*Analysis of the Statement of Cash Flows*

This statement provides an assessment of the financial health of KLCC. Its primary purpose is to provide relevant information about the cash receipts and cash payments of KLCC during a stated period. The statement of cash flows also helps users assess the ability of KLCC to meet obligations as they become due and the need for external financing.

In summary form the cash flows for the years were:

	Years Ended June 30,		
	2024	2023	2022
Cash Provided by (Used In):			
Operating activities	\$ (1,520,043)	\$ (1,839,503)	\$ (1,115,426)
Noncapital financing activities	1,139,470	1,276,194	1,188,960
Net increase (decrease) in cash	(380,573)	(563,309)	73,534
Cash - beginning of year	1,031,300	1,594,609	1,521,075
Cash - end of year	\$ 650,727	\$ 1,031,300	\$ 1,594,609

*KLCC-FM Radio of Lane Community College*  
*For year ended June 30, 2024*

The major sources of cash from operating activities includes receipts from underwriting. Primary uses were payments made to employees, employee benefit programs and vendors.

Contributions and memberships receipts were the primary source of noncapital financing activities in 2024, 2023 and 2022.

*Right of Use Assets*

As of June 30, 2024, the Station had recorded \$334,680 in right of use assets, \$55,062 in accumulated amortization and \$279,618 in net right of use assets.

	Ending Balance, June 30, 2024
<b>Governmental Activities:</b>	
Lease Assets	
KLCC - Mt. Nebo	\$ 39,860
KLCC - Jackpine	194,776
KLCC-EIP Holdings	43,564
KLCC - Glenada Hill	7,574
Mary's Peak	34,988
Walker Point	13,918
	<hr/>
Total Subscription Assets	334,680
	<hr/>
Accumulated Amortization	
KLCC - Mt. Nebo	\$ 6,936
KLCC - Jackpine	31,164
KLCC-EIP Holdings	10,056
KLCC - Glenada Hill	379
Mary's Peak	5,831
Walker Point	696
	<hr/>
Total Accumulated Amortization	55,062
	<hr/>
Total Lease Assets, Net	\$ 279,618
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**Requests for Information**

This financial report is designed to provide a general overview of KLCC-FM Radio of Lane Community College. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

College Finance  
Lane Community College  
4000 East 30<sup>th</sup> Avenue  
Eugene, Oregon 97405-0640

## **BASIC FINANCIAL STATEMENTS**

# KLCC-FM Radio of Lane Community College

## Statement of Net Position June 30, 2024

<u>Assets</u>	
Current assets	
Cash and cash equivalents	\$ 650,727
Grant receivable	275,000
Accounts receivable	-
Total current assets	<u>925,727</u>
Non-current assets	
Grant receivable	150,000
Right of use lease assets, net of amortization	279,618
Capital assets, net of accumulated depreciation	<u>1,045,047</u>
Total non-current assets	<u>1,474,665</u>
Total assets	<u><u>\$ 2,400,392</u></u>
<u>Liabilities</u>	
Current liabilities	
Accounts payable	\$ 58,217
Compensated absences	79,910
Right of use liability, current portion	54,444
Unearned revenue, current portion	<u>108,393</u>
Total current liabilities	<u>300,964</u>
Non-current liabilities	
Compensated absences	10,541
Unearned revenue, long-term portion	159,812
Right of use Liability, long-term portion	<u>231,017</u>
Total non-current liabilities	<u>401,370</u>
Total liabilities	<u><u>\$ 702,334</u></u>
<u>Net Position</u>	
Net Investment in Capital Assets	1,039,204
Restricted for Foundation Grants	402,084
Unrestricted	<u>256,770</u>
Total net position	<u><u>\$ 1,698,058</u></u>

The accompanying notes are an integral part of this statement.

# KLCC-FM Radio of Lane Community College

## Statement of Activities Year Ended June 30, 2024

Operating revenues:	
Underwriting	\$ 576,324
Corporation for Public Broadcasting Community Service grant	401,067
Foundation grants	<u>243,585</u>
Total operating revenues	<u>1,220,976</u>
Operating expenses:	
Program services:	
Programming and production	1,384,553
Broadcasting	<u>349,345</u>
Total program services	<u>1,733,898</u>
Supporting services:	
Management and general	821,480
Fund raising and membership development	372,900
Underwriting and grant solicitation	<u>243,969</u>
Total supporting services	<u>1,438,349</u>
Depreciation and amortization	54,684
Loss on disposal of capital assets	<u>45,672</u>
Total operating expenses	<u>3,272,603</u>
Operating loss	<u>(2,051,627)</u>
Nonoperating revenues (expenses):	
Contributions and memberships	1,095,636
KLCC Public Radio Foundation Public Affairs grant	-
Lane Community College	
General appropriation	43,834
Donated facilities and administrative support	<u>449,000</u>
Total nonoperating revenues	<u>1,588,470</u>
Change in net position	\$ (463,157)
Net position - beginning of year	<u>2,161,215</u>
Net position - end of year	<u>\$ 1,698,058</u>

The accompanying notes are an integral part of this statement.

# KLCC-FM Radio of Lane Community College

## Statement of Cash Flows Year Ended June 30, 2024

Cash flows from operating activities:	
Receipts from underwriting	\$ 576,324
Receipts from CPB Community Service grant	304,707
Receipts from KLCC Public Affairs Grant	150,000
Receipts from Foundation grants	125,000
Payments to employees for services	(1,399,291)
Payments to suppliers for goods and services	<u>(1,276,783)</u>
Net cash used in operating activities	<u>(1,520,043)</u>
Cash flows from non-capital financing activities	
Receipts from contributions and memberships	1,095,636
Receipts from Lane Community College general appropriation	<u>43,834</u>
Net cash provided by operating activities	<u>1,139,470</u>
Net cash (decrease) in cash and cash equivalents	(380,573)
Cash and cash equivalents - beginning of year	<u>1,031,300</u>
Cash and cash equivalents - end of year	<u><u>\$ 650,727</u></u>
Noncash investing, capital, and financing activities:	
Foundation grant revenue	\$ 125,000
Donated facilities and administrative support revenue	449,000
Net book value of disposal of capital assets	<u>45,672</u>
Total, Noncash investing, capital, and financing activities:	<u><u>\$ 619,672</u></u>
Reconciliation of operating loss to net cash	
used in operating activities:	
Operating loss	<u>\$ (2,051,627)</u>
Adjustments to reconcile operating loss to	
net cash used in operating activities:	
Donated facilities and administrative support expense	449,000
Depreciation and Amortization	54,684
Net book value of disposal of capital assets	45,672
Increase (decrease) in accounts payable	44,826
Increase (decrease) in compensated absences	2,348
Decrease in receivables	31,414
Increase (decrease) in unearned revenue related to operating grant	<u>(96,360)</u>
Total adjustments	<u>531,584</u>
Net cash used in operating activities	<u><u>\$ (1,520,043)</u></u>

The accompanying notes are an integral part of this statement.



# KLCC-FM Radio of Lane Community College

## Notes to Financial Statements Year Ended June 30, 2024

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of KLCC-FM Radio of Lane Community College have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of KLCC's accounting policies are described below.

#### (A) Organization and Operation

KLCC-FM Radio is operated by Lane Community College, the institutional licensee. Lane Community College (College) records the transactions of KLCC within the College's financial statements. Because KLCC's financial statements present only a selected portion of the activities of the College, they are not intended to and do not present the financial position, changes in financial position and cash flows of the College as a whole.

#### (B) Description of the Reporting Entity

The financial statements of KLCC-FM Radio (Station) present the Station and its component unit, KLCC Public Radio Foundation (Foundation), which was organized with the mission of building support for the Station as a strong and valuable resource for the community. The Foundation is a discretely presented component unit and is reported separately in financial statements following those of the Station.

The Foundation is a legally separate, tax-exempt entity and acts primarily as a fund-raising organization to supplement the resources that are available to the Station in support of its programs. The board of directors of the Foundation is self-perpetuating. Although the Station does not control the timing or amount of receipts from the Foundation, the majority of resources that the Foundation holds and invests are restricted to the activities of the Station. Because these restricted resources held by the Foundation can only be used by, or for the benefit of the Station, the Foundation is considered a component unit of the Station and is discretely presented in these financial statements.

The Foundation reports as a not-for-profit organization under Financial Accounting Standards Board (FASB) standards. As a result, certain revenue recognition criteria and presentation features are different from GASB revenue recognition and presentation features. No modifications have been made to the Foundation's financial information in the Station's financial reporting entity for these differences.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Cont'd)

During the year ended June 30, 2024, the Foundation provided contributions to the Station of \$250,000 by grant awards for operational staffing and \$57,057 by cash. These 2023-24 contributions are included in revenues in the Station's financial statements and are shown as management and general expenses in the Foundation's financial statements. The \$167,514 unspent revenue from the grant awards is included in restricted net assets. During the year ended June 30, 2023, the Foundation provided contributions to the Station of \$450,000 by a grant award and \$2,167 by cash. Of the \$450,000 grant award, \$234,570 is unspent at June 30, 2024 and included in restricted net assets.

(C) Measurement Focus and Basis of Accounting

The government-wide financial statements of the Station are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Revenue from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Operating revenues and expenses are distinguished from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the Station's ongoing operations. The principal operating revenues of the Station are underwriting and grants for specific operating activities of the Station. Operating expenses include the cost of program services and support services, and depreciation on capital assets. Other revenues, typically from non-exchange transactions, such as contributions and memberships, the appropriation from the College and nonoperating grants, are not generated from operations and are considered nonoperating revenues.

(D) Cash and Cash Equivalents

Cash balances of the Station are pooled in bank accounts maintained by the College. For purposes of the statement of cash flows, cash and cash equivalents include the Station's portion of the College's pooled accounts. The pooled accounts have the general characteristics of a demand deposit account.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Cont'd)

(E) Capital Assets

Capital assets include broadcasting rights and equipment with a useful life greater than one year. The Station's capitalization threshold is \$10,000 for all capital assets. Donated capital assets are recorded at their acquisition value on the date donated. Major outlays for capital assets and improvements are capitalized as projects are constructed. The cost of normal maintenance and repairs that do not add value or functionality to the asset are not capitalized but are expensed as incurred.

Capital assets are depreciated using the straight-line method over a 5 to 25 year estimated life.

(F) Unearned Revenue

Cash received from grantors in excess of related grant expenditures is recorded as unearned revenue.

(G) Compensated Absences

Compensated absences consist of vacation payable, which is expected to be paid with future resources and is recorded in the government-wide financial statements as earned by employees. Employees accrue vacation leave in varying amounts according to their employment classification, years of service, and FTE. The maximum accrual an employee can carryover is 240 hours. At the end of each calendar year, vacation accruals above 240 hours are forfeited. Vacation accrual for five weeks is deemed current and the remaining one week up to the 240 hours is considered long term.

(H) Indirect Administrative Support

Indirect administrative support consists of allocated support service costs incurred by the College on behalf of the Station. The costs are allocated based on the College's percentage of indirect costs applied to KLCC's direct expenses. These costs are recorded as revenues and expenditures by the Station at estimated fair values in programming and production. The indirect cost rate was 16.4% in fiscal year 2024.

(I) Restrictions

When restricted and unrestricted resources are available for use, restricted resources are generally used first.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Cont'd)

(J) Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles 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 reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(K) Net Position

Position comprises the various net earnings from operating and nonoperating revenues, expenses and contribution of capital. Net position is classified in the following three components:

*Net investment in capital assets* – consists of capital assets, net of accumulated depreciation and amortization

*Restricted* – consists of external constraints placed on asset use by grantors

*Unrestricted net position* – consists of all other assets that are not included in the previously mentioned categories

(L) Classification of Revenues

Operating revenue includes activities that have the characteristics of exchange transactions such as underwriting and certain grants. Nonoperating revenue includes activities that have the characteristics of nonexchange transactions (a transaction in which the Station receives value without directly giving equal value in return). Nonexchange revenues includes contributions and membership revenues, certain grants, donated support, and general appropriations.

(M) Classification of Expenses

Operating expenses includes the cost of programming and production, broadcasting, supporting services, and depreciation. All other expenses are reported as nonoperating expenses.

KLCC-FM Radio of Lane Community College  
Notes to Financial Statements  
Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Cont'd)

(N) Leases of Right-of-use Assets

Leases are assets that represent the Station's control of the right to use another entity's nonfinancial asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. These assets are recognized at the commencement date based on the initial measurement of the liability, plus any payments made to the vendor at or before the commencement of the lease term. The Station applies a capitalization threshold of \$5,000 for right-of-use assets.

The following is a summary of activity in the Station's right-of-use assets during the fiscal year:

	Beginning Balance	Restatement	Additions	Deletions	Ending Balance, June 30, 2024
<b>Governmental Activities:</b>					
Lease Assets					
KLCC - Mt. Nebo	\$ -	\$ 39,860	\$ -	\$ -	\$ 39,860
KLCC - Jackpine	-	194,776	-	-	194,776
KLCC-EIP Holdings		43,564	-	-	43,564
KLCC - Glenada Hill			7,574	-	7,574
Mary's Peak		34,988	-	-	34,988
Walker Point	-	13,918	-	-	13,918
Total Subscription Assets	-	327,106	7,574	-	334,680
Accumulated Amortization					
KLCC - Mt. Nebo	\$ -	\$ -	\$ 6,936	\$ -	\$ 6,936
KLCC - Jackpine	-	-	31,164	-	31,164
KLCC-EIP Holdings			10,056		10,056
KLCC - Glenada Hill			379		379
Mary's Peak			5,831		5,831
Walker Point	-	-	696	-	696
Total Accumulated Amortization	-	-	55,062	-	55,062
Total Lease Assets, Net	\$ -	\$ 327,106	\$ (47,488)	\$ -	\$ 279,618

2. CASH AND CASH EQUIVALENTS:

Cash and cash equivalents are included in the College's cash and investments pool.

KLCC-FM Radio of Lane Community College  
Notes to Financial Statements  
Year Ended June 30, 2024

3. GRANT RECEIVABLE:

The Station was awarded a \$200,000 Professional Reporter Host/Editor grant by the Foundation during the year ended June 30, 2024. A payment of \$75,000 was received in 2024, with the remaining \$125,000 to be made in FY2025. Of the \$450,000 Public Affairs Grant awarded by the Foundation in FY2023, \$150,000 was received in FY2024 with \$150,000 to be received in each of the two subsequent fiscal years. Grant receivable as of June 30, 2024 is \$425,000.

4. CAPITAL ASSETS: The following is a summary of changes in the Station's capital assets during the fiscal year:

<b>Year Ended June 30, 2024:</b>	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Capital assets not depreciated:				
Land	\$ 320,613	\$ -	\$ -	\$ 320,613
Broadcasting rights	75,000	-	-	75,000
Total capital assets not being depreciated	395,613	-	-	395,613
Capital assets being depreciated:				
Building	1,137,034	-	-	1,137,034
Equipment	688,252	-	152,750	535,502
Total capital assets being depreciated	1,825,286	-	152,750	1,672,536
Accumulated depreciation:				
Building	541,630	33,383	-	575,013
Equipment	539,709	15,458	107,078	448,089
Total accumulated depreciation	1,081,339	48,841	107,078	1,023,102
Total capital assets being depreciated, net	743,947	(48,841)	(45,672)	649,434
Net capital assets	<u>\$ 1,139,560</u>	<u>\$ (48,841)</u>	<u>\$ (45,672)</u>	<u>\$ 1,045,047</u>

## 5. LEASES

The Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows or resources or outflows of resources recognized based on the foundational principle that leases are financing of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The Station adopted the requirements of the guidance and has applied the provisions of the standard to the beginning of the period of adoption. Adoption of the standard results in an increase in right-of-use assets in the amounts of \$279,618 and an offsetting liability in the amount of \$285,461 as of June 30, 2024.

The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right of use assets are amortized on a straight-line basis over the life of the related lease.

Future minimum payments on the right of use assets in effect June 30, 2024 were as follows:

**Total Lease Liability  
As of June 30, 2024**

<b>Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2024-25	54,444	\$ 5,946	\$ 60,390
2025-26	57,171	4,611	61,782
2026-27	60,002	3,203	63,205
2027-28	54,972	1,802	56,774
2028-29	50,101	696	50,797
2029-33	8,771	23	8,794
	<b>\$ 285,461</b>	<b>\$ 16,281</b>	<b>\$ 301,742</b>

KLCC-FM Radio of Lane Community College  
Notes to Financial Statements  
Year Ended June 30, 2024

6. NONCURRENT LIABILITIES

During FY2024, the following changes occurred in the amounts reported for noncurrent liabilities:

	<b>Balance July</b>			<b>Balance</b>	<b>Amt Due</b>
	<b>1, 2023</b>	<b>Additions</b>	<b>Reductions</b>	<b>June 30, 2024</b>	<b>Within One</b>
					<b>Year</b>
Compensated absences	\$ 88,103	2,348		\$ 90,451	\$ 79,910
Unearned revenue	\$ 364,565		\$ 96,360	268,205	\$ 108,393
Lease Liability	-	285,461		285,461	54,444
	<u>\$ 452,668</u>	<u>\$ 287,809</u>	<u>\$ 96,360</u>	<u>\$ 644,117</u>	<u>\$ 242,747</u>



KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Statement of Financial Position  
June 30, 2024

<u>Assets</u>	
Current Assets	
Cash and cash equivalents	\$ 1,504,396
Investments	3,077,774
Unconditional promises to give	122,700
Grants receivable	25,000
Prepaid expenses	<u>5,940</u>
	.
Total assets	<u>\$ 4,735,810</u>
	.
<u>Liabilities and Net Assets</u>	
Liabilities:	
Grant payable	<u>\$ 425,000</u>
	.
Total liabilities	<u>425,000</u>
	.
Net assets:	
Without donor restrictions	4,212,110
With donor restrictions	<u>98,700</u>
	.
Total net assets	<u>4,310,810</u>
	.
Total liabilities and net assets	<u>\$ 4,735,810</u>
	.

The accompanying notes are an integral part of this statement.

KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Statement of Activities  
Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues and other support:			
Contributions	\$ 1,323,584	\$ 55,200	\$ 1,378,784
Contributions of nonfinancial assets	55,014	-	55,014
Realized investment earnings	129,632	-	129,632
Net unrealized gains on investments	21,932	-	21,932
Other income	-	-	-
Net assets released from restrictions for program services	215,326	(215,326)	-
Total revenues and other support	1,745,488	(160,126)	1,585,362
Expenses and loss:			
Program services:			
KLCC-FM Radio Professional Reporter Host/Editor Grant	200,000	-	200,000
KLCC-FM Radio Public Affairs - <i>Amplifying Oregon Voices</i>	-	-	-
KLCC-FM Radio Multimedia Expansion Project	50,000	-	50,000
KLCC-FM Radio program professional development	4,907	-	4,907
KLCC-FM Radio News/Current events programming	1,000	-	1,000
KLCC-FM Radio News/Current events programming noncash support	150	-	150
KLCC-FM Radio Educational Programming <i>Workin' it</i>	1,000	-	1,000
	-	-	-
Total program services	257,057	-	257,057
Supporting services:			
General administration	59,498	-	59,498
General administration noncash support	14,328	-	14,328
Fundraising	32,818	-	32,818
Fundraising noncash support	40,536	-	40,536
Total supporting services	147,180	-	147,180
Net realized losses on sales of investments	5,277	-	5,277
Net unrealized losses on investments	-	-	-
Total expenses and losses	409,514	-	409,514
Change in net assets	1,335,974	(160,126)	1,175,848
Net assets, beginning of year	2,876,136	258,826	3,134,962
Net assets, end of year	\$ 4,212,110	\$ 98,700	\$ 4,310,810

The accompanying notes are an integral part of this statement.

KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Statement of Functional Expenses  
Year Ended June 30, 2024

	Program Services	Supporting Services	Total
KLCC-FM Radio Professional Reporter			
Host/Editor Grant	\$ 200,000	\$ -	\$ 200,000
KLCC-FM Radio Public Affairs -			
<i>Amplifying Oregon Voices</i>	-	-	-
KLCC-FM Radio Multimedia Expansion Project	50,000	-	50,000
KLCC-FM Radio program professional development	4,907	-	4,907
KLCC-FM Radio News/Current Events			
Programming	1,000	-	1,000
KLCC-FM Radio News/Current Events			
Programming noncash support	150	-	150
KLCC-FM Radio Educational Programming	1,000	-	1,000
KLCC-FM Radio <i>Workin' it</i>	-	-	-
Contracted services - <i>Workin' it</i>	-	-	-
Board expenses	-	498	498
Insurance	-	1,554	1,554
Office supplies and expense	-	3,804	3,804
Professional services - accounting	-	14,321	14,321
Professional services - legal	-	590	590
Professional services - consulting	-	-	-
Vehicle donation program expenses	-	38,731	38,731
Advertising noncash support	-	14,328	14,328
Fundraising	-	32,818	32,818
Fundraising noncash support	-	40,536	40,536
	<u>-</u>	<u>40,536</u>	<u>40,536</u>
Totals	<u>\$ 257,057</u>	<u>\$ 147,180</u>	<u>\$ 404,237</u>

The accompanying notes are an integral part of this statement.

KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Statement of Cash Flows  
Year Ended June 30, 2024

Cash flows from operating activities:

Revenues collected:

Contributions	\$ 1,665,284
Realized investment earnings	129,632
Other income	<u>-</u>

Total revenues collected	<u>1,794,916</u>
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Expenses paid:

Program services	281,650
Supporting services	<u>93,606</u>

Total expenses paid	<u>375,256</u>
---------------------	----------------

Net cash provided by operating activities	<u>1,419,660</u>
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Cash flows from investing activities:

Purchases of investments	(2,010,236)
Proceeds from sales of investments	<u>530,359</u>

Net cash used in investing activities	<u>(1,479,877)</u>
---------------------------------------	--------------------

Increase (decrease) in cash and cash equivalents	(60,217)
--	----------

Cash and cash equivalents, beginning of year	<u>1,564,613</u>
--	------------------

Cash and cash equivalents, end of year	<u><u>\$ 1,504,396</u></u>
--	----------------------------

Reconciliation of change in net assets to net cash provided  
by operating activities:

Change in net assets	<u>\$ 1,175,848</u>
----------------------	---------------------

Adjustments to reconcile change in net assets to  
net cash provided by operating activities:

Net realized losses on sales of investments	5,277
Net unrealized (gains) losses on investments	(21,932)
Noncash stock contributions	(37,167)
Noncash stock contributions converted to cash	37,167
Other noncash contributions	(55,014)
Other noncash expenses	55,014
Decrease (increase) in unconditional promises to give	261,500
Decrease (increase) in grants receivable	25,000
Increase in prepaid expense	(1,033)
Increase in grant payable	<u>(25,000)</u>

Total adjustments	<u>243,812</u>
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Net cash provided by operating activities	<u><u>\$ 1,419,660</u></u>
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The accompanying notes are an integral part of this statement.

KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Notes to Financial Statements  
Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

KLCC Public Radio Foundation (the Foundation) is a not-for-profit corporation which was organized with the mission of building support for KLCC-FM Radio of Lane Community College as a strong and valuable resource for the community. The primary functions of KLCC Public Radio Foundation are to fundraise, advocate, and provide community outreach in support of KLCC-FM Radio. The Foundation raises and donates funds to assist the radio station. The primary revenue sources for the Foundation are donor contributions and fundraising activities. The Foundation is governed by a board of directors which is self-perpetuating.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP).

Basis of Financial Statement Presentation

The financial statement presentation follows the requirements of the Financial Accounting Standards Board (FASB) in FASB Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. Under FASB ASC 958, the Foundation is required to report information regarding its financial position and activities according to the following net assets classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. This includes all donor-restricted contributions whose restrictions are met in the same period as the donation is received.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Notes to Financial Statements  
Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Use of Estimates

The preparation of financial statements in conformity with GAAP 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. Actual results could differ from those estimates.

Investment Policy/ Spending Policy

The KLCC Public Radio Foundation Board (the Board) is responsible for determining investment objectives and strategies that are consistent with its written values, goals and policies. Specifically, the Board will establish goals for the organization's financial portfolio including management of funds for investment purposes. To ensure sound management of investment funds, the Board will enlist the professional assistance of established investment organizations to manage investment assets. The investment organizations, whether a community foundation or individual firm, are to be selected by the procedure described in Board policy.

The KLCC Public Radio Foundation Board's appointed Finance and Investment Committee will provide quarterly reports to the Board and will meet at least annually to review assets and investments. The Finance and Investment Committee shall determine the number of meetings to be held with the selected investment organization or individuals.

The Foundation's cash and investment management policy provides for three tiers based on expected liquidity needs and return objectives. Collectively these tiers are known as the cash and investments pool. Investment activities for all tiers are guided by the objectives of safety, liquidity and return.

Funds from the Foundation will be transferred to KLCC-FM Radio in compliance with laws, Lane Community College policies and the Foundation's bylaws, working agreement and gift agreements. The Foundation will award funds to KLCC-FM Radio based on budgeted expenses and cash flow and upon approval by the Foundation for the allocation of funds for operations, capital improvements, projects and services.

Funds received by the Foundation for KLCC-FM Radio will be distributed to the radio station as prescribed by the funder or as outlined in the application proposals granted to the radio station with written documentation.

KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Notes to Financial Statements  
Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in a checking account, cash in a money market account at a financial institution, cash in an IntraFi cash service account at a financial institution and cash at an investment firm.

Investments

Investments in mutual funds, equity exchange traded products, fixed income exchange traded products and U.S. Treasury Agency Securities with readily determinable fair values are reported at their fair values in the statement of financial position. Realized and unrealized gains and losses are reflected in the statement of activities. Investment income and gains restricted by a donor are reported as increases in donor-restricted net assets until the restrictions are met (either by the passage of time or by use).

Contributions

Contributions received are recorded as with or without donor restrictions depending on the existence and/or nature of any donor restrictions. Promises to give which are, in substance, unconditional and grants receivable are recorded as with or without donor restrictions at the time the promise or grant is made.

All donor-restricted support is reported as an increase in donor-restricted net assets. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished) restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions and grants are recognized as support when they are received or unconditionally promised. Grants and other contracts are classified as contributions in instances in which a resource provider is not itself receiving commensurate value for the resources provided. Contributions are considered conditional when the agreement with the resource provider includes a barrier that must be overcome and either a right of return of assets transferred or right of release of a promisor's obligation to transfer assets. Conditional contributions are not recognized as revenue until the conditions are substantially met. Cash received prior to when conditions are substantially met are recognized as refundable advances.

KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Notes to Financial Statements  
Year Ended June 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The Foundation receives funding from various grants and contracts. Grants and contracts normally provide for the recovery of direct and indirect costs. Entitlement to the recovery of the direct and related indirect costs is conditional upon compliance with the terms and conditions of the grant agreements and with applicable regulations, including the expenditure of the resources for eligible purposes. Substantially all grants are subject to financial and compliance reviews and audits by the grantors.

Donated Nonfinancial Assets

The Foundation receives donated nonfinancial assets which are then used in the Foundation's operations. These donations are recorded at their estimated fair value, and are reflected as revenues and expenses in the statement of activities.

Functional Allocation of Expenses

The costs of providing various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes

The Foundation is a not-for-profit organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is exempt from Oregon excise taxes under applicable state law. The Foundation's tax returns for years prior to the year ended June 30, 2020 are generally no longer subject to examination by taxing authorities.



KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Notes to Financial Statements  
Year Ended June 30, 2024

2. AVAILABILITY AND LIQUIDITY

Financial assets at June 30, 2024 are available to meet general expenditures, that is, without donor restrictions limiting their use, within one year of the statement of financial position date, are comprised of the following:

	<u>2024</u>
Financial assets at year end:	
Cash and cash equivalents	\$ 1,504,396
Investments	3,077,774
Unconditional promises to give	122,700
Grants receivable	<u>25,000</u>
 Total financial assets	 <u>4,729,870</u>
 Less amounts not available for general expenditures	
Unconditional promises to give not available for use until future years	 61,500
Net assets restricted for program services	<u>98,700</u>
 Total amounts not available for general expenditures	 <u>160,200</u>
 Financial assets available to meet general expenditures over the next year	 <u><u>\$ 4,569,670</u></u>

The Foundation has certain funds limited to use for program services as well as funds payable from donor-restricted funds, both of which are not available for general use within one year.

As part of its liquidity management plan, the Foundation invests cash in excess of daily requirements in readily available money market funds and IntraFi cash service accounts. Cash balances that are not expected to support operations, near term liquidity needs, or fund intermediate term projects are invested in mutual funds and other debt and equity securities.

KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Notes to Financial Statements  
Year Ended June 30, 2024

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following at June 30, 2024:

	<u>2024</u>
Cash in checking account	\$ 336,174
Cash in money market account	573,145
Cash in IntraFi cash service account	-
Cash at investment firm	<u>595,077</u>
Total cash and cash equivalents	<u>\$ 1,504,396</u>

The Foundation maintains a checking account and a money market account at a financial institution insured by the Federal Deposit Insurance Corporation (FDIC) for up to \$250,000. Amounts on deposit continually exceed FDIC coverage. At June 30, 2024, the amount shown on deposit by the financial institution was \$918,560, which exceeds FDIC coverage by \$668,560.

4. INVESTMENTS

The Foundation's investments are reported at fair value using quoted market prices and consist of the following at June 30, 2024:

	<u>2024</u>
Equity mutual funds (stocks)	\$ 691,862
Debt mutual funds (bonds)	1,162,499
Common stock	75,981
Equity exchange traded products	245,462
Fixed income exchange traded products	725,983
U.S. Treasury Agency Securities	<u>175,987</u>
Total investments	<u>\$ 3,077,774</u>

KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Notes to Financial Statements  
Year Ended June 30, 2024

4. INVESTMENTS (Cont'd)

The following summarizes the investment return for the year ended June 30, 2024. Realized investment earnings include revenues from cash, money market funds, IntraFi cash service funds, equity mutual funds, debt mutual funds, exchange traded products and U.S. Treasury Agency Securities.

	<u>2024</u>
Realized investment earnings, net of investment expenses of \$20,469 in 2024 and \$12,048 in 2023	\$ 129,632
Net realized losses on sales of investments	(5,277)
Net unrealized gains (losses) on investments	<u>21,932</u>
Total	<u><u>\$ 146,287</u></u>

The Foundation's investments are diversified in a variety of equity mutual funds, debt mutual funds, exchange traded products and U.S. Treasury Agency Securities. However, the Foundation's investments are subject to market fluctuations which could dramatically affect the fair value of these assets. The Foundation's investments are held by third-party custodians and are subject to custodial risk.

5. UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give consist of the following at June 30, 2024:

	<u>2024</u>
Due within one year	\$ 61,200
Due within two years	34,867
Due within three years	27,533
Due within four years	<u>-</u>
Total unconditional promises to give	123,600
Less discount to net present value	<u>(900)</u>
Net unconditional promises to give	<u><u>\$ 122,700</u></u>

KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Notes to Financial Statements  
Year Ended June 30, 2024

6. GRANT PAYABLE

The Foundation awarded a \$200,000 Professional Reporter Host/Editor grant to KLCC-FM Radio during the year ended June 30, 2024. A payment of \$75,000 was made during FY2024. A payment of \$75,000 is due in FY2025 and a payment of \$50,000 is due on request by KLCC-FM Radio.

The Foundation awarded a \$450,000 Public Affairs – Amplifying Oregon Voices grant to KLCC-FM Radio during the year ended June 30, 2023. No payments were made during FY2023. A payment of \$150,000 was made during FY2024 and payments of \$150,000 annually are due during FY2025 and FY2026.

7. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following at June 30, 2024 and 2023 subject to expenditure for specified purposes:

	<u>2024</u>
Professional Reporter Host/Editor	\$ -
<i>Passion and Performance Artists in the Spotlight</i>	50,000
Cultural Development	28,700
Equipment	20,000
News/Current Events Programming	-
Educational Programming	<u>-</u>
Total	<u>\$ 98,700</u>

During the year ended June 30, 2024, \$215,326 was released from restricted net assets because purpose restrictions were satisfied.

KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Notes to Financial Statements  
Year Ended June 30, 2024

8. FAIR VALUE MEASUREMENTS

The Foundation follows the requirements of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*. In accordance with FASB ASC 820, the fair value of a financial instrument is the price that would be received to sell an asset or paid to satisfy a liability in an orderly transaction between market participants at the measurement date. Accounting standards establish a framework for measuring fair value and a three-level hierarchy for fair value measurements based upon observable and unobservable input valuation techniques. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect significant market assumptions including those made by the reporting entity. The three-level hierarchy is summarized as follows:

Level 1 - Quoted prices in active markets for identical securities

Level 2 - Other significant observable inputs (including quoted prices for similar securities, interest rates, credit risk, etc.)

Level 3 - Significant unobservable inputs (including the reporting entity's own assumptions in determining the fair value of investments)

Categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The carrying amount of the Foundation's investments is based upon quoted market values, a Level 1 input.

KLCC PUBLIC RADIO FOUNDATION  
A Discretely Presented Component Unit

Notes to Financial Statements  
Year Ended June 30, 2024

9. CONTRIBUTED NONFINANCIAL ASSETS

The Foundation receives donated nonfinancial assets which are then used in the Foundation's operations. These donations are recorded at their estimated fair value and are reflected as revenues and expenses in the statement of activities. Contributed nonfinancial assets during the year ended June 30, 2024 and 2023 did not have donor-imposed restrictions. Contributed nonfinancial assets received during 2023-2024 consisted of the following:

<u>Donation</u>	<u>2024 Amount</u>
University football tickets	\$ 26,525
Event Space Facilities	10,000
Google advertising	14,328
Google advertising	3,511
Google advertising	150
Miscellaneous materials	500

10. SUBSEQUENT EVENTS

The Foundation evaluated subsequent events for potential required disclosure through January 27, 2025, which is the date the financial statements were available to be issued.