



**Southern Illinois University Carbondale**

**Southern Illinois University Broadcasting  
Service**

**(WSIU Public Broadcasting)**

Financial Statements  
for the Year Ended June 30, 2024

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## Independent Auditors' Report

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The Board of Trustees  
Southern Illinois University

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Southern Illinois University Broadcasting Service (SIU Broadcasting Service, a/k/a WSIU Public Broadcasting) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise SIU Broadcasting Service's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of SIU Broadcasting Service as of June 30, 2024, and the 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.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SIU Broadcasting Service 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.

#### Responsibilities of Management for the Financial Statements

SIU Broadcasting Service's 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 SIU Broadcasting Service'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.

### **Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 SIU Broadcasting Service'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 SIU Broadcasting Service'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.

### **Report on Summarized Comparative Information**

We have previously audited SIU Broadcasting Service's 2023 financial statements, and our report dated February 9, 2024, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Emphasis of Matter**

As discussed in Note 1, the financial statements of SIU Broadcasting Service are intended to present the financial position, the changes in financial position, and cash flows of only SIU Broadcasting Service's portion of Southern Illinois University's financial position, changes in financial position, and cash flows attributable to the transactions of the SIU Broadcasting Service. They do not purport to, and do not, present fairly the financial position of Southern Illinois University as of June 30, 2024, the changes in its financial position or its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 – 10, and the Schedules of Proportionate Share of Net Pension Liability, Contributions, and Proportionate Share of OPEB Liability and related notes thereto on pages 41 – 43, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the basic financial statements. The accompanying Schedules of Functional Expenses for the year ended June 30, 2024, on pages 45 - 47, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2025, on our consideration of SIU Broadcasting Service'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 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 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 SIU Broadcasting Service's internal control over financial reporting and compliance.

*Kerber, Eck & Braeckel LLP*

Springfield, Illinois

February 7, 2025

# **Southern Illinois University Broadcasting Service**

## **Management's Discussion and Analysis (Unaudited)**

### **June 30, 2024**

The following discussion and analysis of the financial statements of Southern Illinois University Broadcasting Service ("WSIU Public Broadcasting", "WSIU") which includes WSIU/WUSI TV, as well as WMEC/WQEC/WSEC TV (acquired on November 1, 2018) & WSIU/WUSI/WVSI FM STATIONS, provides an overview of the SIU Broadcasting Service financial activities for the year ended June 30, 2024, with comparative information for the year ended June 30, 2023. This discussion and analysis focus on the financial activities of the SIU Broadcasting Service, a public service unit housed within the Mass Communications Building at Southern Illinois University Carbondale (University). SIU Broadcasting Service reports directly to the SIUC Chancellor's Office. The broadcast licenses are held by the Board of Trustees of Southern Illinois University, which controls the operations. Complete financial statements for Southern Illinois University may be obtained directly from the University. This discussion has been prepared by management and should be read in conjunction with the financial statements and related footnotes.

#### **Introduction**

The financial statements are prepared in accordance with guidance found in the statements issued by the Governmental Accounting Standards Board (GASB), including the financial reporting format and underlying concepts for public higher education reporting of GASB Statement No. 35, "*Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*."

As required by U.S. generally accepted accounting principles, the annual report consists of three basic financial statements that provide information on the WSIU Public Broadcasting as a whole: the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; and the Statement of Cash Flows. Each of these statements will be discussed.

#### **Financial Highlights**

##### **Statement of Net Position**

The Statement of Net Position includes all assets, liabilities and deferred outflows and inflows of resources, using the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided, and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged. Net Position is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources and is one way to measure the financial health of WSIU Public Broadcasting.

The Statement of Net Position presents end-of-year data concerning assets (current and non-current), deferred outflows of resources, liabilities (current and non-current), deferred inflows of resources, and net position. In general, current assets are those that are available to satisfy current liabilities. Current liabilities are usually those that will be paid within one year of the date of the Statement of Net Position.

Net Position is divided into three major categories. The first category, net investment in capital assets, represents WSIU Public Broadcasting's equity in property, plant and equipment. The next asset category is restricted net position, which is divided into two categories, non-expendable and expendable. Non-expendable restricted net position consists of endowments with specific restrictions requiring that the principal be invested and only the earnings be used. Expendable restricted net position is available for expenditure by WSIU but must be spent for purposes as determined by donors or other external entities that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted net position, which represents balances from operational activities that have not been restricted by external parties and are available for use by WSIU Public Broadcasting.

**Southern Illinois University Broadcasting Service  
Management's Discussion and Analysis (Unaudited) - Continued  
June 30, 2024**

The following summarizes the WSIU Public Broadcasting's assets, liabilities, and net position at June 30:

	2024	2023
<b>Assets and Deferred Outflows of Resources</b>		
Current and other assets	\$ 3,138,948	\$ 2,306,516
Capital assets, net	2,432,756	2,696,617
Total assets	5,571,704	5,003,133
Deferred outflows of resources	1,312	1,712
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 5,573,016</b>	<b>\$ 5,004,845</b>
<b>Liabilities and Deferred Inflows of Resources</b>		
Current liabilities	\$ 1,063,212	\$ 736,081
Non-current liabilities	1,329,609	958,402
Deferred inflows of resources	49,622	102,390
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>2,442,443</b>	<b>1,796,873</b>
<b>Net Position</b>		
Net investment in capital assets	1,735,001	1,953,672
Non-expendable restricted	817,292	813,359
Expendable restricted	179,394	128,377
Unrestricted	398,886	312,564
<b>Total Net Position</b>	<b>3,130,573</b>	<b>3,207,972</b>
<b>Total Net Position and Liabilities</b>	<b>\$ 5,573,016</b>	<b>\$ 5,004,845</b>

WSIU's assets and deferred outflows of resources exceeded its liabilities by \$ 3,130,573 at the close of the fiscal year, a decrease of \$ 77,399 from the prior year.

**Statement of Revenues, Expenses and Changes in Net Position**

The changes in total net position as presented on the Statement of Net Position are based on the activities presented in the Statement of Revenues, Expenses and Changes in Net Position. The statement presents the operating results of WSIU Public Broadcasting, as well as the non-operating revenues and expenses.

In general, operating revenues are received for providing educational programs, goods, and production services to agencies outside of the University to the public and private sector. Operating revenues from grants and contracts are from activities that have the characteristics of exchange transactions. In an exchange transaction, both parties receive a material benefit from the transaction. Operating expenses are those expenses paid to acquire goods or services provided in return for the operating revenues, and to carry out the mission of WSIU Public Broadcasting. Non-operating revenues and expenses include state capital appropriations, on-behalf payments, investment income, and capital grants. State appropriations are mandated as non-operating because they are provided by the legislature to the University without the legislature directly receiving commensurate goods and services for those revenues. Therefore, an operating loss will always result.

**Southern Illinois University Broadcasting Service  
Management's Discussion and Analysis (Unaudited) - Continued  
June 30, 2024**

The following summarizes the WSIU Public Broadcasting's financial activity for fiscal years ended June 30, 2024 and 2023:

	Year Ended June 30, 2024	Year Ended June 30, 2023
<b>Operating Revenues</b>		
Operating grants	\$ 1,708,929	\$ 1,635,214
Local support	1,437,107	2,264,340
Project grants	21,353	21,350
Production	11,380	80,885
University support	1,135,309	1,145,674
Other	140,044	145,037
<b>Total Operating Revenues</b>	<b>4,454,122</b>	<b>5,292,500</b>
<b>Operating Expenses</b>	<b>(5,733,777)</b>	<b>(6,052,692)</b>
<b>Operating Loss</b>	<b>(1,279,655)</b>	<b>(760,192)</b>
Non-operating revenues - net	1,202,256	1,005,573
<b>Increase/(Decrease) in Net Position</b>	<b>(77,399)</b>	<b>245,381</b>
<b>Net Position, Beginning of Year</b>	<b>3,207,972</b>	<b>2,962,591</b>
<b>Net Position, End of Year</b>	<b>\$ 3,130,573</b>	<b>\$ 3,207,972</b>

The Statement of Revenues, Expenses and Changes in Net Position reflects a net loss, resulting in a decrease in the net position at the end of the year.

Operating revenues decreased by \$ 838,378 in fiscal year 2024 compared to 2023, and non-operating revenues–net, increased by \$ 196,683. The decrease in current year operating revenue was driven by decreases in membership and contribution revenue (\$ 855,836). The increase in non-operating revenue of \$ 196,683 was attributed to an increase in investment income of \$ 45,520 and an increase in SIU benefits paid on behalf of WSIU of \$ 153,209.

Operating expenses decreased \$ 318,915 in FY24. The most significant reductions were in Salaries/Benefits (\$ 191,970), and Professional Services/In-Kind Support (\$ 159,512).

**Southern Illinois University Broadcasting Service  
Management's Discussion and Analysis (Unaudited) - Continued  
June 30, 2024**

**Operating Expenses (by functional classification)**

A summary of WSIU Public Broadcasting's operating expenses by functional classification for fiscal years ended June 30, 2024 and 2023 is as follows:

	Year Ended June 30, 2024	Year Ended June 30, 2023
<b>Operating Expenses</b>		
Local programming and production	\$ 2,408,744	\$ 2,591,436
Broadcasting	1,445,959	1,437,021
Program information	168,241	132,004
Fundraising and membership development	289,751	423,761
Underwriting and grant solicitation	253,606	339,580
Management and general administration	729,979	727,580
Depreciation and amortization	437,497	401,310
<b>Total Operating Expenses</b>	<hr/> <b>\$ 5,733,777</b>	<hr/> <b>\$ 6,052,692</b>

**Statement of Cash Flows**

The Statement of Cash Flows presents detailed information about the cash activities of WSIU Public Broadcasting during the fiscal year. This statement helps users assess WSIU Public Broadcasting's ability to generate net cash flows, its ability to meet obligations as they come due, and its need for external financing.

WSIU Public Broadcasting's statement uses the direct method presentation, which indicates the cash effects categorized by operations, non-capital financing activities, capital, and related financing activities, and investing activities.

**Southern Illinois University Broadcasting Service  
Management's Discussion and Analysis (Unaudited) - Continued  
June 30, 2024**

A summary of the WSIU Public Broadcasting's cash flow for fiscal years ended June 30, 2024 and 2023 is as follows:

	Year Ended June 30, 2024	Year Ended June 30, 2023
<b>Cash Provided By (Used In)</b>		
Operating activities	\$ (591,992)	\$ (203,842)
Noncapital financing activities	790,202	784,881
Capital financing and related financing activities	(229,380)	(180,852)
Investing activities	50,146	(659,555)
Net increase in cash and cash equivalents	<u>18,976</u>	<u>(259,368)</u>
Cash and cash equivalents, beginning of year	<u>206,483</u>	<u>465,851</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u><u>\$ 225,459</u></u>	<u><u>\$ 206,483</u></u>

**Capital Asset and Debt Administration**

WSIU Public Broadcasting entered into a loan agreement with Southern Illinois University on July 2, 2018 for \$1,000,000 to finance the acquisition of the broadcast licenses and equipment of WMEC-TV, WQEC-TV and WSEC-TV. The loan bears no interest and requires 14 semi-annual principal payments commencing on December 31, 2021.

**Economic Outlook**

Fiscal year 2024 appropriations for higher education operations were approved by the State of Illinois. WSIU's appropriation reflects an immaterial increase of \$ 5,321 compared to FY23. The State continues to explore options to reduce its retirement plan payment shortfall in future years. The State of Illinois passed a retirement plan for future years that will require public universities and employees to contribute more toward the cost of retirement.

The global economy continues to rebound from the COVID-19 pandemic. WSIU's membership revenue decreased nearly 34% in FY24 vs FY23. In FY22, WSIU administration implemented a plan to significantly reduce costs in several areas. These measures included permanent staff reductions and other administrative cost reductions that impacted each department. The impact of those efforts is reflected in FY24's operating expenses, which show a decrease of almost 6% in FY24 vs FY23. The accounting department continues to conduct internal audits in three key areas of the organization: revenue, local productions, and automated processes. The audits are intended to identify untapped revenue sources or additional opportunities from current sources as well as identifying efficiencies in labor-intensive operations such as local productions and automatable processes and continues to explore alternative revenue streams. WSIU is also working with state and national organizations that support the long-term sustainability of public media.

**Southern Illinois University Broadcasting Service  
Statement of Net Position  
June 30, 2024 (with Comparative Totals for 2023)**

	2024			2023 (Comparative Totals Only)		
	TV	FM	TOTAL	TV	FM	TOTAL
<b>Assets</b>						
<b>Current Assets</b>						
Interest in pooled cash	\$ -	\$ 785,636	\$ 785,636	\$ -	\$ 644,808	\$ 644,808
Accounts receivable, net	284,348	24,559	308,907	160,385	32,724	193,109
Prepaid expenses	27,239	59,581	86,820	32,927	60,547	93,474
Lease receivables, current portion	-	33,875	33,875	-	52,775	52,775
<b>Total Current Assets</b>	<b>311,587</b>	<b>903,651</b>	<b>1,215,238</b>	<b>193,312</b>	<b>790,854</b>	<b>984,166</b>
<b>Non-current Assets</b>						
Lease receivables, long-term portion	-	18,616	18,616	-	52,491	52,491
Restricted investments	863,741	80,291	944,032	812,585	70,694	883,279
Right-of-use lease assets, net	744,575	216,487	961,062	385,737	843	386,580
Capital Assets						
Land	21,194	2,193	23,387	21,194	2,193	23,387
Television licenses-Springfield	1,000,000	-	1,000,000	1,000,000	-	1,000,000
Building	7,787,460	508,820	8,296,280	7,787,460	508,820	8,296,280
Equipment	4,510,005	816,866	5,326,871	4,411,359	816,866	5,228,225
Construction in Progress	8,029	-	8,029	-	-	-
Less: accumulated depreciation	(11,045,489)	(1,176,322)	(12,221,811)	(10,692,254)	(1,159,021)	(11,851,275)
Total Capital Assets, net	2,281,199	151,557	2,432,756	2,527,759	168,858	2,696,617
<b>Total Non-current Assets</b>	<b>3,889,515</b>	<b>466,951</b>	<b>4,356,466</b>	<b>3,726,081</b>	<b>292,886</b>	<b>4,018,967</b>
<b>Total Assets</b>	<b>4,201,102</b>	<b>1,370,602</b>	<b>5,571,704</b>	<b>3,919,393</b>	<b>1,083,740</b>	<b>5,003,133</b>
<b>Deferred Outflows of resources</b>						
Pensions	-	1,312	1,312	-	1,712	1,712
Total Assets and Deferred Outflows of resources	\$ 4,201,102	\$ 1,371,914	\$ 5,573,016	\$ 3,919,393	\$ 1,085,452	\$ 5,004,845
<b>Liabilities and Net Position</b>						
<b>Current Liabilities</b>						
Overdraft in pooled cash	\$ 560,177	\$ -	\$ 560,177	\$ 438,325	\$ -	\$ 438,325
Accounts payable	112,051	18,882	130,933	84,307	9,168	93,475
Income taxes payable	-	15,144	15,144	6,251	2,828	9,079
Accrued salaries	10,929	5,801	16,730	11,193	3,908	15,101
SIU Loan, current portion	142,604	-	142,604	138,420	-	138,420
Unearned revenues-other	5,472	5,548	11,020	5,045	3,933	8,978
Lease liabilities, current portion	63,421	42,449	105,870	31,646	1,057	32,703
Note payable, net of discount	80,734	-	80,734	-	-	-
<b>Total Current Liabilities</b>	<b>975,388</b>	<b>87,824</b>	<b>1,063,212</b>	<b>715,187</b>	<b>20,894</b>	<b>736,081</b>
<b>Non-current Liabilities</b>						
SIU Loan, long-term portion	454,199	-	454,199	596,803	-	596,803
Lease liabilities, long-term portion	700,181	175,229	875,410	361,599	-	361,599
<b>Total Non-current Liabilities</b>	<b>1,154,380</b>	<b>175,229</b>	<b>1,329,609</b>	<b>958,402</b>	<b>-</b>	<b>958,402</b>
<b>Total Liabilities</b>	<b>2,129,768</b>	<b>263,053</b>	<b>2,392,821</b>	<b>1,673,589</b>	<b>20,894</b>	<b>1,694,483</b>

**Southern Illinois University Broadcasting Service**  
**Statement of Net Position - Continued**  
**For the Year Ended June 30, 2024 (With Comparative Totals for 2023)**

	2024			2023		
	TV	FM	Total	TV	FM	Total
	\$	-	\$	\$	-	\$
<b>Deferred Inflows of resources</b>						
Lease revenue	\$ 49,622	-	\$ 49,622	\$ 102,390	-	\$ 102,390
<b>Total Liabilities and Deferred Inflows of resources</b>	2,129,768	312,675	2,442,443	1,673,589	123,284	1,796,873
<b>Net Position</b>						
Net investment in capital assets	1,584,635	150,366	1,735,001	1,785,028	168,644	1,953,672
Restricted						
Non-expendable	751,466	65,826	817,292	747,518	65,841	813,359
Expendable	123,212	56,182	179,394	73,102	55,275	128,377
Unrestricted (deficit)	(387,979)	786,865	398,886	(359,844)	672,408	312,564
<b>Total Net Position</b>	2,071,334	1,059,239	3,130,573	2,245,804	962,168	3,207,972
<b>Total Liabilities, Deferred Inflows of Resources and Net Position</b>	<u>\$ 4,201,102</u>	<u>\$ 1,371,914</u>	<u>\$ 5,573,016</u>	<u>\$ 3,919,393</u>	<u>\$ 1,085,452</u>	<u>\$ 5,004,845</u>

The accompanying notes are an integral part of this statement.

**Southern Illinois University Broadcasting Service**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended June 30, 2024 (With Comparative Totals for 2023)**

	2024			2023 (Comparative Totals Only)		
	TV	FM	TOTAL	TV	FM	TOTAL
<b>Operating Revenues</b>						
Operating grants						
State of Illinois grant	\$ 252,375	\$ 19,362	\$ 271,737	\$ 234,300	\$ 21,500	\$ 255,800
CPB CSG grant	1,234,758	202,434	1,437,192	1,186,837	192,577	1,379,414
Local support						
Membership income	465,260	123,005	588,265	678,835	209,007	887,842
Contributions	161,866	19,081	180,947	636,452	100,754	737,206
Underwriting	315,278	352,617	667,895	305,277	334,015	639,292
Project grants						
Illinois State Library SIRIS grant	-	21,353	21,353	-	21,350	21,350
Production activities	10,020	1,360	11,380	75,837	5,048	80,885
Other						
Federal work study	2,548	6,186	8,734	5,241	-	5,241
Tower rental income	-	54,841	54,841	8,268	56,623	64,891
Royalties (EBS)	76,469	-	76,469	74,870	-	74,870
Royalties (PBS)	-	-	-	35	-	35
University support						
Direct Utilities and maintenance	124,635	58,280	182,915	108,079	45,432	153,511
Other SIU direct support	128,723	34,886	163,609	75,535	27,585	103,120
Personnel related	28,333	12,088	40,421	71,081	7,885	78,966
Indirect/in-kind services and materials	563,357	160,046	723,403	605,354	165,725	771,079
Other In-kind services and materials from Business	14,737	10,224	24,961	20,323	18,675	38,998
<b>Total Operating Revenues</b>	<b>3,378,359</b>	<b>1,075,763</b>	<b>4,454,122</b>	<b>4,086,324</b>	<b>1,206,176</b>	<b>5,292,500</b>
<b>Operating Expenses</b>						
Program services						
Programming and production	1,729,518	679,226	2,408,744	1,881,555	709,881	2,591,436
Broadcasting and engineering	1,232,686	213,273	1,445,959	1,257,015	180,006	1,437,021
Program information and promotion	137,619	30,622	168,241	92,918	39,086	132,004
Supporting services						
Fundraising and membership	235,350	54,401	289,751	334,699	89,062	423,761
Underwriting and grant solicitation	211,596	42,010	253,606	286,779	52,801	339,580
Management and general	568,350	161,629	729,979	568,929	158,651	727,580
Depreciation	404,165	33,332	437,497	382,565	18,745	401,310
<b>Total Operating Expenses</b>	<b>4,519,284</b>	<b>1,214,493</b>	<b>5,733,777</b>	<b>4,804,460</b>	<b>1,248,232</b>	<b>6,052,692</b>
<b>Operating Income (Loss)</b>	<b>(1,140,925)</b>	<b>(138,730)</b>	<b>(1,279,655)</b>	<b>(718,136)</b>	<b>(42,056)</b>	<b>(760,192)</b>

**Southern Illinois University Broadcasting Service**  
**Statement of Revenues, Expenses and Changes in Net Position - Continued**  
**For the Year Ended June 30, 2024 (With Comparative Totals for 2023)**

	2024			2023 (Comparative Totals Only)		
	TV	FM	TOTAL	TV	FM	TOTAL
<b>Non-Operating Revenues</b>						
State of Illinois University direct appropriations	\$ 632,162	\$ 158,040	\$ 790,202	\$ 627,905	\$ 156,976	\$ 784,881
Investment income	101,103	9,793	110,896	60,489	4,887	65,376
Gain disposal of equipment	-	-	-	7,367	-	7,367
On-behalf payments	222,377	78,781	301,158	107,777	40,172	147,949
<b>Total Non-Operating Revenues</b>	<b>955,642</b>	<b>246,614</b>	<b>1,202,256</b>	<b>803,538</b>	<b>202,035</b>	<b>1,005,573</b>
<b>Change in Net Position</b>	<b>(185,283)</b>	<b>107,884</b>	<b>(77,399)</b>	<b>85,402</b>	<b>159,979</b>	<b>245,381</b>
<b>Net Position, Beginning of Year</b>	<b>2,245,804</b>	<b>962,168</b>	<b>3,207,972</b>	<b>2,318,045</b>	<b>644,546</b>	<b>2,962,591</b>
<b>Reallocation of Net Position</b>	<b>10,813</b>	<b>(10,813)</b>	<b>-</b>	<b>(157,643)</b>	<b>157,643</b>	<b>-</b>
<b>Net Position, End of Year</b>	<b>\$ 2,071,334</b>	<b>\$ 1,059,239</b>	<b>\$ 3,130,573</b>	<b>\$ 2,245,804</b>	<b>\$ 962,168</b>	<b>\$ 3,207,972</b>

The accompanying notes are an integral part of this statement.

**Southern Illinois University Broadcasting Service  
Statement of Cash Flows  
For the Year Ended June 30, 2024 (With Comparative Totals for 2023)**

	2024			2023 (Comparative Totals Only)		
	TV	FM	TOTAL	TV	FM	TOTAL
<b>Cash Flows From Operating Activities</b>						
Cash received from customers	\$ 898,856	\$ 538,529	\$ 1,437,384	\$ 1,143,110	\$ 611,792	\$ 1,754,902
Cash operating grants	1,481,763	246,229	1,727,992	1,442,617	235,337	1,677,954
Gifts and contributions	14,419	25,267	39,686	652,818	100,754	753,572
Payments to employees	(1,040,388)	(404,050)	(1,444,437)	(1,253,603)	(467,436)	(1,721,039)
Payments for goods and services	(1,948,803)	(403,334)	(2,352,137)	(2,188,867)	(468,857)	(2,657,724)
Payments for income taxes	(12,796)	12,316	(480)	(3,026)	(8,481)	(11,507)
<b>Net Cash Provided By (Used in) Operating Activities</b>	<u>(606,949)</u>	<u>14,957</u>	<u>(591,992)</u>	<u>(206,951)</u>	<u>3,109</u>	<u>(203,842)</u>
<b>Cash Flows From Noncapital Financing Activities</b>						
State appropriations	632,162	158,040	790,202	627,905	156,976	784,881
<b>Net Cash Provided By Noncapital and Related Financing Activities</b>	<u>632,162</u>	<u>158,040</u>	<u>790,202</u>	<u>627,905</u>	<u>156,976</u>	<u>784,881</u>
<b>Cash Flows From Capital and Related Financing Activities</b>						
Reallocation of net position	10,813	(10,813)	-	(157,643)	157,643	-
Payments on lease obligations	(54,984)	(22,531)	(77,515)	(34,527)	(1,385)	(35,912)
Increase in lease obligations	11,519	977	12,496	-	-	-
Proceeds from long-term debt	89,556	-	89,556	-	-	-
Payments on long-term debt	(147,242)	-	(147,242)	(134,360)	-	(134,360)
Payments for capital acquisitions	(106,675)	-	(106,675)	(10,580)	-	(10,580)
<b>Net Cash Provided By (Used In) Capital and Related Financing Activities</b>	<u>(197,013)</u>	<u>(32,367)</u>	<u>(229,380)</u>	<u>(337,110)</u>	<u>156,258</u>	<u>(180,852)</u>
<b>Cash Flows from Investing Activities</b>						
Purchases of investments	(51,155)	(9,595)	(60,750)	(653,741)	(70,218)	(723,959)
Proceeds from sales of investments	-	-	-	47,739	4,411	52,150
Investment income	101,103	9,793	110,896	12,254	-	12,254
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>49,948</u>	<u>198</u>	<u>50,146</u>	<u>(593,748)</u>	<u>(65,807)</u>	<u>(659,555)</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<u>(121,852)</u>	<u>140,828</u>	<u>18,976</u>	<u>(509,904)</u>	<u>250,536</u>	<u>(259,368)</u>
<b>Cash and Cash Equivalents (Overdraft), Beginning of Year</b>	<u>(438,325)</u>	<u>644,808</u>	<u>206,483</u>	<u>71,579</u>	<u>394,272</u>	<u>465,851</u>
<b>Cash and Cash Equivalents (Overdraft), End of Year</b>	<u>\$ (560,177)</u>	<u>\$ 785,636</u>	<u>\$ 225,459</u>	<u>\$ (438,325)</u>	<u>\$ 644,808</u>	<u>\$ 206,483</u>

**Southern Illinois University Broadcasting Service**  
**Statement of Cash Flows - Continued**  
**For the Year Ended June 30, 2024 (With Comparative Totals for 2023)**

	2024			2023 (Comparative Totals Only)		
	TV	FM	TOTAL	TV	FM	TOTAL
<b>Reconciliation of Operating Loss to Net Cash Provided By (Used in) Operating Activities</b>						
<b>Operating Loss</b>	<b>\$(1,140,925)</b>	<b>\$ (138,730)</b>	<b>\$(1,279,655)</b>	<b>\$ (718,136)</b>	<b>\$ (42,056)</b>	<b>\$ (760,192)</b>
<b>Adjustments to Reconcile Operating Loss to Net Cash Provided By (Used in) Operating Activities</b>						
Depreciation and amortization	404,165	33,332	437,497	382,565	18,745	401,310
On-behalf payments	222,377	78,781	301,158	107,777	40,172	147,949
Change in allowance for bad debt	(10,054)	(2,471)	(12,525)	1,019	(13)	1,006
Change in assets and liabilities						
Accounts receivable	(108,539)	7,671	(100,868)	30,736	7,436	38,172
Grants receivable	(5,370)	3,080	(2,290)	21,480	(90)	21,390
Lease receivable	-	52,659	52,659	-	62,149	62,149
Prepaid expenses	5,688	966	6,654	(19,702)	(5,469)	(25,171)
Deferred outflows of resources	-	400	400	42,185	9,321	51,506
Accounts payable	31,797	16,213	48,010	(16,706)	(5,655)	(22,361)
Accrued salaries	(264)	1,893	1,629	(23,778)	(10,477)	(34,255)
Accrued income taxes	(6,251)	12,316	6,065	6,251	(8,481)	(2,230)
Unearned revenues	427	1,615	2,042	(12,374)	(9,704)	(22,078)
Deferred inflows of resources	-	(52,768)	(52,768)	(8,268)	(52,769)	(61,037)
<b>Total adjustments</b>	<b>533,976</b>	<b>153,687</b>	<b>687,663</b>	<b>511,185</b>	<b>45,165</b>	<b>556,350</b>
<b>Net Cash Provided By (Used in) Operating Activities</b>	<b>\$ (606,949)</b>	<b>\$ 14,957</b>	<b>\$ (591,992)</b>	<b>\$ (206,951)</b>	<b>\$ 3,109</b>	<b>\$ (203,842)</b>
<b>Non-cash Non-capital Financing Activity</b>						
On-behalf payments	\$ 222,377	\$ 78,781	\$ 301,158	\$ 107,777	\$ 40,172	\$ 147,949
Right of use assets acquired under leases	\$ 410,773	\$ 231,927	\$ 642,700	\$ 44,948	\$ -	\$ 44,948

The accompanying notes are an integral part of this statement.

# **Southern Illinois University Broadcasting Service**

## **Notes to Financial Statements**

### **For the Year Ended June 30, 2024**

#### **1. Organization Description**

Southern Illinois University Broadcasting Service, or WSIU Public Broadcasting, is a public telecommunications service operated by Southern Illinois University (University) as part of the Chancellor's office but housed within the College of Mass Communication and Media Arts located at the University's campus in Carbondale, Illinois. WSIU Public Broadcasting consists of wsiu.org, WSIU-TV and WSIU-FM of Carbondale, IL; WUSI-TV and WUSI-FM of Olney, IL; and WVSI-FM of Mount Vernon, IL. On November 1, 2018, the Board of Trustees of Southern Illinois University acquired the broadcast licenses and equipment of WMEC-TV of Macomb, IL, WQEC-TV of Quincy, IL, and WSEC-TV of Chatham, IL. All stations are managed by the WSIU Public Broadcasting staff on behalf of the SIU Board of Trustees.

WSIU Public Broadcasting is a part of the University as a whole, and thus, for financial reporting purposes the financial balances and activities included in these financial statements are also included in the University's financial statements. These financial statements present only Southern Illinois University Broadcasting Service, and do not purport to, and do not, present fairly the financial position of Southern Illinois University as of June 30, 2024, and changes in its financial position and its cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

#### **2. Summary of Significant Accounting Principles**

##### **Basis of Presentation**

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB), including Statement No. 35, *Basic Financial Statements – and Management's Discussion and Analysis – for Public Colleges and Universities*. SIU Broadcasting Service follows the business-type activity reporting requirements of GASB Statement No. 35 that provides a comprehensive, entity-wide perspective of WSIU Public Broadcasting's financial activities.

For financial reporting purposes, WSIU Public Broadcasting is considered a part of the University, and thus, like the University, is a special-purpose government engaged only in business-type activities. Accordingly, WSIU Public Broadcasting's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting applicable to public colleges and universities. Under the accrual basis, revenues are recognized when earned, and expenses are recorded when an obligation to pay has been incurred. All significant intra-agency transactions have been eliminated.

The accounts of WSIU Public Broadcasting are still maintained internally in accordance with the principles of fund accounting. Under fund accounting, resources are classified for accounting and reporting purposes into funds according to specified activities or objectives.

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
For the Year Ended June 30, 2024**

**2. Summary of Significant Accounting Principles - Continued**

**Prior Year Information and Comparability of Financial Statements**

The basic financial statements include certain prior year partial comparative information, which has been derived from WSIU Public Broadcasting's 2023 financial statements. Such information does not include all disclosures required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the WSIU Public Broadcasting's financial statements for the year ended June 30, 2023.

**Cash and Cash Equivalents**

To provide for efficiencies and economies in their management, the University and the Southern Illinois University Foundation have pooled their cash accounts, except for certain funds that are required by bond resolution to be in separate accounts. Pooled cash accounts of the University and Foundation consist of cash held at financial institutions. Interest in pooled cash at June 30, 2024 represents WSIU Public Broadcasting's share of these pooled cash accounts.

Additional information regarding the University's cash and cash equivalents may be obtained from the financial statements of Southern Illinois University, a copy of which may be obtained by writing Southern Illinois University, Board Treasurer, 1400 Douglas Drive, Mail Code 6801, Carbondale, Illinois 62901. Additional information regarding the Foundation's cash and cash equivalents may be obtained from the financial statements of Southern Illinois University Foundation, a copy of which may be obtained by writing Southern Illinois University Foundation, 1235 Douglas Drive, Mail Code 6805, Carbondale, Illinois 62901.

**Accounts Receivable**

Accounts receivable represent uncollected underwriting revenue, uncollected promises-to-give, and monthly rental payments due under lease agreements for the right to utilize space on transmission towers. WSIU Public Broadcasting considers receivables to be fully collectible. If they become uncollectible, they will be charged to operations when that determination is made.

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
For the Year Ended June 30, 2024**

**2. Summary of Significant Accounting Principles - Continued**

**Capital Assets**

Capital assets are recorded at cost at the date of acquisition or at the fair market value at the date of donation in the case of gifts. In accordance with accounting principles generally accepted in the United States of America for public colleges and universities, depreciation is computed using the straight-line method over the estimated useful lives of the assets. The following month prorate convention is being used, in which no depreciation is recorded in the month of acquisition and an entire month of depreciation is recorded in the month of disposition. Capitalization thresholds and useful lives are as follows:

<b>Category</b>	<b>Threshold</b>	<b>Useful Life</b>
Land	\$ ---	Not depreciated
Improvements	25,000	15 years
Infrastructure	1,000,000	20 years
Buildings	100,000	40 years
Building improvements	25,000	15 years
Equipment	5,000	5-7 years
Intangible assets	100,000	Not depreciated

Electronic data processing equipment is depreciated over 5 years. Other equipment is depreciated over 7 years.

Intangible assets with indefinite useful lives consist of Federal Communication Commission (FCC) licenses. These licenses are subject to periodic renewal; however, the licenses may be renewed indefinitely at little cost. Such intangible assets are recorded at cost and are tested for impairment each year. During the year ended June 30, 2024, there were no indications of impairment noted.

**Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the plan net position of the State Universities Retirement System (SURS) and additions to/deletions from SURS' plan net position has been determined on the same basis as they are reported by SURS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For the purposes of financial reporting, the State of Illinois and participating employers are considered to be under a special funding situation. A special funding situation is defined as a circumstance in which a non-employer entity is legally responsible for making contributions directly to a pension plan that is used to provide pensions to the employees of another entity or entities and either (1) the amount of the contributions for which the non-employer entity is legally responsible is not dependent upon one or more events unrelated to pensions or (2) the non-employer is the only entity with a legal obligation to make contributions directly to a pension plan. The State of Illinois is considered a non-employer contributing entity. Participating employers are considered employer contributing entities.

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
For the Year Ended June 30, 2024**

**2. Summary of Significant Accounting Principles – Continued**

**Other post-employment benefits (OPEB)**

The State Employees Group Insurance Act of 1971 (SEGIA) (5 ILCS 375), as amended, authorizes the State Employees Group Insurance Program (SEGIP), which includes activity for both active employees and retirees, to provide health, dental, vision, and life insurance benefits as a single employer defined benefit OPEB plan not administered as a trust. Substantially all State and University component unit employees become eligible for these OPEB plan benefits when they become annuitants of one of the State sponsored pension plans. The State of Illinois Department of Central Management Services (CMS) administers these benefits for the annuitants with the assistance of the public retirement systems sponsored by the State, including the General Assembly Retirement System (GARS), Judges Retirement System (JRS), State Employees Retirement System (SERS), Teachers' Retirement System (TRS), and SURS.

In order to fund SEGIP's pay-as-you-go obligations for both current employees and retirees, SEGIA (5 ILCS 375/1) requires contributions based upon total employee compensation paid from any State fund or university component unit, except the university component units shall not be required to make contributions for employees who are totally compensated from each individual university's Income Fund and auxiliary enterprises. Pursuant to a long-standing State policy, the State's General Fund covers the contributions for employees who are totally compensated from each individual university's Income Fund and auxiliary enterprises. This relationship may be modified through the enactment of a Public Act by the State's highest level of decision-making authority exercised by the Governor and the General Assembly pursuant to the State's Constitution.

**Net Position**

WSIU Public Broadcasting's net position is classified as follows:

- Invested in capital assets: This represents the total investment in capital assets, net of accumulated depreciation.
- Restricted net position, non-expendable: Restricted non-expendable net position consists of endowments with specific restrictions requiring that the principal be invested and only the earnings be used.
- Restricted net position, expendable: Restricted expendable net position include resources in which WSIU Public Broadcasting is legally or contractually obligated to spend resources in accordance with restrictions imposed by external third parties.
- Unrestricted net position: Unrestricted net position represents resources that have not been restricted by external parties and are available for use by WSIU Public Broadcasting.

It is WSIU Public Broadcasting's policy to first use restricted net position prior to the use of unrestricted net position when an expense is incurred for the purposes for which both restricted and unrestricted net position are available.

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
For the Year Ended June 30, 2024**

**2. Summary of Significant Accounting Principles – Continued**

**Donor-restricted Endowments**

Donor-restricted endowments are held and administered by the Southern Illinois University Foundation. The Foundation holds the funds as agency funds based upon and consistent with the desire of the donor.

The State of Illinois adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA), effective June 30, 2009. UPMIFA added certain prudent spending measures to the Uniform Management of Institutional Funds Act. In accordance with UPMIFA, the Board of Directors of Southern Illinois University Foundation considers the following factors in deciding to appropriate or accumulate donor-restricted endowment fund; general economic conditions; the possible of inflation and deflation; the expected total return from income and the appreciation of investments; other resources of the institution; and the investment policies of the Foundation.

**Revenue Recognition**

WSIU Public Broadcasting has classified its revenues as either operating or non-operating revenues as follows:

*Operating revenues* include activities that have the characteristics of exchange transactions, such as providing educational programs, goods and production services to the public and private sector and include most grants and contracts.

*Non-operating revenues* include activities that have the characteristics of non-exchange transactions, and other revenue sources that are defined as non-operating revenues by GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Government Entities that Use Proprietary Fund Accounting*, and GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, such as state appropriations, on-behalf payments, investment income, and capital grants. Appropriations made to the University from the State of Illinois General Revenue Fund are recognized as non-operating revenues in the year appropriated to the extent expended. Other non-operating revenues include transactions relating to capital and financial activities, non-capital financing activities, and investing activities.

Grants are recorded as revenue when all applicable eligibility requirements have been met.

**University Support**

Facilities allocated from the University consist of office and studio space together with related occupancy costs and are recorded in revenue and expense on a prorated basis. Administrative support from the University consists of adjusted allocated financial and physical plant charges incurred by the University on behalf of WSIU Public Broadcasting.

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
For the Year Ended June 30, 2024**

**2. Summary of Significant Accounting Principles - Continued**

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Revenues, Expenses, and Changes in Net Position. Accordingly, certain costs have been allocated among the programs and supporting services benefited, using estimates if necessary.

**On-Behalf Payments**

In accordance with GASB Statement No. 24, *Accounting and Financial Reporting for Certain Grants and Other Financial Assistance* and GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, WSIU reported on-behalf payments of \$ 301,158 for fiscal year 2024 made by agencies of the State of Illinois for health care and retirement. These costs are reflected in the Statement of Revenues, Expenses and Changes in Net Position as non-operating revenues entitled "On-behalf payments" and as operating expenses under the appropriate functional classifications.

Substantially all employees participate in group health insurance plans administered by the State of Illinois. The employer contributions to these plans for University employees, including WSIU, paid from State appropriations and auxiliary enterprises are paid by the State on behalf of the University. The employer contributions to these plans for employees paid from other University held funds are paid by the University. On-behalf payments allocated to WSIU for the year ended June 30, 2024, were (\$ 202,060) for health care costs and \$ 503,218 for retirement costs. Payments for retirement costs were made to the State Universities Retirement System.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

**Subsequent Events**

Management has evaluated subsequent events for recognition and disclosure in the financial statements through February 7, 2025, which is the date the financial statements were available to be issued.

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
For the Year Ended June 30, 2024**

**3. Accounts Receivable**

Accounts receivable consisted of the following at June 30, 2024:

	<b>TV</b>	<b>FM</b>	<b>TOTAL</b>
<b>Accounts receivable</b>			
Current			
Contributions	\$ 154,466	\$ -	\$ 154,466
Underwriting	12,382	15,559	27,941
Contract Production	5,000	-	5,000
Grants	<u>112,500</u>	<u>9,000</u>	<u>121,500</u>
<b>Total accounts receivable</b>	<b><u>\$ 284,348</u></b>	<b><u>\$ 24,559</u></b>	<b><u>\$ 308,907</u></b>

**4. Restricted Investments**

Restricted investments consist of life insurance policies and shares of an investment pool, both of which are held and administered by the Southern Illinois University Foundation. The life insurance policies are stated at net cash surrender value. The shares of the investment pool are stated at fair value. The fair value of WSIU Broadcasting's shares of the investment pool is based on WSIU Broadcasting's contributed proportionate share of investments in the investment pool, and the investment activity is allocated accordingly based on the percentage. The Foundation distributes earnings to the University on a quarterly basis.

Restricted investments at June 30, 2024 are summarized as follows:

Life insurance policies	\$ 43,996
Shares of Foundation investment pool	<u>900,036</u>
	<b><u>\$ 944,032</u></b>

**Southern Illinois University Broadcasting Service**  
**Notes to Financial Statements**  
**For the Year Ended June 30, 2024**

**4. Restricted Investments - Continued**

WSIU Broadcasting's investments measured and reported at their fair value are classified according to the following hierarchy:

Level 1 - Investments reflect prices quoted in active markets.

Level 2 - Investments reflect prices that are based on a similar observable asset either directly or indirectly, which may include inputs in markets that are not considered to be active.

Level 3 - Investments reflect prices based upon unobservable sources.

The categorization of investments within the hierarchy is based upon the pricing transparency of the instrument and should not be perceived as the particular investment's risk.

Fair value of WSIU Broadcasting's proportionate share of pooled investments is determined by the Southern Illinois University Foundation based on the fair value of the underlying securities in the investment pool. The underlying investments consist of domestic and international equities, fixed income securities, and alternative investments in emerging market, hedge, leveraged loan, private equity, real estate, commodity and alternative strategy funds. WSIU Broadcasting's proportionate share of pooled investments is categorized as Level 2 investments.

WSIU Broadcasting has the following recurring fair value measurements as of June 30, 2024:

<u>Investment Type</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Pooled investments	\$ 900,036	\$ _____	\$ 900,036	\$ _____

Further information regarding the investments held by the Foundation may be obtained from the financial statements of Southern Illinois University Foundation.

**5. Changes in Long-Term Liabilities**

Long-term liability activity for the year ended June 30, 2024 was as follows:

	<u>Beginning Balance</u>		<u>Additions</u>		<u>Reductions</u>		<u>Ending Balance</u>		<u>Current Portion</u>
SIU University Loan	\$ 735,223		\$ -		\$ 138,420		\$ 596,803		\$ 142,604
Note Payable	-		89,556		8,822		80,734		80,734
 Note Payable	 <u>\$ 735,223</u>		<u>\$ 89,556</u>		<u>\$ 147,242</u>		<u>\$ 677,537</u>		<u>\$ 223,338</u>

WSIU Broadcasting entered into a loan agreement with Southern Illinois University Office of the President on July 2, 2018 for \$ 1,000,000. The stated interest rate is 0%. Semi-annual principal payments are required to be paid beginning December 31, 2021, through the maturity date of June 30, 2028.

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
For the Year Ended June 30, 2024**

**5. Changes in Long-Term Liabilities - Continued**

During the year ended June 30, 2024, WSIU Broadcasting entered into an \$ 89,556 note payable to acquire equipment. The note requires monthly payments of \$ 9,090 through March 2025 at an interest rate of 3.99%.

**6. Non-expendable Restricted Net Position**

Non-expendable restricted net position consists of the following at June 30, 2024:

	<b>TV</b>	<b>FM</b>	<b>Total</b>
Donor-restricted endowments			
WSIU/WUSI Future Excellence	\$ 98,272	\$ -	\$ 98,272
Josephine L. Dickens Endowment	592,436	65,826	658,262
Isberner WSIU Education Services Fund	28,534	-	28,534
O'Brien Student of Year	<u>32,224</u>	<u>-</u>	<u>32,224</u>
	<u>\$ 751,466</u>	<u>\$ 65,826</u>	<u>\$ 817,292</u>

**7. Expendable Restricted Net Position**

Expendable restricted net position is available for the following purposes at June 30, 2024:

	<b>TV</b>	<b>FM</b>	<b>Total</b>
SIRIS Various Grant	\$ -	\$ 16,488	\$ 16,488
O'Brien Student of the Year	2,749	-	2,749
SIRIS Outreach Fund	-	29,935	29,935
Josephine L. Dickens Endowment	87,835	9,759	97,594
WSIU/WUSI Future Excellence	<u>32,628</u>	<u>-</u>	<u>32,628</u>
	<u>\$ 123,212</u>	<u>\$ 56,182</u>	<u>\$ 179,394</u>

**Southern Illinois University Broadcasting Service  
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**8. Grants**

WSIU Public Broadcasting is the recipient of several grant awards. During the fiscal year ended June 30, 2024, WSIU Public Broadcasting awarded the following grant funds:

<b>Granting Agency</b>	<b>Grant Funds Awarded</b>
Corporation for Public Broadcasting	\$ 1,437,192
State of Illinois Public Broadcasting/IAC	271,737
Illinois State Library	<u>21,353</u>
	<u><u>\$ 1,730,282</u></u>

The Corporation for Public Broadcasting (CPB) provides a major source of funding for SIU Broadcasting Service. The operating grants, including the CSG, USSG, DSG, and Interconnection Grants, totaled \$ 1,437,192 in FY24. These grant periods run from October 1, 2023, through September 30, 2024. The purpose of these grants is to augment the capability of CPB-qualified public broadcasting stations to expand the quality and scope of their services to the community.

The Illinois Arts Council grant funds include basic and operating grants provided to help further WSIU Public Broadcasting's mission of providing educational programs. The basic grant period covers February 1, 2024, through August 31, 2024; and the operating grant period covers June 20, 2024, through August 31, 2024. WSIU recognized \$ 271,737 in FY24.

The Illinois State Library grant funds are used to provide library services and augment media services to blind and physically handicapped residents within the coverage area of WSIU-FM/WUSI-FM. The grant period is from July 1, 2023, through June 30, 2024. WSIU recognized \$ 21,353 in revenue during FY24.

**Southern Illinois University Broadcasting Service  
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**9. Capital Assets**

A summary of the changes in capital assets is as follows:

	<b>Balance as of June 30, 2023</b>	<b>Additions</b>	<b>Deductions</b>	<b>Transfers</b>	<b>Balance as of June 30, 2024</b>
Capital assets not being depreciated					
Land	\$ 23,387	\$ -	\$ -	\$ -	\$ 23,387
Television licenses	1,000,000	-	-	-	1,000,000
Capital assets being depreciated					
Building	8,296,280	-	-	-	8,296,280
Equipment	5,228,225	98,646	-	-	5,326,871
Total capital assets	13,524,505	98,646	-	-	13,623,151
Being depreciated					
Less: Accumulated Depreciation	(11,851,275)	(370,536)	-	-	(12,221,811)
Total capital assets being depreciated, net	1,673,230	(271,890)	-	-	1,401,340
Construction in Progress	-	8,029	-	-	8,029
<b>Total Capital Assets</b>	<b>\$ 2,696,617</b>	<b>\$ (263,861)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,432,756</b>

**10. Lease Commitments**

WSIU Public Broadcasting leases certain assets from various third parties. The assets leased include broadcasting tower space and equipment. Several leases carry renewal and termination options which are not included in the right-to-use asset or lease liability balance until they are reasonably certain of exercise.

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
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**10. Lease Commitments - Continued**

At June 30, 2024, right-to-use assets under leases where WSIU Public Broadcasting is the lessee are as follows:

	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deletions</b>	<b>Ending Balance</b>
Leased assets being amortized:				
Tower space	\$ 441,233	\$ 169,799	\$ -	\$ 611,032
Equipment	19,156	472,901	19,156	472,901
Total leased assets being amortized	<u>460,389</u>	<u>642,700</u>	<u>19,156</u>	<u>1,083,933</u>
Less accumulated amortization for:				
Tower space	58,869	32,586	-	91,455
Equipment	14,940	34,375	17,899	31,416
Total accumulated amortization	<u>73,809</u>	<u>66,961</u>	<u>17,899</u>	<u>122,871</u>
Leased assets, net	<u>\$ 386,580</u>	<u>\$ 575,739</u>	<u>\$ 1,257</u>	<u>\$ 961,062</u>

Future principal and interest payment requirements related to the University's lease liability at June 30, 2024 are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 105,870	\$ 34,369	\$ 140,239
2026	113,524	30,646	144,170
2027	118,226	26,719	144,945
2028	123,073	22,682	145,755
2029	94,728	18,487	113,215
2030-34	154,706	70,328	225,034
2035-39	86,963	45,709	132,672
2040-44	90,875	29,125	120,000
2045-49	93,315	8,685	102,000
Total payments	<u>\$ 981,280</u>	<u>\$ 286,750</u>	<u>\$ 1,268,030</u>

Lease interest expense incurred during the year ended June 30, 2024, totaled \$ 23,745.

WSIU Public Broadcasting leases broadcasting tower space to various third parties. At June 30, 2024, lease receivables under leases where WSIU Public Broadcasting is the lessor totaled \$ 52,491, and deferred inflows of resources associated with these leases totaled \$ 49,622. During the year ended June 30, 2024, WSIU Public Broadcasting recognized \$ 54,841 of lease revenue and \$ 116 of interest revenue related to its lessor agreements.

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
For the Year Ended June 30, 2024**

**10. Lease Commitments - Continued**

Future principal and interest payment requirements related to the University's lease receivable at June 30, 2024 are as follows:

	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2025	\$ 33,875	\$ 946	\$ 34,821
2026	18,616	167	18,783
<b>Total payments</b>	<b>\$ 52,491</b>	<b>\$ 1,113</b>	<b>\$ 53,604</b>

WSIU Public Broadcasting currently has an operating lease agreement with American Tower to lease space on a tower located in Quincy, IL. The 99-year lease was assumed in the TV station acquisition on November 1, 2018. The lease expires on 12/1/2108. Lease payments are \$ 1.00 per year.

WSIU Public Broadcasting currently has an operating lease agreement with Joink, LLC to lease space on the tower located at Terre Haute, IN to transmit signal. The term of the lease is month-to-month until a new contract can be signed. Lease payments are \$400.00 per month.

WSIU Public Broadcasting currently has an operating lease agreement with K2 Towers II, LLC to lease space on the tower in Colchester, IL. Lease payments are \$ 1,000.00 per month. The lease term is October 31, 2023 through October 30, 2028, with five year renewal periods through October 2048.

WSIU Public Broadcasting currently has an operating lease agreement with K2 Towers II, LLC to lease space on the microwave relay tower in Riggston, IL. Lease payments are \$ 1.00 annually. The lease term is October 31, 2023 through October 30, 2028.

WSIU Public Broadcasting currently has an operating lease agreement with K2 Towers II, LLC to lease space on the tower in Franklin, IL. K2 assumed the lease from West Central Illinois Telecommunications Corporation on January 22, 2021. Lease payments are \$ 1,000.00 per month. The lease term is October 31, 2023 through October 30, 2028, with five year renewal periods through October 2048.

WSIU entered into a tower space license agreement with Sinclair Broadcast Corporation to lease space on the tower located in Cape Girardeau, MO. The lease commenced on May 1, 2020 and expires on April 30, 2025. This lease was assumed by Paducah Television Operations, LLC on February 1, 2021. Lease payments are \$ 926.41 and escalate 5% annually.

WSIU Public Broadcasting currently has an operating lease agreement with Vertical Bridge S3 Assets, LLC to lease land and space on the tower located at 15621 North 42nd Street, Mount Vernon, IL to transmit an FM radio signal. The term of the lease is for the period July 1, 2022 to June 30, 2032. Lease payments are \$ 412.00 per month.

WSIU Public Broadcasting has a lease agreement with LumenServe for a tower lighting LED system. The lease commenced in March 2024 and expires in February 2029. Lease payments are \$ 7,948 per month through February 2025 and increase to \$ 8,347 for the remainder of the lease.

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
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**11. Retirement Benefits**

**General Information about the Pension Plan**

*Plan Description:* Southern Illinois University-Carbondale (SIU-C), of which WSIU is a part, contributes to the State Universities Retirement System of Illinois (SURS), a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (the State) makes substantially all actuarially determined required contributions on behalf of the participating employers. SURS was established July 21, 1941, to provide retirement annuities and other benefits for staff members and employees of state universities, certain affiliated organizations, and certain other state educational and scientific agencies and for survivors, dependents, and other beneficiaries of such employees. SURS is considered a component unit of the State of Illinois' financial reporting entity and is included in the state's financial reports as a pension trust fund. SURS is governed by Chapter 40, Act 5, Article 15 of the *Illinois Compiled Statutes*. SURS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the website at [www.SURS.org](http://www.SURS.org).

*Benefits Provided:* A traditional benefit plan was established in 1941. Public Act 90-0448 enacted effective January 1, 1998, established an alternative defined benefit program known as the portable benefit package. The traditional and portable plan Tier 1 refers to members that began participation prior to January 1, 2011. Public Act 96-0889 revised the traditional and portable benefit plans for members who begin participation on or after January 1, 2011, and who do not have other eligible Illinois reciprocal system services. The revised plan is referred to as Tier 2. New employees are allowed six months after their date of hire to make an irrevocable election. A summary of the benefit provisions as of June 30, 2023, can be found in the SURS' comprehensive annual financial report (CAFR) Notes to the Financial Statements.

*Contributions:* The State of Illinois is primarily responsible for funding SURS on behalf of the individual employers at an actuarially determined amount. Public Act 88-0593 provides a Statutory Funding Plan consisting of two parts: (i) a ramp-up period from 1996 to 2010 and (ii) a period of contributions equal to a level percentage of the payroll of active members of SURS to reach 90% of the total Actuarial Accrued Liability by the end of Fiscal Year 2045. Employer contributions from "trust, federal, and other funds" are provided under Section 15.155(b) of the Illinois Pension Code and require employers to pay contributions which are sufficient to cover the accruing normal costs on behalf of applicable employees. The employer normal cost for fiscal year 2024 was 12.53% of employee payroll. The normal cost is equal to the value of current year's pension benefit and does not include any allocation for the past unfunded liability or interest on the unfunded liability. Plan members are required to contribute 8.0% of their annual covered salary. The contribution requirements of plan members and employers are established and may be amended by the Illinois General Assembly.

Participating employers make contributions toward separately financed specific liabilities under Section 15.139.5(e) of the Illinois Pension code (relating to contributions payable due to the employment of "affected annuitants" or specific return to work annuitants) and Section 15.155(g) (relating to contributions payable due to earning increases exceeding 6% during the final rate of earnings period).

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
For the Year Ended June 30, 2024**

**11. Retirement Benefits - Continued**

**Pension Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

*Net Pension Liability:* SURS reported a net pension liability (NPL) of \$ 29,444,538,098. The net pension liability was measured as of June 30, 2023.

*Employer Proportionate Share of Net Pension Liability:* The amount of the proportionate share of the net pension liability to be recognized for SIU-C, of which WSIU is a part, is \$ 0. The proportionate share of the State's net pension liability associated with SIU-C is \$ 1,816,588,728, or 6.1695%, which was an increase of 0.0635% from its proportion measured as of the prior year measurement date of June 30, 2022. This amount is not recognized in the financial statements. The net pension liability was measured as of June 30, 2023, and the total pension used to calculate the net pension liability was determined based on the June 30, 2022, actuarial valuation rolled forward. The basis of allocation used in the proportionate share of net pension liability is the actual reported pensionable contributions made to SURS during fiscal year 2022.

*Pension Expense:* At June 30, 2023, SURS reported a collective net pension expense of \$ 1,884,388,521.

*Employer Proportionate Share of Pension Expense:* The employer proportionate share of collective pension expense is recognized as nonoperating revenue with matching expenses (compensation and benefits) in the financial statements. The basis of allocation used in the proportionate share of collective pension expense is the actual reported pensionable contributions made to SURS during fiscal year 2022. As a result, SIU-C recognized revenue and pension expense of \$ 116,257,859 from this special funding situation during the fiscal year ended June 30, 2023. WSIU recognized on-behalf revenue and pension expense of \$ 503,218 for the fiscal year ended June 30, 2024.

*Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:* Deferred outflows of resources are the consumption of net position by SURS that is applicable to future reporting periods.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 62,591,844	\$ 12,277,871
Changes in assumption	70,957,694	420,880,693
Net difference between projected and actual earnings on pension plan investments	187,992,691	-
Total	\$ 321,542,229	\$ 433,158,564

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
For the Year Ended June 30, 2024**

**11. Retirement Benefits - Continued**

**Pension Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Continued**

SURS Collective Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses

<u>Year Ending June 30</u>	<u>Net Deferred Outflows of Resources</u>
2024	\$ (428,264,966)
2025	(171,164,633)
2026	465,174,033
2027	22,639,231
2028	-
Thereafter	<hr/>
Total	\$ (111,616,335)

**Employer Deferral of Fiscal Year 2023 Pension Expense**

SIU-C paid \$ 2,221,643 in federal, trust or grant contributions for the fiscal year ended June 30, 2024. WSIU's portion of SIU-C's total was \$1,312 for the year ended June 30, 2024. These contributions were made subsequent to the pension liability measurement date of June 30, 2023, and are recognized as Deferred Outflows of Resources as of June 30, 2024.

**Assumptions and Other Inputs**

*Actuarial assumptions:* The actuarial assumptions used in the June 30, 2023 valuation remained unchanged based on the results of an actuarial experience study for the period June 30, 2017 - 2020. The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25%
Salary increases	3.00% to 12.75%, including inflation
Investment rate of return	6.50%

Mortality rates were based on the Pub-2010 employee and retiree gender distinct tables with projected generational mortality and a separate mortality assumption for disabled participants.

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
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**11. Retirement Benefits - Continued**

**Assumptions and Other Inputs - Continued**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return were adopted by the plan's trustees after considering input from the plan's investment consultant(s) and actuary(s).

For each major asset class that is included in the pension plans target asset allocation as of June 30, 2023, these best estimates are summarized in the following table:

<u>Defined Benefit Plan</u>	<u>Strategic Policy Allocation</u>	<u>Weighted Average Long-Term Expected Real Rate of Return</u>
<b>Traditional Growth:</b>		
Global Public Equity	36.0%	7.97%
<b>Stabilized Growth:</b>		
Core Real Assets	8.0	4.68
Public Credit Fixed Income	6.5	4.52
Private Credit	2.5	7.36
<b>Non-Traditional Growth:</b>		
Private Equity	11.0	11.32
Non-Core Real Assets	4.0	8.67
<b>Inflation Sensitive:</b>		
U.S. TIPS	5.0	2.09
<b>Principal Protection:</b>		
Core Fixed Income	10.0	1.13
<b>Crisis Risk Offset:</b>		
Systematic Trend Following	10.0	3.18
Alternative Risk Premia	3.0	3.27
Long Duration	2.0	3.02
Long Volatility/Tail Risk	2.0	(1.14)
<b>Total:</b>	100.0%	5.98%
<b>Inflation</b>		<u>2.60</u>
<b>Expected Arithmetic Return</b>		<b>8.58%</b>

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
For the Year Ended June 30, 2024**

**11. Retirement Benefits - Continued**

**Assumptions and Other Inputs - Continued**

*Discount Rate:* A single discount rate of 6.37% was used to measure the total pension liability. This single discount rate was based on an expected rate of return on pension plan investments of 6.50% and a municipal bond rate of 3.86% (based on the most recent daily rate available on or before the measurement date of the Fidelity "20-Year Municipal GO AA Index"). The projection of cash flows used to determine this single discount rate were the amounts of contributions attributable to current plan members and assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the statutory contribution rates under the SURS' funding policy. Based on these assumptions, the pension plan's fiduciary net position and future contributions were sufficient to finance the benefit payments through the year 2074. As a result, the long-term expected rate of return on pension plan investments was applied to projected benefit payments through the year 2074, and the municipal bond rate was applied to all benefit payments after that date.

*Sensitivity of the SURS's Net Pension Liability to Changes in the Discount Rate:* Regarding the sensitivity of the net pension liability to changes in the single discount rate, the following presents the plan's net pension liability, calculated using a single discount rate of 6.37%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is one percentage point lower or one percentage point higher:

Current Single Discount Rate Assumption (\$ in millions)		
1% Decrease	6.37%	1% Increase
<u>5.37%</u>	<u>6.37%</u>	<u>7.37%</u>
\$ 35,695.4	\$ 29,444.5	\$ 24,236.5

Additional information regarding the SURS basic financial statements including the Plan Net Position can be found in the SURS comprehensive annual financial report by accessing the website at [www.SURS.org](http://www.SURS.org).

**12. Post-Employment Benefits**

*Plan description:* The State Employees Group Insurance Act of 1971 (SEGIA) (as amended), authorizes the State Employees Group Insurance Program (SEGIP) to provide health, dental, vision, and life insurance benefits for certain retirees and their dependents. Substantially, all of the University's full-time employees are members of SEGIP. Members receiving monthly benefits from the GARS, JRS, SERS, TRS, and SURS are eligible for these OPEB. The eligibility provisions for SURS are defined within Note 10.

CMS administers OPEB for annuitants with the assistance of GARS, JRS, SERS, TRS, and SURS. The State recognizes SEGIP as a single-employer defined benefit plan, which does not issue a stand-alone financial report.

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**12. Post-Employment Benefits - Continued**

*Plan description:* The State Employees Group Insurance Act of 1971 (SEGIA) (as amended), authorizes the State Employees Group Insurance Program (SEGIP) to provide health, dental, vision, and life insurance benefits for certain retirees and their dependents. Substantially, all of the University's full-time employees are members of SEGIP. Members receiving monthly benefits from the GARS, JRS, SERS, TRS, and SURS are eligible for these OPEB. The eligibility provisions for SURS are defined within Note 10.

CMS administers OPEB for annuitants with the assistance of GARS, JRS, SERS, TRS, and SURS. The State recognizes SEGIP as a single-employer defined benefit plan, which does not issue a stand-alone financial report.

*Benefits provided:* The health, dental, and vision benefits provided to and contribution amounts required from annuitants are the result of collective bargaining between the State and the various unions representing the State's and the University component units' employees in accordance with limitations established in SEGIA. Therefore, the benefits provided and contribution amounts are subject to periodic change. Coverage through SEGIP becomes secondary to Medicare after Medicare eligibility has been reached. Members must enroll in Medicare Parts A and B to receive the subsidized SEGIP premium available to Medicare eligible participants. SEGIA requires the State to provide life insurance benefits for annuitants equal to their annual salary as of the last day of employment until age 60, at which time, the benefit amount becomes \$ 5,000.

*Funding Policy and Annual OPEB Cost:* OPEB offered through SEGIP are financed through a combination of retiree premiums, SEGIP contributions pursuant to SEGIA (5 ILCS 375/11), and Federal government subsidies from the Medicare Part D program. These contributions are deposited in the Health Insurance Reserve Fund, which covers both active employees and retired members. Annuitants may be required to contribute towards health and vision benefits with the amount based on factors such as date of retirement, years of credited service with the State, whether the annuitant is covered by Medicare, and whether the annuitant has chosen a managed health care plan. Annuitants who retired prior to January 1, 1998, and who are vested in GARS, JRS, SERS, TRS, and SURS do not contribute toward health and vision benefits. For annuitants who retired on or after January 1, 1998, the annuitant's contribution amount is reduced five percent for each year of credited service with the State allowing those annuitants with twenty or more years of credited service do not have to contribute towards health and vision benefits. All annuitants are required to pay for dental benefits regardless of retirement date. CMS' Director, on an annual basis, determines the amount of contributions necessary to fund the basic program of group benefits. The State's contributions are made primarily from the State's General Fund on a pay-as-you-go basis.

No assets are accumulated or dedicated to funding the retiree benefits and a separate trust has not been established for the funding of OPEB.

For fiscal year 2024, the annual cost of the basic program of group health, dental, and vision benefits before the State's contribution was \$ 13,410 (\$ 7,211 if Medicare eligible) per member if the annuitant chose benefits provided by a health maintenance organization and \$ 16,622 (\$ 6,423 if Medicare eligible) per member if the annuitant chose other benefits. The State is not required to fund the plan other than the pay-as-you-go amount necessary to provide the current benefits to retirees.

**Southern Illinois University Broadcasting Service  
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**12. Post-Employment Benefits - Continued**

*Special Funding Situation Portion of OPEB:* The proportionate share of the State's OPEB expense relative to the University's employees totaled (\$ 145,983,138) during the year ended June 30, 2024. This amount was recognized by the University as non-operating special funding situation revenue and operating expense allocated to the related function performed by the employees during the year ended June 30, 2024.

*Total OPEB Liability:* At June 30, 2023, SEGIP reported a total OPEB liability of \$ 17,222,644,937. The OPEB liability was measured as of June 30, 2023.

While the University is not required to record the portion of the State's OPEB liability related to the University's employees resulting from the special funding situation, the University is required to disclose this amount. The following chart displays the proportionate share of the State's contributions related to the University's special funding situation relative to all employer contributions during the year ended June 30, 2024 based on the June 30, 2023 actuarial valuation rolled forward:

Measurement Date:	June 30, 2023
State of Illinois' OPEB liability related to the University under the Special Funding Situation	\$ 996,706,985
SEGIP total OPEB liability	<u>\$ 17,222,644,937</u>
Proportionate share of the total OPEB liability	<u>5.79%</u>

**University's Portion of OPEB and Disclosures Related to SEGIP Generally:**

*Total OPEB liability, deferred outflows of resources, deferred inflows of resources, and expense related to OPEB:* The University's total OPEB liability, as reported at June 30, 2024, was measured as of the measurement date on June 30, 2023, with an actuarial valuation as of June 30, 2022, which was rolled forward to the measurement date. The following chart displays the proportionate share of the University's contributions relative to all employer contributions during the year ended June 30, 2023, based on the June 30, 2022, actuarial valuation rolled forward:

Measurement Date: June 30, 2023	
University's OPEB liability	\$ 77,312,453
SEGIP total OPEB liability	<u>\$ 17,222,644,937</u>
Proportionate share of the total OPEB liability	<u>0.45%</u>

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
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**12. Post-Employment Benefits - Continued**

*Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:* Deferred outflows of resources are the consumption of net position by OPEB that is applicable to future reporting periods.

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,343,967	\$ 15,961,287
Changes in assumption	240,230	56,355,814
Changes in proportion	35,394,194	4,524,951
University contributions subsequent to the measurement date	3,134,134	-
Total	<u>\$ 40,112,525</u>	<u>\$ 76,842,052</u>

The amounts reported as deferred outflows of resources related to OPEB resulting from the University's contributions subsequent to the measurement date will be recognized as a reduction to the OPEB liability in the year ended June 30, 2023.

Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30</u>	<u>Total Amount Recognized of Deferred Inflows and Outflows over the Remaining Service Life of All Employees (5.1454 years)</u>
2025	\$ (14,103,903)
2026	(11,817,050)
2027	(10,056,223)
2028	(1,281,856)
2029	529,505
Total	<u>\$ (36,729,527)</u>

*Actuarial methods and assumptions:* The total OPEB liability was determined by an actuarial valuation using the following actuarial assumptions, applied to all periods included in the measurement unless otherwise specified. The actuarial valuation for the SEGIP was based on GARS, JRS, SERS, TRS, and SURS active, inactive, and retiree data as of June 30, 2022, for eligible SEGIP employees, and SEGIP retiree data as of June 30, 2022.

**Southern Illinois University Broadcasting Service  
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**12. Post-Employment Benefits - Continued**

**Assumptions and Other Inputs**

The valuation date of June 30, 2022 below was rolled forward to June 30, 2023.

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry Age Normal
Inflation	2.25%
Projected salary increases	2.50% to 12.75%
Discount rate	3.86%
Healthcare Cost Trend Rate:	
Medical and Prescription (Pre- and Post-Medicare)	8.00% grading down 0.25% per year to 4.25% in year 2040. There is no additional trend rate adjustment due to the repeal of the Excise Tax.
Dental and Vision	3.75% grading up 0.25% in the first year to 4.00% through 2040.

Additionally, the demographic assumptions used in this OPEB valuation are identical to those used in the June 30, 2022, valuations for pensions for those participating in GARS, JRS, SERS, TRS, and SURS as follows: For SURS, mortality rates were based on the RP-2014 White Collar, gender distinct, projected using MP-2014 two-dimensional mortality improvement scale, set forward one year for male and female annuitants. The actuarial assumptions used in the valuation were based on the results of retirement age experience study for the period July 2017 – June 2020.

*Discount Rate:* Retirees contribute a percentage of the premium rate based on service at retirement. The State contributes additional amounts to cover claims and expenses in excess of retiree contributions. Because plan benefits are financed on a pay-as-you-go basis, the single discount rate is based on a tax-exempt municipal bond rate index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. A single discount rate of 3.86% as of June 30, 2023, was used to measure the total OPEB liability.

*Sensitivity total OPEB liability to changes in the single discount rate:* The following presents the University's proportionate share of the plan's total OPEB liability measured at June 30, 2023, calculated using a Single Discount Rate of 3.86%, as well as what the University's proportionate share of the plan's total OPEB liability would be if it were calculated using a Single Discount rate that is one percentage point higher (4.86%) or lower (2.86%) than the current rate:

	Current Single Discount Rate	
1% Decrease <u>2.86%</u>	Assumption <u>3.86%</u>	1% Increase <u>4.86%</u>
\$ 85,743,344	\$ 77,312,453	\$ 70,096,414

**Southern Illinois University Broadcasting Service  
Notes to Financial Statements  
For the Year Ended June 30, 2024**

**12. Post-Employment Benefits - Continued**

*Sensitivity total OPEB liability to changes in the healthcare cost trend rate:* The following presents the University's proportionate share of the plan's total OPEB liability measured as of June 30, 2023, calculated using the healthcare cost trend rates as well as what the University's proportionate share of the plan's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point higher or lower than the current healthcare cost trend rates. For calculating the healthcare cost trend rates assumption, the key trend rates are 8% in 2025 decreasing to an ultimate trend rate of 4.25% in 2040 for both non-Medicare and Medicare coverage. For the 1% decrease for calculating the healthcare cost trend rates assumption, the key trend rates are 7.00% in plan year end 2025 decreasing to an ultimate trend rate of 3.25% in plan year end 2040 for both non-Medicare and Medicare coverage. For the 1% increase for calculating the healthcare cost trend rates assumption, the key trend rates are 9.00% in plan year end 2025 decreasing to an ultimate trend rate of 5.25% in plan year end 2040 for both non-Medicare and Medicare coverage.

<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rates Assumption</u>	<u>1% Increase</u>
\$ 67,848,915	\$ 77,312,453	\$ 88,962,718

**13. Commitments and Contingencies**

WSIU Public Broadcasting received monies from federal and state government agencies under grants and contracts to fund portions of its activities. The costs, both direct and indirect, charged to these grants and contracts are subject to audit and disallowance by the granting agency. WSIU Public Broadcasting's management believes that any disallowances or adjustments would not have a material effect on WSIU Public Broadcasting's financial position.

**14. Reallocation of Net Position**

WSIU Public Broadcasting is a Joint University licensee that maintains and administers both television and radio stations. WSIU has a fundraising process that solicits funds for the overall benefit of both television and radio. WSIU Public Broadcasting's revenue allocation policy for funds not specifically designated for Television or Radio is allocated 80% to television and 20% to radio. The pooled WSIU Public Broadcasting funds are an example of pooled funds for the benefit of both television and radio.

However, actual use of the funds may differ from the percentages indicated above. During the year ended June 30, 2024, the actual use and release of pooled funds resulted in adjustments to the cash flow and the net position between television and radio in the amount of \$10,813.

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

**Southern Illinois University Broadcasting Service**

**Required Supplementary Information  
(Unaudited)**

For the Year Ended June 30, 2024

**Schedule of WSIU's Proportionate Share of Net Pension Liability**

	<u>FY2023</u>	<u>FY2022</u>	<u>FY2021</u>	<u>FY2020</u>	<u>FY2019</u>	<u>FY2018</u>	<u>FY2017</u>	<u>FY2016</u>	<u>FY2015</u>	<u>FY2014</u>
(a) Proportion Percentage of the Collective Pension Liability	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
(b) Proportion Amount of the Collective Net Pension Liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(c) Portion of Nonemployer Contributing Entities' Total Proportion of Collective Net Pension Liability associated with Employer	\$ 12,716,121	\$ 9,875,573	\$ 11,721,025	\$ 10,324,288	\$ 11,543,191	\$ 11,035,049	\$ 9,021,262	\$ 9,389,239	\$ 9,463,366	\$ 7,026,374
Total (b) + (c)	\$ 12,716,121	\$ 9,875,573	\$ 11,721,025	\$ 10,324,288	\$ 11,543,191	\$ 11,035,049	\$ 9,021,262	\$ 9,389,239	\$ 9,463,366	\$ 7,026,374
Employer DB Covered Payroll	\$ 1,719,662	\$ 1,309,463	\$ 1,523,218	\$ 1,250,894	\$ 1,453,959	\$ 1,435,095	\$ 1,250,898	\$ 1,325,622	\$ 1,462,476	\$ 1,179,896
Proportion of Collective Net Pension Liability associated with Employer as a percentage of DB covered payroll	739.45%	754.17%	769.49%	825.35%	793.91%	768.94%	721.18%	708.29%	647.08%	595.51%
SURS Plan Net Position as a Percentage of Total Pension Liability	44.06%	43.65%	45.45%	39.05%	40.71%	41.27%	42.04%	39.57%	42.37%	44.39%
<b>Schedule of Contributions - WSIU</b>										
	<u>FY2023</u>	<u>FY2022</u>	<u>FY2021</u>	<u>FY2020</u>	<u>FY2019</u>	<u>FY2018</u>	<u>FY2017</u>	<u>FY2016</u>	<u>FY2015</u>	<u>FY2014</u>
Federal, Trust, Grant and Other contribution	\$ 1,712	\$ 53,218	\$ 28,915	\$ 8,135	\$ 3,057	\$ 1,315	\$ 1,359	\$ 2,009	\$ 5,117	\$ -
Contribution in relation to required contribution	1,712	53,218	28,915	8,135	3,057	1,315	1,359	2,009	5,117	-
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Employer covered payroll	\$ 7,646	\$ 467,051	\$ 251,327	\$ 81,718	\$ 16,235	\$ 9,136	\$ 7,651	\$ 15,831	\$ 43,698	\$ -
Contributions as a percentage of covered payroll	22.39%	11.39%	11.50%	9.95%	18.83%	14.39%	17.76%	12.69%	11.71%	0.00%

**Southern Illinois University Broadcasting Service**  
**Required Supplementary Information**  
**(Unaudited)**  
**For the Year Ended June 30, 2024**

**Schedule of Southern Illinois University's  
Proportionate Share of Net OPEB Liability**

	<u>FY2022</u>	<u>FY2021</u>	<u>FY2020</u>	<u>FY2019</u>	<u>FY2018</u>
Proportion percentage of the collective total OPEB liability	0.42%	0.37%	0.30%	0.35%	0.34%
Proportion amount of collective total OPEB liability	\$ 71,224,467	\$ 130,653,274	\$ 127,984,959	\$ 154,007,094	\$ 137,600,029
Estimated proportionate amount of collective total OPEB liability associated with University-State supported portion	\$ 1,045,851,531	\$ 1,916,088,315	\$ 1,959,744,997	\$ 1,986,698,815	\$ 1,904,874,439
Total OPEB liability	\$ 1,117,075,998	\$ 2,046,741,589	\$ 2,087,729,956	\$ 2,140,705,909	\$ 2,042,474,468
Employer covered payroll	\$ 526,347,981	\$ 500,730,528	\$ 494,287,208	\$ 473,234,338	\$ 460,985,006
	212.23%	408.75%	422.37%	452.36%	443.07%

There are no assets accumulated in a trust to pay University employees' other post-employment benefits

**Changes of Assumptions:**

The single discount rate was changed from 1.92% to 3.69% for fiscal year 2022.  
The single discount rate was changed from 2.45% to 1.92% for fiscal year 2021.  
The single discount rate was changed from 3.13% to 2.45% for fiscal year 2020.  
The single discount rate was changed from 3.62% to 3.13% for fiscal year 2019.  
The single discount rate was changed from 3.56% to 3.62% for fiscal year 2018.  
The single discount rate was changed from 2.85% to 3.56% for fiscal year 2017.

The healthcare trend assumptions were updated based on claim and enrollment experience through June 30, 2022, projected plan costs for plan year end June 30, 2022, premium changes and expectation of future trend increases after June 30, 2022.

Per capita claim costs for plan year end June 30, 2022, were updated based on projected claims and enrollment experience through June 30, 2022, and updated premium rates throughout the year.

Healthcare plan participation rates by plan were updated based on observed experience.

The Cadillac Tax Trend adjustment was updated based on available premium and enrollment information as of June 30, 2019.

\*Note: Southern Illinois University implemented GASB No. 75 in fiscal year 2028. The information above is presented for as many years as available. FY2023 information was not yet available. The Schedule is intended to show information for 10 years.

**Southern Illinois University Broadcasting Service  
Notes to Required Supplementary Information  
(Unaudited)  
For the Year Ended June 30, 2024**

*Changes of benefit terms.* There were no benefit changes recognized in the Total Pension Liability as of June 30, 2023.

*Changes of assumptions.* In accordance with Illinois Compiled Statutes, an actuarial review is to be performed at least once every three years to determine the reasonableness of actuarial assumptions regarding the retirement, disability, mortality, turnover, interest and salary of the members and benefit recipients of SURS. An experience review for the years June 30, 2017 to June 30, 2020, was performed in Spring 2021, resulting in the adoption of new assumptions as of June 30, 2021. These assumptions are listed below. Only the disability rates assumption changed for the June 30, 2023 actuarial valuation.

- Salary increase. The overall assumed rates of salary increase range from 3.00% to 12.75% based on years of service, with an underlying wage inflation rate of 2.25%.
- Investment return. The investment return is assumed to be 6.50%. This reflects an assumed real rate of return of 4.25% and assumed price inflation of 2.25%.
- Effective rate of interest. The long-term assumption for the effective rate of interest for crediting the money purchase accounts is 6.50%.
- Normal retirement rates. Separate rates are assumed for members in academic positions and non-academic positions to reflect that retirement rates for academic positions are lower than for non-academic positions.
- Early retirement rates. Separate rates are assumed for members in academic positions and non-academic positions to reflect that retirement rates for academic positions are lower than for non-academic positions.
- Turnover rates. Assumed rates maintain the pattern of decreasing termination rates as years of service increase.
- Mortality rates. Use of Pub-2010 mortality tables reflects its high applicability to public pensions. The projection scale utilized is the MP-2020 scale.
- Disability rates. Separate rates for members in academic positions and non-academic positions, as well as for males and females. New for the June 30, 2023 valuation, 50% of police officer disability incidence is assumed to be line-of-duty related.
- Plan Election. For non-academic members, assumed plan election rates are 75% for Tier 2 and 25% for Retirement Savings Plan (RSP). For academic members, assumed plan election rates are 55% for Tier 2 and 45% for Retirement Savings Plan (RSP).

\*Note: WSIU implemented GASB No. 68 in fiscal year 2015. The information above is presented for as many years as available. The Schedule is intended to show information for 10 years.

## OTHER SUPPLEMENTARY INFORMATION

**Schedule of Functional Expenses - Combined**

SOUTHERN ILLINOIS UNIVERSITY -  
SIU BROADCASTING SERVICE

Fiscal Year Ended June 30, 2024

	Programming and Production	Broadcast and Engineering	Program Information and Promotion	Fund Raising and Membership	Underwriting and Grant Solicitation	Management and General	Total Memorandum Only
Salaries & wages	\$ 490,631	\$ 363,569	\$ 34,616	\$ 32,370	\$ 170,224	\$ 355,057	\$ 1,446,467
Payroll taxes & employee benefits	117,243	86,121	8,530	7,976	42,039	88,802	350,711
Professional services, excluding in-kind contributions	37,558	246,366	-	158,405	717	29,990	473,036
Professional services & support, in-kind contributions	342,401	150,530	83,916	38,689	17,758	87,148	720,442
Office supplies	6,179	4,309	17,966	229	808	9,298	38,789
Telephone	345	77,183	150	6,683	1,620	38,296	124,277
Postage	234	50	-	346	233	1,511	2,374
Advertising	-	-	15,690	-	11,601	-	27,291
Occupancy	49,327	260,292	408	780	65	27,585	338,457
Rental & maintenance of equipment	150,874	103,173	2,084	-	-	84	256,215
Printing & publications	500	-	1,042	-	-	2,135	3,677
Travel	319	17,340	303	-	6,876	46,198	71,036
Operating taxes & licenses	4,560	64,260	-	-	-	13,631	82,451
Program Acquisition	1,169,664	9,120	-	-	-	-	1,178,784
Miscellaneous, excluding in-kind contributions	38,909	63,646	3,536	44,273	1,665	30,244	182,273
	\$ 2,408,744	\$ 1,445,959	\$ 168,241	\$ 289,751	\$ 253,606	\$ 729,979	\$ 5,296,280

## Schedule of Functional Expenses - TV

SOUTHERN ILLINOIS UNIVERSITY -  
SIU BROADCASTING SERVICE

Fiscal Year Ended June 30, 2024

	Programming and Production	Broadcast and Engineering	Program Information and Promotion	Fund Raising and Membership	Underwriting and Grant Solicitation	Management and General	Total Memorandum Only
Salaries & wages	\$ 267,630	\$ 297,281	\$ 27,693	\$ 25,896	\$ 147,433	\$ 274,191	\$ 1,040,124
Payroll taxes & employee benefits	62,691	70,942	6,871	6,425	36,578	69,140	252,647
Professional services, excluding in-kind contributions	35,275	246,366	-	126,760	643	24,151	433,195
Professional services & support, in-kind contributions	255,434	121,383	75,262	31,254	12,016	65,058	560,407
Office supplies	6,179	4,108	12,017	229	598	7,732	30,863
Telephone	-	60,870	120	5,346	1,404	29,880	97,620
Postage	-	50	-	277	233	1,080	1,640
Advertising	-	-	9,676	-	4,522	-	14,198
Occupancy	39,721	211,606	408	780	65	27,585	280,165
Rental & maintenance of equipment	119,361	87,861	1,667	-	-	70	208,959
Printing & publications	500	-	1,042	-	-	2,036	3,578
Travel	319	14,794	242	-	6,586	29,129	51,070
Operating taxes & licenses	4,546	51,337	-	-	-	12,214	68,097
Program Acquisition	902,329	9,120	-	-	-	-	911,449
Miscellaneous, excluding in-kind contributions	35,533	56,968	2,621	38,383	1,518	26,084	161,107
	<b>\$ 1,729,518</b>	<b>\$ 1,232,686</b>	<b>\$ 137,619</b>	<b>\$ 235,350</b>	<b>\$ 211,596</b>	<b>\$ 568,350</b>	<b>\$ 4,115,119</b>

### Schedule of Functional Expenses - FM

SOUTHERN ILLINOIS UNIVERSITY -  
SIU BROADCASTING SERVICE

Fiscal Year Ended June 30, 2024

	Programming and Production	Broadcast and Engineering	Program Information and Promotion	Fund Raising and Membership	Underwriting and Grant Solicitation	Management and General	Total Memorandum Only
Salaries & wages	\$ 223,001	\$ 66,288	\$ 6,923	\$ 6,474	\$ 22,791	\$ 80,866	\$ 406,343
Payroll taxes & employee benefits	54,552	15,179	1,659	1,551	5,461	19,662	98,064
Professional services, excluding in-kind contributions	2,283	-	-	31,645	74	5,839	39,841
Professional services & support, in-kind contributions	86,967	29,147	8,654	7,435	5,742	22,090	160,035
Office supplies	-	201	5,949	-	210	1,566	7,926
Telephone	345	16,313	30	1,337	216	8,416	26,657
Postage	234	-	-	69	-	431	734
Advertising	-	-	6,014	-	7,079	-	13,093
Occupancy	9,606	48,686	-	-	-	-	58,292
Rental & maintenance of equipment	31,513	15,312	417	-	-	14	47,256
Printing & publications	-	-	-	-	-	99	99
Travel	-	2,546	61	-	290	17,069	19,966
Operating taxes & licenses	14	12,923	-	-	-	1,417	14,354
Program Acquisition	267,335	-	-	-	-	-	267,335
Miscellaneous, excluding in-kind contributions	3,376	6,678	915	5,890	147	4,160	21,166
	\$ 679,226	\$ 213,273	\$ 30,622	\$ 54,401	\$ 42,010	\$ 161,629	\$ 1,181,161



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**Independent Auditors' Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements  
Performed in Accordance with Government Auditing Standards**

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The Board of Trustees  
Southern Illinois University

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Southern Illinois University Broadcasting Service (SIU Broadcasting Service) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise SIU Broadcasting Service's basic financial statements, and have issued our report thereon dated February 7, 2025.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered SIU Broadcasting Service's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of SIU Broadcasting Service's internal control. Accordingly, we do not express an opinion on the effectiveness of SIU Broadcasting Service's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether SIU Broadcasting Service's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Kerber, Eck + Braeckel LLP*

Springfield, Illinois

February 7, 2025