

**CAPITAL PUBLIC RADIO, INC.**  
**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**  
**YEAR ENDED JUNE 30, 2023**



CPAs | CONSULTANTS | WEALTH ADVISORS

[CLAconnect.com](http://CLAconnect.com)

**CAPITAL PUBLIC RADIO, INC.  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2023**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>STATEMENT OF FINANCIAL POSITION</b>	<b>3</b>
<b>STATEMENT OF ACTIVITIES</b>	<b>4</b>
<b>STATEMENT OF CASH FLOWS</b>	<b>6</b>
<b>NOTES TO FINANCIAL STATEMENTS</b>	<b>7</b>
 <b>SUPPLEMENTARY INFORMATION</b>	
<b>COMBINING BALANCE SHEET</b>	<b>20</b>
<b>COMBINING STATEMENT OF ACTIVITIES</b>	<b>22</b>
<b>CAPRADIO STATEMENT OF FUNCTIONAL EXPENSES</b>	<b>24</b>
<b>KCHO STATEMENT OF FUNCTIONAL EXPENSES</b>	<b>25</b>
<b>KSHU STATEMENT OF FUNCTIONAL EXPENSES</b>	<b>26</b>
<b>SCHEDULE OF NET POSITION</b>	<b>27</b>
<b>SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION</b>	<b>29</b>
<b>OTHER INFORMATION</b>	<b>31</b>



## INDEPENDENT AUDITORS' REPORT

Board of Directors  
Capital Public Radio, Inc.  
Sacramento, California

### **Disclaimer of Opinion**

We were engaged to audit the accompanying financial statements of Capital Public Radio, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2023, and the related statements of activity, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

We do not express an opinion on the financial statements of Capital Public Radio, Inc., referred to above. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

### ***Basis for Disclaimer of Opinion***

Because of inadequacies in Capital Public Radio, Inc.'s accounting records, we were unable to form an opinion regarding the amounts recorded as expenses from cash transactions in the accompanying statement of activities and functional expenses (stated at \$24,854,499). We were also unable to verify donor restricted gifts were used and spent within the donor restrictions. In addition, the statement of financial position includes a tower asset recorded at its appraised fair value of \$2,149,000. In our opinion, property and equipment should be recorded at cost, if purchased, or at fair value, if donated or contributed, to conform with accounting principles generally accepted in the United States of America.

### ***Other Matter***

The financial statements of Capital Public Radio, Inc., as of and for the year ended June 30, 2022, were audited by other auditors whose report, dated September 30, 2022, expressed an unmodified opinion on those financial statements. As more fully described in Note 15 to the financial statements, Capital Public Radio, Inc., has adjusted its 2022 financial statements to retrospectively apply the change in accounting for various restatements. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to Capital Public Radio, Inc.'s 2022 financial statements other than with respect to the beginning net asset adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2022 financial statements as a whole.

### ***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 Capital Public Radio, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditors' Responsibilities for the Audit of the Financial Statements***

Our responsibility is to conduct an audit of Capital Public Radio, Inc.'s financial statements in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* and to issue an auditor's report. However, because of the matter described in the Basis of Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are required to be independent of Capital Public Radio, Inc., and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinion on the financial statements as a whole. The schedule of net position, schedule of revenues, expenses, and changes in net position, and the other information schedules are required for inclusion in California State University and the combined balance sheet, statement of activities, and functional expense schedules (supplementary information) is presented for purposes of additional analysis and is not a required part of the financial statements. Because of the significance of the matters discussed on the Basis for Disclaimer of Opinion paragraph above, it is inappropriate to, and we do not express an opinion on the supplementary information referred to above.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2024, on our consideration of Capital Public Radio, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Capital Public Radio, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Capital Public Radio, Inc.'s internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Sacramento, California  
September 24, 2024

**CAPITAL PUBLIC RADIO, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2023**

**ASSETS**

**CURRENT ASSETS**

Cash and Cash Equivalents	\$ 128,183
Restricted Cash	1,234,611
Investments	49,272
Contributions Receivable, Net	576,414
Accounts Receivable, Net	527,466
Other Receivables	190,676
Prepaid Expenses	111,532
Total Current Assets	<u>2,818,154</u>

  

<b>OTHER ASSETS</b>	
Donated Artwork	35,025
Deposits	80,013
Property and Equipment, Net	<u>2,676,447</u>
Total Other Assets	<u>2,791,485</u>

  

Total Assets	<u>\$ 5,609,639</u>
--------------	---------------------

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts Payable	\$ 4,752,147
Accrued Vacation	800,389
Unearned Revenue	56,924
Notes Payable, Current Portion	<u>646,703</u>
Total Current Liabilities	<u>6,256,163</u>

**RELATED PARTY NOTES PAYABLE**

8,425,665

**NOTES PAYABLE, LESS CURRENT PORTION**

1,853,157

Total Liabilities 16,534,985

**NET ASSETS**

Without Donor Restrictions:	
General Operating	(11,435,371)
Designated - Donated Artwork	10,025
Total Without Donor Restrictions	<u>(11,425,346)</u>
With Donor Restrictions:	500,000
Total Net Assets	<u>(10,925,346)</u>
Total Liabilities and Net Assets	<u>\$ 5,609,639</u>

See accompanying Notes to Financial Statements.

**CAPITAL PUBLIC RADIO, INC.**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2023**

	Without Donor Restriction	With Donor Restriction	Total
<b>REVENUE AND SUPPORT</b>			
Listener Contributions	\$ 8,981,438	\$ 500,000	\$ 9,481,438
Grant Funding - Center for Public Broadcasting	1,220,192	-	1,220,192
Other Grants and Contributions	1,324,167	-	1,324,167
Underwriting	3,131,343	-	3,131,343
Contributions of Nonfinancial Assets	1,223,014	-	1,223,014
Rental Income	123,534	-	123,534
Other Revenue	387,650	-	387,650
Net Return on Investments	15,270	-	15,270
Net Assets Released from Restriction	<u>4,661,996</u>	<u>(4,661,996)</u>	<u>-</u>
Total Revenue and Support	<u>21,068,604</u>	<u>(4,161,996)</u>	<u>16,906,608</u>
<b>EXPENDITURES</b>			
Programs:			
Programming and Production	11,422,588	-	11,422,588
Broadcasting	1,475,700	-	1,475,700
Marketing and Promotion	1,009,779	-	1,009,779
Support:			
Membership Development	1,896,556	-	1,896,556
Management and General	<u>9,155,214</u>	<u>-</u>	<u>9,155,214</u>
Total Expenditures	<u>24,959,837</u>	<u>-</u>	<u>24,959,837</u>
<b>CHANGE IN NET ASSETS</b>			
	(3,891,233)	(4,161,996)	(8,053,229)
Net Assets - Beginning of Year as Restated	<u>(7,534,113)</u>	<u>4,661,996</u>	<u>(2,872,117)</u>
<b>NET ASSETS - END OF YEAR</b>	<b><u>\$ (11,425,346)</u></b>	<b><u>\$ 500,000</u></b>	<b><u>\$ (10,925,346)</u></b>

See accompanying Notes to Financial Statements.

**CAPITAL PUBLIC RADIO, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2023**

	Programming and Production	Broadcasting	Marketing and Promotion	Membership Development	Management and General	Total
Accounting/Audit/Tax Return	\$ -	\$ -	\$ -	\$ -	\$ 61,164	\$ 61,164
Acquisition Mail	-	-	-	53,661	-	53,661
Admin	-	-	-	-	168,131	168,131
Advertising	11,510	-	40,745	-	-	52,255
Audience Research	93,545	-	1,280	-	-	94,825
Bank Fees	-	-	-	83,528	38,126	121,654
Board Expenses	-	-	-	-	30,857	30,857
Capital Campaign	4,014,878	-	-	-	-	4,014,878
Community Outreach/PR	-	-	250	-	-	250
Computer Software and Maint	41,366	78,399	18,647	94,696	85,791	318,899
Construction Expense	-	-	-	-	3,722,297	3,722,297
Consultants and Temps	289,146	92,285	199,598	20,475	32,706	634,210
CSUS Administration	-	41,397	-	-	70,290	111,687
Depreciation Expense	-	-	-	-	162,240	162,240
Design	-	-	2,429	-	-	2,429
Digital/Web Content	13,390	-	-	-	-	13,390
Direct Mail	-	-	-	233,645	-	233,645
Equipment Lease Expense	-	-	-	-	33,802	33,802
ER Dental	31,035	3,906	3,636	6,010	8,934	53,521
Events	-	-	1,681	2,130	-	3,811
Fringe Benefits	(1,071)	(47)	(115)	(264)	74,560	73,063
Fund Drives	-	-	-	35,604	-	35,604
Fundraising Expenses	-	-	-	30,832	-	30,832
Fundraising Phones	-	-	-	13,504	-	13,504
Grant Expenses	309	-	-	-	-	309
Grant Related Expenses	11,590	-	-	-	-	11,590
Hosting and Development	133,545	-	-	-	-	133,545
In-Kind Services	-	-	-	-	441,192	441,192
Insurance Non	-	-	-	-	178,360	178,360
Interest Expense	-	-	-	494	90,105	90,599
Legal Fees	930	-	-	-	150,763	151,693
Major Donor Expense	-	-	-	1,747	-	1,747
Marketing Promo Items	-	-	13,154	-	-	13,154
Medical	304,140	34,702	26,837	62,444	84,550	512,673
Memberships and Subscriptions	19,670	-	8,818	8,157	35,007	71,652
National Acquisitions	72,576	-	-	-	-	72,576
Network Program Costs	1,542,392	-	-	-	-	1,542,392
NPR Programs	327,873	-	-	-	-	327,873
Office Supplies	197	(428)	120	53	28,490	28,432
Other Expenses	9,428	17,312	1,363	199,497	464,864	692,464
Payroll Service	-	-	-	-	25,623	25,623
Payroll Taxes	-	-	-	-	531,273	531,273
Photocopying	-	-	-	-	5,802	5,802
Postage	-	-	-	21,116	3,517	24,633
Printing	-	-	-	19,647	1,022	20,669
Program Supplies	1,237	8,537	228	-	-	10,002
Property Maintenance	34,694	1,213	34,694	-	2,224	72,825
Recruitment	-	-	-	-	96,949	96,949
Rent	140,197	302,858	121,003	-	505,150	1,069,208
Retirement Plan Expenses	-	-	-	-	195,008	195,008
Salaries	4,146,897	452,239	396,929	875,231	1,720,546	7,591,842
Telemarketing	-	-	-	92,471	-	92,471
Telephone	3,064	198,173	3,064	-	61,337	265,638
Travel and Training	50,236	6,443	6,560	10,793	17,211	91,243
Underwriting Expenses	1,050	-	1,050	-	-	2,100
Utilities	-	239,736	-	-	29,248	268,984
UW Commission	126,943	-	126,943	-	-	253,886
Vehicles Donation	-	-	-	30,821	-	30,821
<b>Total</b>	<b>\$ 11,420,767</b>	<b>\$ 1,476,725</b>	<b>\$ 1,008,914</b>	<b>\$ 1,896,292</b>	<b>\$ 9,157,139</b>	<b>\$ 24,959,837</b>

See accompanying Notes to Financial Statements.

**CAPITAL PUBLIC RADIO, INC.  
STATEMENT OF CASH FLOW  
YEAR ENDED JUNE 30, 2023**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in Net Assets	\$ (8,053,229)
Adjustments to Reconcile Change in Net Assets to	
Net Cash Used by Operating Activities:	
Depreciation	162,240
Net Realized and Unrealized Losses	5,655
Changes in Operating Assets and Liabilities:	
Contributions Receivable	(119,330)
Account Receivable and Other Receivables	1,032,206
Prepaid Expenses and Other Assets	48,437
Accounts Payable and Accrued Expenses	2,610,630
Unearned Revenue	19,688
Net Cash Used by Operating Activities	<u>(4,293,703)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchases of Investments	(83,886)
Net Proceeds from Sale of Investments	300,904
Net Cash Provided by Investing Activities	<u>217,018</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from Issuance of Long-Term Debt	3,159,428
Principal Payments on Line of Credit	(400,000)
Principal Payments on Notes Payable	<u>(508,649)</u>
Net Cash Provided by Financing Activities	<u>2,250,779</u>

**NET CHANGE IN CASH AND CASH EQUIVALENTS**

(1,825,906)

Cash and Cash Equivalents - Beginning of Year

3,188,700

**CASH AND CASH EQUIVALENTS - END OF YEAR**

\$ 1,362,794

**RECONCILIATION OF CASH, CASH EQUIVALENTS, AND  
RESTRICTED CASH**

Cash and Cash Equivalents	\$ 128,183
Restricted Cash	1,234,611
Total Cash, Cash Equivalents, and Restricted Cash	<u>\$ 1,362,794</u>

**SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION**

Interest Paid	\$ 90,599
---------------	-----------

**CAPITAL PUBLIC RADIO, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 1 NATURE OF ORGANIZATION**

Capital Public Radio, Inc. (CapRadio) is a nonprofit auxiliary organization of California State University, Sacramento (CSUS). Its purpose is to provide a trusted source of information, music, arts, and entertainment for curious and thoughtful people in an efficient, sustainable way, strengthening the civic and cultural life of the community served. CSUS owns the licenses under which the CapRadio is allowed to broadcast.

The Station also manages programs and operates the noncommercial radio station KUOP in Stockton, California. The license under which KUOP was allowed to broadcast was owned by University of the Pacific until January 2009, when CSUS purchased the license. Additionally, during 2021 the Station took over operations of two stations licensed to Cal Poly Humboldt and California State University, Chico.

North State Public Radio (KCHO) is a nonprofit noncommercial radio station licensed to California State University, Chico under which CapRadio is allowed to broadcast. KCHO is managed and operated under a Public Service Operating Agreement between California State University, Chico and CapRadio with the purpose of providing a trusted source of information, music, arts, and entertainment for curious and thoughtful people in an efficient, sustainable way, strengthening the civic and cultural life of the community served.

KHSU-FM (KHSU) is a nonprofit noncommercial radio station licensed to Cal Poly Humboldt under which CapRadio is allowed to broadcast. KHSU is managed and operated under a Public Service Operating Agreement between Cal Poly Humboldt and CapRadio with the purpose of providing a trusted source of information, music, arts, and entertainment for curious and thoughtful people in an efficient, sustainable way, strengthening the civic and cultural life of the community served.

All stations will be collectively referred to as "the Station" unless otherwise noted.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The financial statements of the Station have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

**Basis of Presentation**

The Station presents its financial statements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 958, Subtopic 210 (FASB ASC 958-210), *Presentation of Financial Statements of Not-for-Profit Entities*. Under FASB ASC 958-210, the Station is required to report information regarding its financial position and activities according to the following two classes of net assets:

*Net Assets Without Donor Restrictions* – Net assets that are not subject to stipulations.

*Net Assets With Donor Restrictions* – Net assets that are subject to stipulations that will be met by actions or the passage of time.

**CAPITAL PUBLIC RADIO, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation**

Revenues and gains and losses on investments are reported as changes in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Expirations of donor restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled, and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

**Revenue Recognition**

In accordance with the provisions of FASB ASC Topic 958-605, *Not-for-Profit Entities – Revenue Recognition*, unconditional contributions are generally recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Unconditional promises to give (pledges) are recognized as revenues once a valid pledge has been received. The receivable and the corresponding revenue are recognized concurrently. Conditional contributions and pledges are recorded when the conditions have been met.

Grants without donor restrictions are recognized as support in the statement of activities upon receipt or accrual. The Station reports certain grants as restricted support if they are received with grantor stipulations that limit their use.

Revenue for program underwriting is recorded on a pro rata basis for the period.

Receivable balances are stated at unpaid balance, less an allowance for doubtful accounts. The Station provides for losses on receivable balances using the allowance method. This method is based on experience and other circumstances which may affect the collectability of the balance. Uncollectible receivables are charged off when management determines the receivable will not be collected.

The Station implements the guidance provided by ASU 2018-08, *Clarifying the Scope of the Accounting Guidance for Contributions Received and Contributions Made*, to provide a decision-making model to assist entities in evaluating whether transactions should be accounted for as contributions within the scope of Topic 958, *Not-for-Profit Entities*, or as exchange (reciprocal) transactions subject to other guidance and determining whether a contribution is conditional.

In accordance with the provisions of FASB ASC 606, the Station's other income received and exchange transactions are not recognized as revenues until the revenue is earned, which is at the time when the services are provided.

**CAPITAL PUBLIC RADIO, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property and Equipment**

Property and equipment are stated at cost or, if donated, at fair market value when it is received. The Station provides for depreciation over the estimated useful lives of the assets using the straight-line method. The estimated lives of these assets range from 5 to 30 years. Maintenance and repairs are charged to expense as incurred. Renewals and betterments which extend the useful lives of assets are capitalized.

Equipment purchased with grant funds from the National Telecommunications and Information Administration (NTIA) is to revert to that agency if the Station wishes to dispose of the equipment within ten years from the date of the grant.

**Donated Assets**

In accordance with the provisions of FASB ASC 958-605, donated marketable securities, artwork, and other noncash donations received are valued at fair value at the date of contribution.

Donations of property and equipment (and other assets with explicit restrictions regarding their use) and contributions of cash that must be used to acquire such assets are reported as restricted contributions. The Station reports gifts of artwork as assets without donor restrictions because there are no donor stipulations specifying how the donated assets must be used.

**Cash and Cash Equivalents**

Cash equivalents consist of all highly liquid investments with original maturities of three months or less.

**Restricted Cash**

Restricted cash consists of money held at an escrow account for future capital projects.

**Investments**

Marketable equity securities and debt securities which are held to maturity are valued at fair market value with realized and unrealized gains and losses reflected in the statements of activities.

**Concentration of Credit Risk**

Financial instruments which potentially subject the Station to concentrations of credit risk consist principally of contribution receivables, cash deposits, and investments at brokerage firms. The Station does not generally require collateral for receivables, and operations are dependent upon these contributions. The Station's contributors are primarily located within and are dependent upon the economy of the broadcast areas of Stockton and the greater Sacramento area. The Station does not believe a material risk of loss exists with respect to its financial position due to this concentration of credit risk.

**CAPITAL PUBLIC RADIO, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Concentration of Credit Risk (Continued)**

The Station maintains its cash and cash equivalents in bank deposit accounts. These accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution for each category of legal ownership. At times during the year, accounts may exceed FDIC limits. The Station has not experienced any losses on these accounts, and management believes the Station is not exposed to any significant risk on cash accounts.

For those investments held by a broker who is a member of the Securities Investor Protection Corporation, the cash and securities are insured up to \$500,000 in the event the brokerage firm goes out of business.

**Functional Expenses**

Functional expenses are allocated to program and supporting services based on direct expenditures incurred. Expenses not directly chargeable to a particular functional category are allocated based on an analysis of personnel time and space or other resources utilized for the related activities.

**Income Taxes**

The Station is exempt from income taxes under the provisions of Internal Revenue Code (IRC) Section 501(c)(3) and from franchise taxes under the provisions of California Revenue and Taxation Code Section 23701d, except as they may be levied for unrelated business income. After they are filed, the Station's income tax returns remain subject to examination by taxing authorities generally three years for federal returns and four years for state returns.

**Use of Estimates**

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, and disclosures at the date of the financial statements and that also affect reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**Advertising**

Advertising is expensed as incurred. Advertising expense for the year ended June 30, 2023, totaled \$52,255.

**Legal Claims**

In the normal course of business, Capital Public Radio, Inc. has claims made against them. As of June 30, 2023, the amount and likelihood of loss is not determined. Capital Public Radio, Inc. believes these claims are without merit and intends to vigorously defend the matters.

**Subsequent Events**

Events and transactions have been evaluated for potential recognition or disclosure through September 24, 2024, the date that the financial statements were available to be issued.

**CAPITAL PUBLIC RADIO, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 3 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

As part of the Station's liquidity management, the Station has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

The Station's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash and Cash Equivalents	\$ 128,183
Investments	49,272
Contributions Receivable, Net	576,414
Accounts Receivable, Net	527,466
Other Receivables	190,676
<b>Total</b>	<b>1,472,011</b>
Less: Unavailable for General Expenditure Within One Year, Due to Purpose and Time Restrictions	
Stipulated by Donors	(500,000)
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<b>\$ 972,011</b>

**NOTE 4 CONTRIBUTIONS AND ACCOUNTS RECEIVABLE**

Contributions and accounts receivable consist of the following at June 30, 2023:

Contributions Receivable	\$ 576,414
Less: Allowance for Doubtful Accounts	-
Contributions Receivable, Net	<b>\$ 576,414</b>
Accounts Receivable	\$ 529,253
Less: Allowance for Doubtful Accounts	(1,787)
Accounts Receivable, Net	<b>\$ 527,466</b>
Accounts Receivable - Other	\$ 190,676
<b>Total</b>	<b>\$ 190,676</b>

**CAPITAL PUBLIC RADIO, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 5 FAIR VALUE MEASUREMENTS**

Certain assets are reported at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

*Level 1* – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization can access at the measurement date.

*Level 2* – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

*Level 3* – Unobservable inputs for the asset or liability. In these situations, we develop inputs using the best information available in the circumstances.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset or liability.

The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset or liability.

The following table sets forth, by level within the fair value hierarchy, the Station's assets and liabilities that are measured at fair value on a recurring basis as of June 30, 2023:

	Level 1	Level 2	Level 3	Total
Government Securities	\$ 49,272	\$ -	\$ -	\$ 49,272
Total	<u>\$ 49,272</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,272</u>

**CAPITAL PUBLIC RADIO, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 6 PROPERTY AND EQUIPMENT**

At June 30, 2023, property and equipment consisted of the following:

Tower	\$ 547,600
Engineering and Production	914,105
Office Equipment	30,022
Computer Equipment	106,291
Expansion Projects	127,815
Leasehold Improvements	18,784
Construction in Progress	<u>2,148,999</u>
Total	3,893,616
Less: Accumulated Depreciation and Amortization	<u>(1,217,169)</u>
Property and Equipment, Net	<u><u>\$ 2,676,447</u></u>

**NOTE 7 LINE OF CREDIT**

At June 30, 2023, the Station has available a \$400,000 revolving line of credit with a local bank that is secured by accounts receivable and equipment. The line of credit has an interest rate of 9.5% and matures on December 10, 2024. At June 30, 2023, there was no outstanding balance.

**NOTE 8 NOTES PAYABLE**

The following table provides notes payable balances as of June 30, 2023:

Name	Interest Rate	Maturity Date	Balance
California State University	1.49%	12/31/2034	\$ 7,535,115
California State University - KUOP	N/A	12/31/2034	890,550
Notes Payable	N/A	Various	<u>2,499,860</u>
Total			10,925,525
Less: Current Portion			646,703
Long-Term Portion			<u><u>\$ 10,278,822</u></u>

**CAPITAL PUBLIC RADIO, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 8 NOTES PAYABLE (CONTINUED)**

Future debt payments are as follows as of June 30, 2023:

<u>Year Ending June 30,</u>	<u>Amount</u>
2024	\$ 646,703
2025	530,191
2026	571,399
2027	607,696
2028	190,836
Thereafter	<u>8,378,700</u>
Total	<u>\$ 10,925,525</u>

**NOTE 9 NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions as of June 30, 2023:

Time Restricted	\$ 500,000
Total	<u>\$ 500,000</u>

Net assets released for the year ended June 30, 2023:

Purpose	\$ 1,000,000
Time	<u>3,661,996</u>
Total	<u>\$ 4,661,996</u>

**NOTE 10 RELATED PARTY TRANSACTIONS**

For the year ended June 30, 2023, revenue received from CSUS and related auxiliaries for services, space, and programs was \$39,330. Included in accounts payable at June 30, 2023, was \$1,406,723 due to CSUS.

During the year ended June 30, 2023, the Station incurred expenses of \$2,168,698 for office building maintenance and various items other than salaries of CSUS personnel. The Station paid \$100,820 to the board of trustees of CSUS for office building rent during the year ended June 30, 2023. Due to lack of payment and concerns over CPR's financial status, the CSUS deferred \$2,009,256 in unpaid bills until a payment plan could be established in a future fiscal year.

**CAPITAL PUBLIC RADIO, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 10 RELATED PARTY ACTIVITY (CONTINUED)**

The Station entered the KUOP Facilities Agreement (the Agreement) with CSUS on August 14, 2008. The Agreement provides for the financing of certain costs related to the Asset Purchase Agreement between CSUS and the University of the Pacific to secure the purchase of the broadcast license of the FM broadcasting station KUOP. The terms of the Agreement, which were amended in 2013, provide for a long-term capital lease financing arrangement between the Station and CSUS (see Note 8). As of June 30, 2023, the outstanding balance on the loan was \$890,550.

In 2021, the Station entered into a financing agreement with CSUS for various interior tenant improvements on a leased building in Sacramento, California (see Note 8). The agreement provides for repayment of \$8,000,000 over a seven-year period. As of June 30, 2023, the Station has drawn a total of \$8,000,000. As of June 30, 2023, the outstanding balance on the loan was \$7,535,115. During the year ended June 30, 2023, the Station paid \$0- to CSUS in debt service relating to the agreement.

Included in the Other Receivables line on the statement of financial position is intercompany due to and due from activity. As of June 30, 2023, CapRadio owed KCHO \$843,471 and owed KHSU \$440,714.

**NOTE 11 CONTRIBUTED NONFINANCIAL ASSETS**

The value of donated materials and services included in the financial statements for the year ended June 30, 2023, is as follows:

Vehicles	\$ 781,822
Marketing	10,000
Sponsorship	143,139
Trade	268,688
Underwriting	19,365
Total	<u><u>\$ 1,223,014</u></u>

All goods and services donated were utilized for programmatic activities and there were no donor restrictions on their use. Contributed goods and services are recorded at fair value at the date of donation. It is the Station's policy to sell all contributed vehicles immediately upon receipt at auction or for salvage unless the vehicle is restricted for use in a specific program by the donor. No vehicles received during the period were restricted for use. All vehicles were sold and valued according to the actual cash proceeds on their disposition. Marketing, sponsorship, trade, and underwriting are all valued at the fair value if they were to be paid for.

**CAPITAL PUBLIC RADIO, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 12 RETIREMENT PLAN**

Effective October 1, 2010, the Station adopted a new IRC Section 401(k) plan. All employees are eligible on the date of hire to participate in salary deferrals to the plan; however, employees must have 1,000 hours of service to be eligible for matching and profit-sharing contributions. For all eligible employees, the Station will match 100% of employees' respective salary contributions up to 5% of their compensation. The total retirement plan contribution for the years ended June 30, 2023, was \$195,008.

**NOTE 13 UNRELATED BUSINESS INCOME TAXES**

While the Station is exempt from federal and state taxes under Section 501(c)(3) of the IRC and Section 23701d of the California Revenue and Taxation Code, net income generated by unrelated business activities is taxable as unrelated business income. Unrelated business activities conducted by the Station include advertising income from the Station's quarterly program guide and rentals of tower space.

For the year ended June 30, 2023, net income as calculated for income tax purposes was not sufficient to yield any income tax expense. In addition, the Station has been determined by the IRC not to be a private foundation within the meaning of Section 509(a) of the Code.

**NOTE 14 SUBSEQUENT EVENTS**

In September 2023, California State University (CSU) released an audit of its auxiliary, CapRadio. This audit raised many concerns about the financial processes, practices, and information kept by and reported on behalf of CapRadio. The audit specifically reviewed audited financials from fiscal year 2022.

Due to the release of this report the following items have occurred:

- The Corporation for Public Broadcasting (CPB) has initiated an Office of Inspector General audit of all CapRadio reporting to CPB for FY20/21, FY21/22, FY22/23, and current processes for FY23/24. As of the report date, this is an open and ongoing audit and CapRadio is fully participating. The CPB has paused all funding until the audit is complete.
- CSU requested a forensic examination of CapRadio specific to conflicts of interest and the probability of inappropriate financial transactions. As of the report date, the examination is complete and information has been shared with the appropriate parties based on legal and contractual obligations. It is CapRadio's understanding that information in this report can and will be made public. This report is not owned by CapRadio and, therefore, CapRadio does not have the ability to release this information.
- Items found to be conflicts of interest in this examination are being reviewed and addressed by CapRadio's board and legal teams.

**CAPITAL PUBLIC RADIO, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 14 SUBSEQUENT EVENTS (CONTINUED)**

- Items found to be inappropriate uses of funds are being reviewed and addressed by CSUS, CapRadio's board and legal teams, as well as the appropriate governing authorities.
- CapRadio turned over all financial oversight and practices to the financial services teams at CSUS.
- CSUS transferred all CapRadio financial reporting over to its Oracle PeopleSoft financial database and required that all CSU policies and practices be implemented.
- All credit cards and lines of credit for CapRadio were closed.
- The CSUS team began negotiations on behalf of CapRadio with all vendors to create appropriate and feasible payment plans. As of the report date, all long-term debt has been negotiated and reasonable payment programs have been enacted.
- CapRadio and CSUS reviewed all financial practices and updated all practices to comply with state, federal, grant, and auxiliary guidelines.
- CapRadio's 2022 financial statements were restated. (see Note 15).

While the items above have addressed many of the concerns from the CSU audit, CapRadio recognizes that this is an ongoing process and some practices may continue to improve as they move forward over the next few years. CapRadio will continue to move towards a best practices model, but do not expect to see full best practices in an audit until the 24/25 fiscal year.

CapRadio also recognizes that all open audits and investigations could lead to other legal matters and will disclose these items as they arise, and CapRadio is able. Currently, CapRadio is working in an open and forthright manner with all auditors and investigators and is working to address all concerns.

**CAPITAL PUBLIC RADIO, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 15 RESTATEMENT**

CapRadio and CSUS's financial services teams reviewed the FY21/22 and FY22/23 financials after the CSU audit was released. The teams focused on the items called out in the audit: Pledges, Assets and Equipment, Reconciliations, Reimbursements, Leases and Liabilities, and Procurements and Contract Information. Below are the findings and changes made in each area.

Right-of-Use Assets and Lease Liabilities	\$ 942,557
Construction in Progress (CIP)	(7,050,548)
Unallowable Property, Plant, and Equipment	(4,518,191)
Capital Campaign Pledges	(324,025)
Other Miscellaneous Corrections	(76,213)
Accounts Payable and Accrued Expenses	(102,511)
Due to/Due from	(798,910)
Broadcast License	(4,933,842)
Total	<u><u>\$ (16,861,683)</u></u>

Right-of-use assets and liabilities were removed as these assets did not meet lease requirements under FASB ASC 842. Construction in progress (CIP) was removed except for one asset (Eagles Nest Tower). The three projects in CIP include the downtown headquarters, Cap Live space, and Eagles Nest Tower. The two downtown projects are tenant improvements and therefore not capital assets. The Tower was capitalized and will be placed into service in July 2023. Additionally, there was unallowable property, plant, and equipment removed as many of these assets did not meet the CapRadio threshold requirements, and they do not meet the GAAP standards for capitalization. Other items were no longer present and could not be identified as still being owned by the agency. The accumulated depreciation for these items was also removed. The Capital Campaign pledges did not meet the GAAP revenue recognition standards and therefore were removed. The broadcast license is no longer an asset to CapRadio. There was various activity in due to/due from to be corrected from a prior year, and there were miscellaneous other corrections.

**CAPITAL PUBLIC RADIO, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 16 MANAGEMENT PLANS**

Due to the restatement and significant reduction in net assets for CapRadio as well as the interruption of funding by the Corporation for Public Broadcasting, management has continued to analyze future expected revenues and expenses, as well as cash flow analysis to gain assurance that substantial doubt about the Organization's ability to continue as a going concern is alleviated. CapRadio's plan is to partner with CSUS to continue to mitigate the ongoing liabilities. They believe this will mitigate the adverse effects of conditions or events that indicate there is substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

CapRadio has reduced its number of employees by reorganizing its structure to be more efficient and transferred the financial oversight and practices to the financial services teams at CSUS. This has reduced salaries and related benefits by approximately \$504,000. CapRadio has successfully renegotiated reasonable payment plans with its vendors to help with the monthly cash flows. It has also reduced travel expenses by utilizing remote conference call meetings instead of in person meetings. CapRadio has completed a study of its leased office space and eliminated space no longer needed with streamlining of staff. Fundraising expense decreased as a result of streamlining staffing and working with the University to find economies of scale on supplies and vendor services.

Over the next few years, CapRadio has plans to open its CapLive space as an event space that will have space available for rent to outside parties. CapRadio is also working with local foundations and other community agencies to create synergies that hopefully will increase efficiencies and revenues for the Station.

**CAPITAL PUBLIC RADIO, INC.**  
**COMBINING BALANCE SHEET**  
**FOR THE YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

ASSETS	Cap Radio	KCHO	KHSU	Elimination	Total
<b>CURRENT ASSETS</b>					
Cash and Cash Equivalents	\$ 128,183	\$ -	\$ -	\$ -	\$ 128,183
Restricted Cash	1,234,611	-	-	-	1,234,611
Investments	49,272	-	-	-	49,272
Contributions Receivable, Net	576,414	-	-	-	576,414
Accounts Receivable, Net	468,705	46,286	12,475	-	527,466
Other Receivables	155,746	2,251	32,679	-	190,676
Due from Other Stations	-	841,220	408,035	(1,249,255)	-
Prepaid Expenses	111,012	520	-	-	111,532
Total Current Assets	<u>2,723,943</u>	<u>890,277</u>	<u>453,189</u>	<u>(1,249,255)</u>	<u>2,818,154</u>
<b>OTHER ASSETS</b>					
Donated Artwork	35,025	-	-	-	35,025
Deposits	80,013	-	-	-	80,013
Property and Equipment, Net	2,671,648	-	4,799	-	2,676,447
Total Other Assets	<u>2,786,686</u>	<u>-</u>	<u>4,799</u>	<u>-</u>	<u>2,791,485</u>
Total Assets	<u><u>\$ 5,510,629</u></u>	<u><u>\$ 890,277</u></u>	<u><u>\$ 457,988</u></u>	<u><u>\$ (1,249,255)</u></u>	<u><u>\$ 5,609,639</u></u>

**CAPITAL PUBLIC RADIO, INC.**  
**COMBINING BALANCE SHEET (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	Cap Radio	KCHO	KHSU	Elimination	Total
<b>LIABILITIES AND NET ASSETS</b>					
<b>CURRENT LIABILITIES</b>					
Accounts Payable	\$ 4,563,041	\$ 165,263	\$ 23,843	\$ -	\$ 4,752,147
Due to Other Stations	1,249,255	-	-	(1,249,255)	-
Accrued Vacation	784,116	16,273	-	-	800,389
Unearned Revenue	52,871	3,553	500	-	56,924
Notes Payable, Current Portion	646,703	-	-	-	646,703
<b>Total Current Liabilities</b>	<b>7,295,986</b>	<b>185,089</b>	<b>24,343</b>	<b>(1,249,255)</b>	<b>6,256,163</b>
<b>RELATED PARTY NOTES PAYABLE</b>	<b>8,425,665</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,425,665</b>
<b>NOTES PAYABLE, LESS CURRENT PORTION</b>	<b>1,853,157</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,853,157</b>
Total Liabilities	17,574,808	185,089	24,343	(1,249,255)	16,534,985
<b>NET ASSETS</b>					
Without Donor Restrictions:					
General Operating	(12,574,204)	705,188	433,645	-	(11,435,371)
Designated - Donated Artwork	10,025	-	-	-	10,025
<b>Total Without Donor Restrictions</b>	<b>(12,564,179)</b>	<b>705,188</b>	<b>433,645</b>	<b>-</b>	<b>(11,425,346)</b>
With Donor Restrictions	500,000	-	-	-	500,000
<b>Total Net Assets</b>	<b>(12,064,179)</b>	<b>705,188</b>	<b>433,645</b>	<b>-</b>	<b>(10,925,346)</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 5,510,629</b>	<b>\$ 890,277</b>	<b>\$ 457,988</b>	<b>\$ (1,249,255)</b>	<b>\$ 5,609,639</b>

**CAPITAL PUBLIC RADIO, INC.**  
**COMBINING STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	Cap Radio			KCHO		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
<b>REVENUE AND SUPPORT</b>						
Listener Contributions	\$ 8,121,291	\$ 500,000	\$ 8,621,291	\$ 796,883	\$ -	\$ 796,883
Grant Funding - Center for Public Broadcasting	919,725	-	919,725	187,164	-	187,164
Other Grants and Contributions	934,055	-	934,055	390,112	-	390,112
Underwriting	2,911,598	-	2,911,598	186,489	-	186,489
Contributions of Nonfinancial Assets	1,086,273	-	1,086,273	110,566	-	110,566
Rental Income	123,534	-	123,534	-	-	-
Other Revenue	154,229	-	154,229	-	-	-
Net Return on Investments	15,270	-	15,270	-	-	-
Net Assets Released from Restriction	4,661,996	(4,661,996)	-	-	-	-
Total Revenue and Support	18,927,971	(4,161,996)	14,765,975	1,671,214	-	1,671,214
<b>EXPENDITURES</b>						
Programs:						
Programming and Production	10,588,863	-	10,588,863	780,896	-	780,896
Broadcasting	1,093,522	-	1,093,522	274,445	-	274,445
Marketing and Promotion	982,472	-	982,472	24,005	-	24,005
Support:						
Membership Development	1,790,101	-	1,790,101	88,224	-	88,224
Management and General	8,701,298	-	8,701,298	378,568	-	378,568
Total Expenditures	23,156,256	-	23,156,256	1,546,138	-	1,546,138
<b>CHANGE IN NET ASSETS</b>						
	(4,228,285)	(4,161,996)	(8,390,281)	125,076	-	125,076
Net Assets - Beginning of Year as Restated	(8,335,894)	4,661,996	(3,673,898)	580,112	-	580,112
<b>NET ASSETS - END OF YEAR</b>						
	\$ (12,564,179)	\$ 500,000	\$ (12,064,179)	\$ 705,188	\$ -	\$ 705,188

**CAPITAL PUBLIC RADIO, INC.**  
**COMBINING STATEMENT OF ACTIVITIES (CONTINUED)**  
**FOR THE YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	KHSU			Total		
	Without Donor Restriction	With Donor Restriction	Total	Without Donor Restriction	With Donor Restriction	Total
<b>REVENUE AND SUPPORT</b>						
Listener Contributions	\$ 63,264	\$ -	\$ 63,264	\$ 8,981,438	\$ 500,000	\$ 9,481,438
Grant Funding - Center for Public Broadcasting	113,303	-	113,303	1,220,192	-	1,220,192
Other Grants and Contributions	-	-	-	1,324,167	-	1,324,167
Underwriting	33,256	-	33,256	3,131,343	-	3,131,343
Contributions of Nonfinancial Assets	26,175	-	26,175	1,223,014	-	1,223,014
Rental Income	-	-	-	123,534	-	123,534
Other Revenue	233,421	-	233,421	387,650	-	387,650
Net Return on Investments	-	-	-	15,270	-	15,270
Net Assets Released from Restriction	-	-	-	4,661,996	(4,661,996)	-
Total Revenue and Support	469,419	-	469,419	21,068,604	(4,161,996)	16,906,608
<b>EXPENDITURES</b>						
Programs:						
Programming and Production	52,829	-	52,829	11,422,588	-	11,422,588
Broadcasting	107,733	-	107,733	1,475,700	-	1,475,700
Marketing and Promotion	3,302	-	3,302	1,009,779	-	1,009,779
Support:						
Membership Development	18,231	-	18,231	1,896,556	-	1,896,556
Management and General	75,348	-	75,348	9,155,214	-	9,155,214
Total Expenditures	257,443	-	257,443	24,959,837	-	24,959,837
<b>CHANGE IN NET ASSETS</b>						
Net Assets - Beginning of Year as Restated	211,976	-	211,976	(3,891,233)	(4,161,996)	(8,053,229)
Net Assets - Beginning of Year as Restated	221,669	-	221,669	(7,534,113)	4,661,996	(2,872,117)
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 433,645</b>	<b>\$ -</b>	<b>\$ 433,645</b>	<b>\$ (11,425,346)</b>	<b>\$ 500,000</b>	<b>\$ (10,925,346)</b>

**CAPITAL PUBLIC RADIO, INC.**  
**CAPRADIO STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	Programming and Production	Broadcasting	Marketing and Promotion	Membership Development	Management and General	Total
Accounting/Audit/Tax Return	\$ -	\$ -	\$ -	\$ -	\$ 43,164	\$ 43,164
Advertising	11,170	-	40,745	-	-	51,915
Audience Research	93,545	-	1,280	-	-	94,825
Bank Fees	-	-	-	77,790	37,970	115,760
Board Expenses	-	-	-	-	30,857	30,857
Capital Campaign	4,014,878	-	-	-	-	4,014,878
Community Outreach/PR	-	-	250	-	-	250
Computer Software and Maint	38,464	66,197	18,647	94,696	85,791	303,795
Construction Expense	-	-	-	-	3,722,297	3,722,297
Consultants and Temps	260,551	59,410	200,348	20,475	32,706	573,490
CSUS Administration	-	-	-	-	70,290	70,290
Depreciation Expense	-	-	-	-	162,240	162,240
Design	-	-	2,429	-	-	2,429
Digital/Web Content	13,390	-	-	-	-	13,390
Direct Mail	-	-	-	233,645	-	233,645
Equipment Lease Expense	-	-	-	-	33,802	33,802
ER Dental	26,798	3,035	3,411	6,010	8,934	48,188
Events	-	-	1,492	460	-	1,952
Fringe Benefits	-	-	-	-	73,199	73,199
Fund Drives	-	-	-	32,976	-	32,976
Fundraising Phones	-	-	-	13,504	-	13,504
Grant Related Expenses	11,590	-	-	-	-	11,590
Hosting and Development	133,545	-	-	-	-	133,545
Insurance Non	-	-	-	-	175,299	175,299
Interest Expense	-	-	-	494	89,624	90,118
Legal Fees	930	-	-	-	150,763	151,693
Major Donor Expense	-	-	-	1,713	-	1,713
Marketing Promo Items	-	-	13,055	-	-	13,055
Medical	256,944	27,779	26,837	62,444	84,550	458,554
Memberships and Subscriptions	12,399	-	8,818	6,901	35,007	63,125
National Acquisitions	72,576	-	-	-	-	72,576
Network Program Costs	1,542,392	-	-	-	-	1,542,392
NPR Programs	43,948	-	-	-	-	43,948
Office Supplies	197	-	120	53	28,062	28,432
Other Expenses	9,190	11,385	1,125	199,497	404,353	625,550
Payroll Service	-	-	-	-	25,623	25,623
Payroll Taxes	-	-	-	-	531,273	531,273
Photocopying	-	-	-	-	4,930	4,930
Postage	-	-	-	20,949	3,517	24,466
Printing	-	-	-	19,647	1,022	20,669
Program Supplies	1,209	-	-	-	-	1,209
Property Maintenance	34,694	-	34,694	-	2,224	71,612
Recruitment	-	-	-	-	96,949	96,949
Rent	140,197	178,488	121,003	-	505,150	944,838
Retirement Plan Expenses	-	-	-	-	195,008	195,008
Salaries	3,706,243	345,095	382,447	875,231	1,553,249	6,862,265
Telemarketing	-	-	-	92,471	-	92,471
Telephone	-	180,436	-	-	61,337	241,773
Travel and Training	44,257	6,369	6,015	10,203	16,994	83,838
Underwriting Expenses	1,050	-	1,050	-	-	2,100
Utilities	-	215,328	-	-	29,248	244,576
UW Commission	118,706	-	118,706	-	-	237,412
In-Kind Services	-	-	-	-	405,866	405,866
Fundraising Expenses	-	-	-	20,942	-	20,942
<b>Total</b>	<b>\$ 10,588,863</b>	<b>\$ 1,093,522</b>	<b>\$ 982,472</b>	<b>\$ 1,790,101</b>	<b>\$ 8,701,298</b>	<b>\$ 23,156,256</b>

**CAPITAL PUBLIC RADIO, INC.**  
**KCHO STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2023**

(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)

	Programming and Production	Broadcasting	Marketing and Promotion	Membership Development	Management and General	Total
Accounting/Audit/Tax Return	\$ -	\$ -	\$ -	\$ -	\$ 6,500	\$ 6,500
Acquisition Mail	-	-	-	53,661	-	53,661
Admin	-	-	-	-	168,131	168,131
Advertising	340	-	-	-	-	340
Bank Fees	-	-	-	5,738	117	5,855
Computer Software and Maint	2,902	7,866	-	-	-	10,768
Consultants and Temps	29,345	-	-	-	-	29,345
CSUS Administration	-	41,397	-	-	-	41,397
ER Dental	4,237	871	225	-	-	5,333
Events	-	-	189	1,670	-	1,859
Fund Drives	-	-	-	2,628	-	2,628
Interest Expense	-	-	-	-	461	461
Major Donor Expense	-	-	-	34	-	34
Marketing Promo Items	-	-	99	-	-	99
Medical	47,196	6,923	-	-	-	54,119
Memberships and Subscriptions	7,271	-	-	1,178	-	8,449
NPR Programs	234,398	-	-	-	-	234,398
Other Expenses	-	4,680	-	-	-	4,680
Photocopying	-	-	-	-	872	872
Postage	-	-	-	167	-	167
Program Supplies	28	8,479	228	-	-	8,735
Rent	-	91,589	-	-	-	91,589
Salaries	440,654	107,144	14,482	-	167,161	729,441
Telephone	-	5,422	-	-	-	5,422
Travel and Training	5,979	74	545	590	-	7,188
UW Commission	8,237	-	8,237	-	-	16,474
Vehicles Donation	-	-	-	17,779	-	17,779
In-Kind Services	-	-	-	-	35,326	35,326
Fundraising Expenses	-	-	-	4,779	-	4,779
Grant Expenses	309	-	-	-	-	309
<b>Total</b>	<b>\$ 780,896</b>	<b>\$ 274,445</b>	<b>\$ 24,005</b>	<b>\$ 88,224</b>	<b>\$ 378,568</b>	<b>\$ 1,546,138</b>

**CAPITAL PUBLIC RADIO, INC.**  
**KHSU STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	Programming and Production	Broadcasting	Marketing and Promotion	Membership Development	Management and General	Total
Accounting/Audit/Tax Return	\$ -	\$ -	\$ -	\$ -	\$ 11,500	\$ 11,500
Bank Fees	-	-	-	-	39	39
Computer Software and Maint	-	4,336	-	-	-	4,336
Consultants and Temps	-	31,375	-	-	-	31,375
Interest Expense	-	-	-	-	20	20
Memberships and Subscriptions	-	-	-	78	-	78
NPR Programs	49,527	-	-	-	-	49,527
Other Expenses	238	1,247	238	-	63,572	65,295
Program Supplies	-	58	-	-	-	58
Property Maintenance	-	1,213	-	-	-	1,213
Rent	-	32,781	-	-	-	32,781
Telephone	3,064	12,315	3,064	-	-	18,443
Travel and Training	-	-	-	-	217	217
Utilities	-	24,408	-	-	-	24,408
Vehicles Donation	-	-	-	13,042	-	13,042
Fundraising Expenses	-	-	-	5,111	-	5,111
<b>Total</b>	<b>\$ 52,829</b>	<b>\$ 107,733</b>	<b>\$ 3,302</b>	<b>\$ 18,231</b>	<b>\$ 75,348</b>	<b>\$ 257,443</b>

**CAPITAL PUBLIC RADIO, INC.**  
**SCHEDULE OF NET POSITION**  
**JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

**Assets:**

**Current assets:**

Cash and cash equivalents	\$ 1,362,794
Short-term investments	49,272
Accounts receivable, net	718,142
Lease receivable, current portion	-
P3 receivable, current portion	-
Notes receivable, current portion	-
Pledges receivable, net	376,414
Prepaid expenses and other current assets	111,532
<b>Total current assets</b>	<b>2,618,154</b>

**Noncurrent assets:**

Restricted cash and cash equivalents	-
Accounts receivable, net	-
Lease receivable, net of current portion	-
P3 receivable, net of current portion	-
Notes receivable, net of current portion	-
Student loans receivable, net	-
Pledges receivable, net	-
Endowment investments	-
Other long-term investments	-
Capital assets, net	2,711,472
Other assets	80,013
<b>Total noncurrent assets</b>	<b>2,791,485</b>
<b>Total assets</b>	<b>5,409,639</b>

**Deferred outflows of resources:**

Unamortized loss on debt refunding	-
Net pension liability	-
Net OPEB liability	-
Leases	-
P3	-
Others	-
<b>Total deferred outflows of resources</b>	-

**CAPITAL PUBLIC RADIO, INC.**  
**SCHEDULE OF NET POSITION (CONTINUED)**  
**JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

**Liabilities:**

**Current liabilities:**

Accounts payable	4,752,147
Accrued salaries and benefits	-
Accrued compensated absences, current portion	800,389
Unearned revenues	56,924
Lease liabilities, current portion	-
SBITA liabilities - current portion	-
P3 liabilities - current portion	-
Long-term debt obligations, current portion	646,703
Claims liability for losses and loss adjustment expenses, current portion	-
Depository accounts	-
Other liabilities	-
<b>Total current liabilities</b>	<b>6,256,163</b>

**Noncurrent liabilities:**

Accrued compensated absences, net of current portion	-
Unearned revenues	-
Grants refundable	-
Lease liabilities, net of current portion	-
SBITA liabilities, net of current portion	-
P3 liabilities, net of current portion	-
Long-term debt obligations, net of current portion	10,278,822
Claims liability for losses and loss adjustment expenses, net of current portion	-
Depository accounts	-
Net other postemployment benefits liability	-
Net pension liability	-
Other liabilities	-
<b>Total noncurrent liabilities</b>	<b>10,278,822</b>
<b>Total liabilities</b>	<b>16,534,985</b>

**Deferred inflows of resources:**

P3 service concession arrangements	-
Net pension liability	-
Net OPEB liability	-
Unamortized gain on debt refunding	-
Nonexchange transactions	-
Lease	-
P3	-
Others	-
<b>Total deferred inflows of resources</b>	<b>-</b>

**Net position:**

Net investment in capital assets	10,025
Restricted for:	
Nonexpendable – endowments	-
Expendable:	
Scholarships and fellowships	-
Research	-
Loans	-
Capital projects	-
Debt service	-
Others	(11,135,371)
Unrestricted	-
<b>Total net position</b>	<b>\$ (11,125,346)</b>

**CAPITAL PUBLIC RADIO, INC.**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

**Revenues:**

**Operating revenues:**

Student tuition and fees, gross	\$ -	-
Scholarship allowances (enter as negative)	-	-
<b>Grants and contracts, noncapital:</b>		
Federal	-	-
State	-	-
Local	198,264	198,264
Nongovernmental	2,346,095	2,346,095
Sales and services of educational activities	-	-
Sales and services of auxiliary enterprises, gross	-	-
Scholarship allowances (enter as negative)	-	-
Other operating revenues	3,254,877	
<b>Total operating revenues</b>	<b>5,799,236</b>	

**Expenses:**

**Operating expenses:**

Instruction	-	-
Research	-	-
Public service	24,797,597	24,797,597
Academic support	-	-
Student services	-	-
Institutional support	-	-
Operation and maintenance of plant	-	-
Student grants and scholarships	-	-
Auxiliary enterprise expenses	-	-
Depreciation and amortization	162,240	
<b>Total operating expenses</b>	<b>24,959,837</b>	
<b>Operating income (loss)</b>	<b>(19,160,601)</b>	

**CAPITAL PUBLIC RADIO, INC.**  
**SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

**Nonoperating revenues (expenses):**

State appropriations, noncapital	-
Federal financial aid grants, noncapital	-
State financial aid grants, noncapital	-
Local financial aid grants, noncapital	-
Nongovernmental and other financial aid grants, noncapital	-
Other federal nonoperating grants, noncapital	-
Gifts, noncapital	-
Investment income (loss), net	15,270
Endowment income (loss), net	-
Interest expense	-
Other nonoperating revenues (expenses)	<u>10,892,102</u>
<b>Net nonoperating revenues (expenses)</b>	<b><u>10,907,372</u></b>
<b>Income (loss) before other revenues (expenses)</b>	<b><u>(8,253,229)</u></b>
State appropriations, capital	-
Grants and gifts, capital	-
Additions (reductions) to permanent endowments	-
<b>Increase (decrease) in net position</b>	<b><u>(8,253,229)</u></b>
<b>Net position:</b>	
Net position at beginning of year, as previously reported	13,989,566
Restatements	<u>(16,861,683)</u>
<b>Net position at beginning of year, as restated</b>	<b><u>(2,872,117)</u></b>
<b>Net position at end of year</b>	<b><u>\$ (11,125,346)</u></b>

**CAPITAL PUBLIC RADIO, INC.  
OTHER INFORMATION  
YEAR ENDED JUNE 30, 2023**

### **1 Cash and cash equivalents:**

Portion of restricted cash and cash equivalents related to endowments

#### All other restricted cash and cash equivalents

#### **Noncurrent restricted cash and cash equivalents**

#### Current cash and cash equivalents

### Total

**1,362,794**

## **2.1 Composition of investments:**

Investment Type	Current	Noncurrent	Total
Money market funds			
Repurchase agreements			
Certificates of deposit			
U.S. agency securities			
U.S. treasury securities			
Municipal bonds			
Corporate bonds			
Asset-backed securities			
Mortgage-backed securities			
Commercial paper			
Supranational			
Mutual funds			
Exchange-traded funds			
Equity securities	49,272		49,272
Alternative investments:			
Private equity (including limited partnerships)			
Hedge funds			
Managed futures			
Real estate investments (including REITs)			
Commodities			
Derivatives			
Other alternative investments			
Other external investment pools			
CSU Consolidated Investment Pool (formerly SWIFT)			
State of California Local Agency Investment Fund (LAIF)			
State of California Surplus Money Investment Fund (SMIF)			
Other investments:			
Total other investments			
<b>Total investments</b>	<b>49,272</b>		<b>49,272</b>
Less endowment investments (enter as negative number)			
<b>Total investments, net of endowments</b>	<b>\$ 49,272</b>		<b>\$ 49,272</b>

**CAPITAL PUBLIC RADIO, INC.**  
**OTHER INFORMATION (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

**2.2 Fair value hierarchy in investments:**

Investment Type	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Net Asset Value (NAV)
Money market funds		-			
Repurchase agreements		-			
Certificates of deposit		-			
U.S. agency securities		-			
U.S. treasury securities		-			
Municipal bonds		-			
Corporate bonds		-			
Asset-backed securities		-			
Mortgage-backed securities		-			
Commercial paper		-			
Supranational		-			
Mutual funds		-			
Exchange-traded funds		-			
Equity securities	49,272		49,272		
Alternative investments:					
Private equity (including limited partnerships)		-			
Hedge funds		-			
Managed futures		-			
Real estate investments (including REITs)		-			
Commodities		-			
Derivatives		-			
Other alternative investments		-			
Other external investment pools		-			
CSU Consolidated Investment Pool (formerly SWIFT)		-			
State of California Local Agency Investment Fund (LAIF)		-			
State of California Surplus Money Investment Fund (SMIF)		-			
Other investments:					
		-			
		-			
		-			
		-			
		-			
Total other investments		-			
<b>Total investments</b>	<b>\$ 49,272</b>	<b>\$ 49,272</b>			

**CAPITAL PUBLIC RADIO, INC.**  
**OTHER INFORMATION (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

**3.1 Capital Assets, excluding ROU assets:**

<u>Composition of capital assets, excluding ROU assets:</u>	<b>Balance June 30, 2022</b>	<b>Reclassifications</b>	<b>Prior Period Additions</b>	<b>Prior Period Retirements</b>	<b>Balance June 30, 2022 (Restated)</b>	<b>Additions</b>	<b>Retirements</b>	<b>Transfer of completed CWIP/PWIP</b>	<b>Balance June 30, 2023</b>
<b>Non-depreciable/Non-amortizable capital assets:</b>									
Land and land improvements	35,025				35,025				35,025
Works of art and historical treasures									
Construction work in progress (CWIP)	13,600,337				13,600,337		(1,323,522)		2,276,815
Intangible assets:									
Rights and easements					-				-
Patents, copyrights and trademarks					-				-
Intangible assets in progress (PWIP)					-				-
Licenses and permits	4,933,842				4,933,842		(4,933,842)		-
Other intangible assets:					-				-
					-				-
					-				-
Total Other intangible assets	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	<b>4,933,842</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,933,842</b>	<b>-</b>	<b>(4,933,842)</b>	<b>-</b>	<b>-</b>
<b>Total non-depreciable/non-amortizable capital assets</b>	<b>\$ 18,569,204</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 18,569,204</b>	<b>-</b>	<b>(16,257,364)</b>	<b>-</b>	<b>2,311,840</b>
<b>Depreciable/Amortizable capital assets:</b>									
Buildings and building improvements					-				
Improvements, other than buildings	1,348,341				1,348,341		(468,491)		879,850
Infrastructure									
Leaschold improvements	664,596				664,596		4,799		23,583
Personal property:									
Equipment	3,015,352				3,015,352		(2,301,983)		713,369
Library books and materials					-				-
Intangible assets:									
Software and websites					-				-
Rights and easements					-				-
Patents, copyrights and trademarks					-				-
Licenses and permits					-				-
Other intangible assets:					-				-
					-				-
					-				-
Total Other intangible assets:	-	-	-	-	-	-	-	-	-
<b>Total intangible assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total depreciable/amortizable capital assets</b>	<b>5,028,289</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,028,289</b>	<b>4,799</b>	<b>(3,416,286)</b>	<b>-</b>	<b>1,616,802</b>
<b>Total capital assets</b>	<b>\$ 23,597,493</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 23,597,493</b>	<b>4,799</b>	<b>(19,673,650)</b>	<b>-</b>	<b>3,928,642</b>

**CAPITAL PUBLIC RADIO, INC.**  
**OTHER INFORMATION (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

**3.1 Capital Assets, excluding ROU assets (continued):**

<u>Composition of capital assets, excluding ROU assets:</u>	<b>Balance June 30, 2022</b>	<b>Reclassifications</b>	<b>Prior Period Additions</b>	<b>Prior Period Retirements</b>	<b>Balance June 30, 2022 (Restated)</b>	<b>Additions</b>	<b>Retirements</b>	<b>Transfer of completed CWIP/PWIP</b>	<b>Balance June 30, 2023</b>
<b>Less accumulated depreciation/amortization:</b>									
Buildings and building improvements					(1,063,291)			784,889	(278,402)
Improvements, other than buildings									
Infrastructure									
Leasehold improvements					(572,108)			558,471	(13,637)
Personal property:									
Equipment									
Library books and materials					(2,606,967)			1,681,836	(925,131)
Intangible assets:									
Software and websites						-			
Rights and easements						-			
Patents, copyrights and trademarks						-			
Licenses and permits						-			
Other intangible assets:						-			
						-			
						-			
						-			
						-			
Total Other intangible assets:									
<b>Total intangible assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total accumulated depreciation/amortization</b>	<b>(4,242,366)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,242,366)</b>	<b>-</b>	<b>3,025,196</b>	<b>-</b>	<b>(1,217,170)</b>
<b>Total capital assets, net excluding ROU assets</b>	<b>\$ 19,355,127</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 19,355,127</b>	<b>4,799</b>	<b>(16,648,454)</b>	<b>-</b>	<b>2,711,472</b>

**CAPITAL PUBLIC RADIO, INC.**  
**OTHER INFORMATION (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

**Capital Assets, Right of Use**

	Balance June 30, 2022	Prior Period Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2022 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2023
<b>Composition of capital assets - Lease ROU, net:</b>									
Non-depreciable/Non-amortizable lease assets:									
Land and land improvements									
Total non-depreciable/non-amortizable lease assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable lease assets:									
Land and land improvements	15,549,418				15,549,418			(15,549,418)	-
Buildings and building improvements									-
Improvements, other than buildings									-
Infrastructure									-
Personal property:									-
Equipment									-
Total depreciable/amortizable lease assets	<b>15,549,418</b>	-	-	-	<b>15,549,418</b>	-		<b>(15,549,418)</b>	-
Less accumulated depreciation/amortization:									
Land and land improvements									-
Buildings and building improvements		<b>(751,756)</b>				<b>(751,756)</b>		<b>751,756</b>	-
Improvements, other than buildings									-
Infrastructure									-
Personal property:									-
Equipment									-
Total accumulated depreciation/amortization	<b>(751,756)</b>	-	-	-	<b>(751,756)</b>	-	<b>751,756</b>	-	-
Total capital assets - lease ROU, net	<b>14,797,662</b>	-	-	-	<b>14,797,662</b>	-	<b>(14,797,662)</b>	-	\$ -

	Balance June 30, 2022	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2022 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2023
<b>Composition of capital assets - SBITA ROU, net</b>									
Depreciable/Amortizable SBITA assets:									
Software									
Total depreciable/amortizable SBITA assets	-		-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Software									-
Total accumulated depreciation/amortization	-		-	-	-	-	-	-	-
Total capital assets - SBITA ROU, net	-		-	-	-	-	-	-	-

**CAPITAL PUBLIC RADIO, INC.**  
**OTHER INFORMATION (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

	Balance June 30, 2022	Reclassifications	Prior Period Additions	Prior Period Reductions	Balance June 30, 2022 (Restated)	Additions	Remeasurements	Reductions	Balance June 30, 2023
<b><u>Composition of capital assets - P3 ROU, net:</u></b>									
Non-depreciable/Non-amortizable P3 assets:									
Land and land improvements									
Total non-depreciable/non-amortizable P3 assets	-	-	-	-	-	-	-	-	-
Depreciable/Amortizable P3 assets:									
Land and land improvements									
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Total depreciable/amortizable P3 assets	-	-	-	-	-	-	-	-	-
Less accumulated depreciation/amortization:									
Land and land improvements									
Buildings and building improvements	-	-	-	-	-	-	-	-	-
Improvements, other than buildings	-	-	-	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-	-	-	-
Personal property:									
Equipment	-	-	-	-	-	-	-	-	-
Total accumulated depreciation/amortization	-	-	-	-	-	-	-	-	-
Total capital assets - P3 ROU, net	-	-	-	-	-	-	-	-	\$ -
Total capital assets, net including ROU assets	-	-	-	-	-	-	-	-	\$ 2,711,472

**3.2 Detail of depreciation and amortization expense:**

Depreciation and amortization expense - capital assets, excluding ROU assets	\$ -
Amortization expense - Lease ROU	-
Amortization expense - SBITA ROU	-
Amortization expense - P3 ROU	-
Depreciation and Amortization expense - Others	162,240
<b>Total depreciation and amortization</b>	<b>\$ 162,240</b>

**CAPITAL PUBLIC RADIO, INC.**  
**OTHER INFORMATION (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

**4 Long-term liabilities:**

	Balance June 30, 2022	Prior Period Adjustments/ Reclassifications	Balance			Balance June 30, 2023	Current Portion	Noncurrent Portion
			June 30, 2022 (Restated)	Additions	Reductions			
1. Accrued compensated absences	\$ 592,714		592,714	207,675		800,389	800,389	
2. Claims liability for losses and loss adjustment expenses	-		-			-	-	
3. Capital lease obligations (pre-ASC 842):								
Gross balance	-		-			-	-	
Unamortized net premium/(discount)	-		-			-	-	
<b>Total capital lease obligations (pre ASC 842)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4. Long-term debt obligations:</b>								
4.1 Auxiliary revenue bonds (non-SRB related)	-		-			-	-	
4.2 Commercial paper	-		-			-	-	
4.3 Notes payable (SRB related)	-		-			-	-	
4.4 Finance purchase of capital assets	-		-			-	-	
4.5 Others:								
Line of credit	400,000		400,000		(400,000)	-	-	
Notes Payable - Party Related	6,631,822		6,631,822	1,513,004	(8,144,826)	-	-	
Loans for Furniture not capitalizable	-		-	10,925,525		10,925,525	646,703	10,278,822
Total others	<b>7,031,822</b>	<b>-</b>	<b>7,031,822</b>	<b>12,438,529</b>	<b>(8,544,826)</b>	<b>10,925,525</b>	<b>646,703</b>	<b>10,278,822</b>
<b>Sub-total long-term debt</b>	<b>7,031,822</b>	<b>-</b>	<b>7,031,822</b>	<b>12,438,529</b>	<b>(8,544,826)</b>	<b>10,925,525</b>	<b>646,703</b>	<b>10,278,822</b>
4.6 Unamortized net bond premium/(discount)	-		-			-	-	
<b>Total long-term debt obligations</b>	<b>\$ 7,031,822</b>	<b>-</b>	<b>7,031,822</b>	<b>12,438,529</b>	<b>(8,544,826)</b>	<b>\$ 10,925,525</b>	<b>646,703</b>	<b>10,278,822</b>

**5. Lease, SBITA, P3 liabilities:**

	Balance June 30, 2022	Prior Period Adjustments/ Reclassifications	Balance			Balance June 30, 2023	Current Portion	Noncurrent Portion
			Additions	Remeasurements	Reductions			
Lease liabilities	17,383,143	\$ (17,383,143)				-	-	
SBITA liabilities	-					-	-	
P3 liabilities - SCA	-					-	-	
P3 liabilities - non-SCA	-					-	-	
<b>Sub-total P3 liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Lease, SBITA, P3 liabilities</b>	<b>\$ 17,383,143</b>	<b>\$ (17,383,143)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total long-term liabilities</b>						<b>\$ 11,725,914</b>	<b>1,447,092</b>	<b>10,278,822</b>

**CAPITAL PUBLIC RADIO, INC.**  
**OTHER INFORMATION (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

**5 Future minimum payments schedule - leases, SBITA, P3:**

	Lease Liabilities			SBITA liabilities			Public-Private or Public-Public Partnerships (P3)			Total Leases, SBITA, P3 liabilities		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal Only	Interest Only	Principal and Interest
<b>Year ending June 30:</b>												
2024			-			-			-	-	-	-
2025			-			-			-	-	-	-
2026			-			-			-	-	-	-
2027			-			-			-	-	-	-
2028			-			-			-	-	-	-
2029 - 2033			-			-			-	-	-	-
2034 - 2038			-			-			-	-	-	-
2039 - 2043			-			-			-	-	-	-
2044 - 2048			-			-			-	-	-	-
2049 - 2053			-			-			-	-	-	-
Thereafter			-			-			-	-	-	-
<b>Total minimum payments</b>	<b>\$</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Less: amounts representing interest												
<b>Present value of future minimum payments</b>												
<b>Total Leases, SBITA, P3 liabilities</b>												
Less: current portion												
<b>Leases, SBITA, P3 liabilities, net of current portion</b>										<b>\$</b>	<b>-</b>	<b>-</b>

**CAPITAL PUBLIC RADIO, INC.**  
**OTHER INFORMATION (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

**6 Future minimum payments schedule - Long-term debt obligations:**

	Auxiliary revenue bonds (non-SRB related)			All other long-term debt obligations			Total long-term debt obligations		
	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest	Principal	Interest	Principal and Interest
<b>Year ending June 30:</b>									
2024			-	646,703		646,703	646,703		646,703
2025			-	2,991,322		2,991,322	2,991,322		2,991,322
2026			-	2,984,067		2,984,067	2,984,067		2,984,067
2027			-	2,607,493		2,607,493	2,607,493		2,607,493
2028			-	1,102,609		1,102,609	1,102,609		1,102,609
2029 - 2033			-	593,331		593,331	593,331		593,331
2034 - 2038			-			-	-		-
2039 - 2043			-			-	-		-
2044 - 2048			-			-	-		-
2049 - 2053			-			-	-		-
Thereafter			-			-	-		-
<b>Total minimum payments</b>	<b>\$</b>	<b>-</b>	<b>-</b>	<b>10,925,525</b>	<b>-</b>	<b>10,925,525</b>	<b>10,925,525</b>	<b>-</b>	<b>10,925,525</b>
Less: amounts representing interest									-
<b>Present value of future minimum payments</b>									<b>10,925,525</b>
Unamortized net premium/(discount)									-
<b>Total long-term debt obligations</b>									<b>10,925,525</b>
Less: current portion									(646,703)
<b>Long-term debt obligations, net of current portion</b>									<b>\$ 10,278,822</b>

**7 Transactions with related entities:**

Payments to University for salaries of University personnel working on contracts, grants, and other programs	
Payments to University for other than salaries of University personnel	174,558
Payments received from University for services, space, and programs	39,300
Gifts-in-kind to the University from discretely presented component units	
Gifts (cash or assets) to the University from discretely presented component units	
Accounts payable to University	(346,625)
Other amounts payable to University	(1,406,723)
Accounts receivable from University	
Other amounts receivable from University	

**CAPITAL PUBLIC RADIO, INC.**  
**OTHER INFORMATION (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

**8 Restatements**

Restatement #1	Enter transaction description	Debit/Credit
		\$ -

Restatement #2	Enter transaction description	\$ -
		\$ -

**9 Natural classifications of operating expenses:**

	Salaries	Benefits - Other	Benefits - Pension	Benefits - OPEB	Scholarships and fellowships	Supplies and other services	Depreciation and amortization	Total operating expenses
Instruction	\$ -	-	-	-	-	-	-	-
Research	-	-	-	-	-	-	-	-
Public service	7,591,706	529,074	195,008	531,273	-	15,950,536	-	24,797,597
Academic support	-	-	-	-	-	-	-	-
Student services	-	-	-	-	-	-	-	-
Institutional support	-	-	-	-	-	-	-	-
Operation and maintenance of plant	-	-	-	-	-	-	-	-
Student grants and scholarships	-	-	-	-	-	-	-	-
Auxiliary enterprise expenses	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-
<b>Total operating expenses</b>	<b>\$ 7,591,706</b>	<b>529,074</b>	<b>195,008</b>	<b>531,273</b>	<b>-</b>	<b>15,950,536</b>	<b>162,240</b>	<b>\$ 24,959,837</b>

Select type of pension plan >>

**Defined Contribution Plan**

**CAPITAL PUBLIC RADIO, INC.**  
**OTHER INFORMATION (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**  
**(SEE INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION)**

**10 Deferred outflows/inflows of resources:**

**1. Deferred Outflows of Resources**

Deferred outflows - unamortized loss on refunding(s)  
 Deferred outflows - net pension liability  
 Deferred outflows - net OPEB liability  
 Deferred outflows - leases  
 Deferred outflows - P3  
 Deferred outflows - others:  
     Sales/intra-entity transfers of future revenues  
     Gain/loss on sale leaseback  
     Loan origination fees and costs  
     Change in fair value of hedging derivative instrument  
     Irrevocable split-interest agreements

Total deferred outflows - others	<hr/> <hr/> <hr/>
<b>Total deferred outflows of resources</b>	<b>\$</b> <hr/> <hr/> <hr/>

**2. Deferred Inflows of Resources**

Deferred inflows - P3 service concession arrangements  
 Deferred inflows - net pension liability  
 Deferred inflows - net OPEB liability  
 Deferred inflows - unamortized gain on debt refunding(s)  
 Deferred inflows - nonexchange transactions  
 Deferred inflows - leases  
 Deferred inflows - P3  
 Deferred inflows - others:  
     Sales/intra-entity transfers of future revenues  
     Gain/loss on sale leaseback  
     Loan origination fees and costs  
     Change in fair value of hedging derivative instrument  
     Irrevocable split-interest agreements

Total deferred inflows - others	<hr/> <hr/> <hr/>
<b>Total deferred inflows of resources</b>	<b>\$</b> <hr/> <hr/> <hr/>

**11 Other nonoperating revenues (expenses)**

Other nonoperating revenues	\$ 11,992,102
Other nonoperating (expenses)	\$ <u>11,992,102</u>
<b>Total other nonoperating revenues (expenses)</b>	<b>\$ <u>11,992,102</u></b>



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See [CLAglobal.com/disclaimer](http://CLAglobal.com/disclaimer). Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.