Consolidated Financial Report

Greater New Orleans Educational Television Foundation and Subsidiaries

September 30, 2024

Bourgeois Bennett
CERTIFIED PUBLIC ACCOUNTANTS | CONSULTANTS
A LIMITED LIABILITY COMPANY

Consolidated Financial Report

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September 30, 2024

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Greater New Orleans Educational Television Foundation and Subsidiaries

New Orleans, Louisiana

September 30, 2024 and 2023

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees,
Greater New Orleans Educational Television Foundation,
New Orleans, Louisiana.

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying financial statements of Greater New Orleans Educational Television Foundation (a non-profit organization) and Subsidiaries, which comprise the consolidated statement of financial position as of September 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the notes to the consolidated financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Greater New Orleans Educational Television Foundation and Subsidiaries as of September 30, 2024, and the consolidated changes in its net assets and its cash flows for the year then ended in conformity 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 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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Greater New Orleans Educational Television Foundation and Subsidiaries 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 opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

P.O. BOX 60600 • NEW ORLEANS, LA 70160-0600 • 504•831•4949 • BOURGEOISBENNETT.COM
P.O. BOX 2168 • HOUMA, LA 70361-2168 • 985•868•0139
34 LOUIS PRIMA, SUITE B • COVINGTON, LA 70433-5903 • 985•246•3022

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater New Orleans Educational Television Foundation and Subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Greater New Orleans Educational Television Foundation and Subsidiaries' 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 consolidated financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Greater New Orleans Educational Television Foundation and Subsidiaries' 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 Greater New Orleans Educational Television Foundation and Subsidiaries' consolidated financial statements as of and for the year ended September 30, 2023, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated February 15, 2024. In our opinion, the summarized comparative information presented herein as of and for year ended September 30, 2023 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information (Schedules 1 through 3) is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated January 28, 2025 on our consideration of Greater New Orleans Educational Television Foundation and Subsidiaries' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, 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 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 Greater New Orleans Educational Television Foundation and Subsidiaries' internal control over financial reporting and compliance.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana.
January 28, 2025.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Greater New Orleans Educational
Television Foundation and Subsidiaries
New Orleans, Louisiana

September 30, 2024
(with comparative totals for September 30, 2023)

	2024	2023
Assets		
Cash and cash equivalents	$ 2,018,986	$ 2,280,940
Accounts receivable, net	60,083	311,566
Unconditional promises to give, net	283,750	836,667
Prepaid expenses	107,250	106,748
Investments	6,151,739	5,024,899
Operating lease right-of-use asset	458,781	-
Property and equipment, net of accumulated depreciation	13,562,870	12,889,796
Total assets	$22,643,459	$21,450,616
Liabilities		
Accounts payable and accrued expenses	$ 243,918	$ 698,352
Notes payable	-	177,618
Deferred revenue	832,507	497,983
Operating lease liability	461,092	-
Total liabilities	1,537,517	1,373,953
Net Assets		
Without donor restrictions	19,440,011	17,350,353
With donor restrictions	1,665,931	2,726,310
Total net assets	21,105,942	20,076,663
Total liabilities and net assets	$22,643,459	$21,450,616

See notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF ACTIVITIES

Greater New Orleans Educational Television Foundation and Subsidiaries
New Orleans, Louisiana

For the year ended September 30, 2024
(with comparative totals for the year ended September 30, 2023)

	Without Donor Restrictions	With Donor Restrictions	Totals 2024	Totals 2023
Support and Revenues				
Support:				
Contributions	$ 1,760,731	$ -	$ 1,760,731	$ 2,034,667
Grants from the Corporation for Public Broadcasting	1,260,306	-	1,260,306	661,386
Louisiana state grant	300,000	-	300,000	250,000
Other grants and tax credits	130,199	715,000	845,199	340,000
Program and production underwriting	540,979	-	540,979	818,985
Other support	303,069	-	303,069	313,170
Contributions of nonfinancial assets	353,423	-	353,423	485,443
Revenues:				
Miscellaneous sales, net	36,802	-	36,802	28,185
Contract and production services	468,845	-	468,845	512,797
Tower rental	27,234	-	27,234	27,234
Investment income, net	1,163,690	-	1,163,690	389,400
Total support and revenues	6,345,278	715,000	7,060,278	5,861,267
Net assets released from restrictions:				
Expiration of time and purpose restrictions	1,775,379	(1,775,379)	-	-
Total support and revenues	8,120,657	(1,060,379)	7,060,278	5,861,267
Expenses				
Program services	3,865,357	-	3,865,357	3,675,382
Management and general	1,308,037	-	1,308,037	1,224,630
Development	857,605	-	857,605	894,873
Total expenses	6,030,999	-	6,030,999	5,794,885
Increase (Decrease) in Net Assets	2,089,658	(1,060,379)	1,029,279	66,382
Net Assets				
Beginning of year	17,350,353	2,726,310	20,076,663	20,010,281
End of year	$19,440,011	$1,665,931	$21,105,942	$20,076,663

See notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Greater New Orleans Educational Television Foundation and Subsidiaries
New Orleans, Louisiana

For the year ended September 30, 2024
(with comparative totals for the year ended September 30, 2023)

	Program Services		Supporting Services		Total Expenses	
	Broadcasting	Engineering	Management And General	Development	2024	2023
Advertising	$ 13,356	$ -	$ -	$ 1,967	$ 15,323	$ 14,075
Bad debt (recovery)	(13,233)	-	-	1,125	(12,108)	15,599
Board of trustees' expenses	-	-	578	-	578	1,079
Building and grounds maintenance	2,207	-	66,910	-	69,117	67,635
Building rental	-	-	200,000	-	200,000	199,914
Direct mail solicitation	-	-	-	34,623	34,623	35,414
Employee travel and other personnel costs	6,420	1,916	5,776	4,589	18,701	15,566
Equipment rental and maintenance cost	55,541	12,813	74,961	24,906	168,221	181,005
Insurance	-	-	251,214	-	251,214	232,020
Interest	-	-	6,906	4,204	11,110	16,205
Membership premiums	-	-	-	36,198	36,198	53,803
Office supplies	583	807	2,373	1,413	5,176	11,233
Other expenses	61,811	1,348	52,378	185,284	300,821	286,280
Postage and shipping	2,078	165	3,350	55,890	61,483	66,273
Printing	122,866	-	58	20,178	143,102	155,576
Production costs	10,264	-	-	8,418	18,682	22,384
Professional services	108,388	825	167,186	275,437	551,836	757,985
Program rental fees	1,283,571	-	-	-	1,283,571	746,766
Salaries, payroll taxes, contract labor, and employee benefits	1,144,067	183,097	322,867	285,962	1,935,993	1,905,803
Taxes - miscellaneous	-	-	-	-	-	415
Telephone	14,897	13,454	19,692	3,632	51,675	52,960
Tower and transmission equipment rental	-	151,002	-	-	151,002	240,809
Utilities	-	221,928	-	-	221,928	227,837
	2,812,816	587,355	1,174,249	943,826	5,518,246	5,306,636
Depreciation and amortization	-	465,186	133,788	65,021	663,995	630,611
Less special events direct benefit to donor costs	-	-	-	(151,242)	(151,242)	(142,362)
Total functional expenses	$2,812,816	$1,052,541	$1,308,037	$857,605	$6,030,999	$5,794,885

See notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Greater New Orleans Educational
Television Foundation and Subsidiaries
New Orleans, Louisiana

For the year ended September 30, 2024
(with comparative totals for the year ended September 30, 2023)

	2024	2023
Cash Flows From Operating Activities		
Increase in net assets	$1,029,279	$ 66,382
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	663,995	630,611
Realized and unrealized (gain) loss on investments, net	(1,011,630)	53,063
Accrued operating lease obligations	2,311	-
(Increase) decrease in operating assets:		
Accounts receivable and unconditional promises to give	251,483	(213,573)
Prepaid expenses	(502)	(2,888)
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(237,393)	82,325
Deferred revenue	334,524	(163,562)
Revenues restricted for the acquisition of property and equipment:		
Pledges receivable, net of unamortized discount	(67,083)	(126,153)
Net cash provided by operating activities	964,984	326,205
Cash Flows From Investing Activities		
Purchases of property and equipment	(1,337,069)	(585,572)
Proceeds from sales and maturities of investments	1,541,254	834,309
Purchases of investments	(1,656,464)	(1,169,135)
Net cash used in investing activities	(1,452,279)	(920,398)

	2024	2023
Cash Flows From Financing Activities		
Collections of capital campaign support	620,000	375,000
Proceeds from notes payable	-	11,149
Payments on notes payable	(177,618)	-
Payments on accounts payable used to finance acquisition of property and equipment	(217,041)	-
Net cash provided by financing activities	225,341	386,149
Net Decrease in Cash and Cash Equivalents	(261,954)	(208,044)
Cash and Cash Equivalents		
Beginning of year	2,280,940	2,488,984
End of year	$2,018,986	$2,280,940

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Greater New Orleans Educational Television Foundation and Subsidiaries

New Orleans, Louisiana

September 30, 2024 and 2023

Note 1 - NATURE OF ACTIVITIES

WYES-TV is a community-owned, nonprofit public television station serving metropolitan New Orleans, southeastern Louisiana, and Mississippi Gulf Coast regions. Affiliated with the Public Broadcasting Service, WYES-TV is licensed to the Greater New Orleans Educational Television Foundation and governed by a board of trustees comprised of civic-minded individuals and distinguished community leaders.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Organization and Income Taxes

The Greater New Orleans Educational Television Foundation (the "Foundation") is a nonprofit corporation organized under the laws of the State of Louisiana to provide educational television broadcast service to the New Orleans area. It is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code and qualifies as an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax under the authority of R.S. 47:121(5). Net operating profits from unrelated business income are subject to Federal income tax.

Effective July 1, 1982, the Foundation incorporated a wholly owned subsidiary, Yescom Enterprises, Inc. ("Yescom"). The purpose of this corporation is to engage primarily in providing remote production services to third parties on a for-profit basis. All revenues generated by Yescom are dedicated to the Foundation and are used to fulfill the Foundation's exempt purpose. Yescom was dissolved effective July 31, 2024.

John Besh's My New Orleans, L.L.C. ("Besh"), wholly owned by the Foundation was founded in February 2010 to aid in the production of a television series. On October 12, 2015, Besh amended its articles of incorporation to change its corporate name to WYES Media Services, L.L.C. ("WYES Media Services").

Yescom and WYES Media Services are collectively the "Subsidiaries".

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Organization and Income Taxes (Continued)

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. It requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. As of September 30, 2024 and 2023, management believes the Foundation and its Subsidiaries have no uncertain tax positions that qualify for either recognition or disclosure in the consolidated financial statements. Tax years ended September 30, 2021 and later remain subject to examination by taxing authorities.

b. Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

c. Basis of Accounting

The consolidated financial statements of the Greater New Orleans Educational Television Foundation and Subsidiaries are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as promulgated by the Financial Accounting Standards Board. Under this method, revenues are recognized when earned, and expenses are recorded when incurred.

d. Basis of Presentation

Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and Subsidiaries and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed stipulations that will be met either by action of the Foundation and/or the passage of time, or net assets subject to donor-imposed stipulations that are maintained in perpetuity by the Foundation.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Consolidation

The accompanying consolidated financial statements present the combined assets, liabilities, and net assets of the Foundation and its Subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

f. Cash and Cash Equivalents

The Foundation and its Subsidiaries consider investments in money market funds to be cash equivalents, except for money market funds maintained in investment brokerage accounts which are reported as investments (see Note 5).

g. Investments

Investments in marketable securities, including mutual funds (equity funds and bond funds) and other investments are carried at fair market value in the Consolidated Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Consolidated Statement of Activities.

Unrealized gains and losses on investments are recorded as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law. Interest earned on donor restricted investments is reported based on the existence or absence of donor-imposed restrictions. Realized gains and losses on the sales of securities are determined using the specific-identification method. A decline in the fair value of investments below cost that is deemed to be other than temporary results in a charge to the change in net assets, and the establishment of a new cost basis for the investment.

h. Promises to Give

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met. As of September 30, 2024 and 2023, there were no conditional promises to give.

i. Contributions

Contributions are recorded as support with or without donor restrictions depending on the existence and/or nature of any restrictions.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Contributions (Continued)

The Foundation reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statement of Activities as net assets released from restrictions.

j. Revenue Recognition

The Foundation recognizes revenues in accordance with Accounting Standards Update (ASU) No. 2014-09, "*Revenue from Contracts with Customers*" (Topic 606). This ASU implements a single framework for revenue recognition, ensuring that revenue is recognized in a manner which reflects the consideration to which the entity expects to be entitled in exchange for goods and services. The Foundation records the following exchange transaction revenue in its Consolidated Statements of Activities for the years ended September 30, 2024 and 2023:

Program and Production Underwriting

Program and production underwriting revenue includes amounts received in exchange for recognition within the Foundation's television programming. The Foundation recognizes underwriting revenue at the time the spots are aired on television and the performance obligation is satisfied.

Contract and Production Services

The Foundation provides contract and production services to third parties including studio rentals, mobile unit rentals, and related crew and staffing arrangements. Contract and production fees are fixed at the time of purchase based on price listings or negotiated rates. Performance obligations are satisfied, and revenue is recognized when the work is completed, and the customer is invoiced.

Tower Rental

The Foundation leases space on its tower to telecommunication companies. The performance obligation of providing access is satisfied over time, and revenue is recognized on a monthly basis according to the terms outlined in the tower rental agreements.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Revenue Recognition (Continued)

For each of the preceding exchange transactions, contract receivables consist of amounts due and collectible for performance obligations already satisfied. Contract liabilities represent consideration received for performance obligations which have not yet been satisfied. Contract assets and liabilities as of the beginning and end of the years ended September 30, 2024 and 2023 are as follows.

	Contract Receivables	Contract Liabilities
October 1, 2022	$ 97,993	$661,545
September 30, 2023	$311,566	$497,983
September 30, 2024	$ 60,083	$832,507

The Foundation conducts fundraisers in which a portion of the gross proceeds paid by the participant represents payment for the direct cost of the benefits received by the participant at the event, the exchange component, and a portion represents a contribution to the Foundation. The fair value of meals and entertainment provided at the event is measured at the actual cost to the Foundation. The contribution component is the excess of the gross proceeds over the fair value of the direct donor benefit. The direct costs, which ultimately benefit the donor rather than the Foundation, are recorded as fundraising expenses in the Consolidated Statement of Activities. The performance obligation is the event. Financial Accounting Standard Board (FASB) ASU No. 2014-09 requires allocation of the transaction price to the performance obligation. Accordingly, the Foundation separately presents in Note 13 the exchange and contribution components of the gross proceeds from special events.

k. Allowance for Expected Credit Losses

The Foundation and its Subsidiaries provide for expected credit losses on a specific account basis as determined by management. Accounts receivables are comprised principally of balances due from third parties for remote production services and studio contract services. Management has recorded an allowance for expected credit losses of approximately $3,000 and $16,000 for accounts it deems unlikely to collect as of September 30, 2024 and 2023, respectively.

l. Allowance for Uncollectible Unconditional Promises to Give

The Foundation provides estimated uncollectible amounts pledges receivable based on management's analysis of specific promises made. Management believes all pledges are collectible, and there is no allowance expected credit losses attributed to pledges receivable as of September 30, 2024 and 2023.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Property and Equipment

The Foundation and its Subsidiaries record all property and equipment acquisitions at cost except for those received through donation, which are recorded at estimated value as of the date of donation. Such donations are reported as support without donor restrictions. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Foundation and its Subsidiaries report expirations of donor restrictions when the donated assets are placed in service as instructed by the donor. The Foundation and its Subsidiaries reclassify net assets with donor restrictions to net assets without donor restrictions at that time.

Property and equipment acquired with funds received through grants or contributions which stipulate a time period for the asset to be maintained are reported as net assets with donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions for expiration of time restrictions as the assets are depreciated or the time period expires.

Repairs and maintenance are charged to expense as incurred. It is the Foundation's policy to capitalize major renewals, replacements, and betterments of $2,500 or more. Depreciation and amortization are determined using the straight-line method and are intended to write-off the cost of the property and equipment over their estimated useful lives which range from 3 to 39 years.

n. Right-of-Use Assets and Lease Liabilities

Right-of-use ("ROU") assets represent the Foundation's right to use the underlying assets for the lease term and lease liabilities represent the net present value of the Foundation's obligation to make payments arising from these leases. The lease liabilities are based on the present value of fixed lease payments over the lease term using the Foundation's incremental borrowing rate on the lease commencement date. If the lease includes one or more options to extend the term of the lease, the renewal option is considered in the lease term if it is reasonably certain the Foundation will exercise the options. Operating lease expense is recognized on a straight-line basis over the term of the lease. Finance lease expense is recognized as amortization of the right to use asset and interest expense. As permitted by Accounting Standards Codification (ASC) 842, leases with an initial term of twelve months or less ("short-term leases") are not recorded on the accompanying Statement of Financial Position.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Contributed Nonfinancial Assets

On June 8, 1970, the Foundation exchanged operating frequencies with WVUE, a station owned and operated at that time by Screen Gems Broadcasting of Louisiana, Inc. Emmis Televisions Broadcasting, L.P. acquired the transmitter facilities and assumed the rights and obligations of the original exchange agreement. The exchange agreement required certain items of compensation to be paid to the Foundation. On November 30, 2003, the existing agreement was terminated by a new agreement under which the Foundation was paid a buyout payment of $3,500,000 (see Note 2n) and a new antenna and transmission line, owned by the Foundation, was constructed. The Foundation will continue to receive the substantially free lease on the transmitter facilities, which is $1 per year for 20 years through November 30, 2023 (see Note 13). The Foundation's policy is to record the current rental value as revenue and recognize a corresponding amount as an expense of fulfilling its exempt purposes. The current rental value is the amount that would be charged to a commercial customer as documented by Emmis Television Broadcasting, L.P. doing business as WVUE.

The Foundation records the value of the substantially free use of the land occupied by its studio and office building and recognizes a similar amount as expense.

Beginning in July of 2004, grant money was transferred to Louisiana Public Broadcasting (LPB) under a cooperative endeavor agreement. This grant money was used by LPB to purchase transmission equipment to be used by the Foundation. The use of the transmission equipment is at no cost to the Foundation, other than general maintenance, as long as the mission of public broadcasting does not change. In return, the State of Louisiana owns and insures the equipment. The estimate of the annual in-kind contributions and rental expense is $79,903 and $128,902 for the years ended September 30, 2024 and 2023, respectively.

p. Deferred Revenue

The Foundation received $3,500,000 under an agreement with Emmis Televisions Broadcasting, L.P. for the exchange of operating frequencies with WVUE which covers a 20 year period ending in 2023 (see Note 2o). This amount is being amortized on a straight line basis over the life of the agreement, which makes the Foundation responsible for the payment of the operating expenses of the transmittal facilities. Deferred revenue related to this agreement as of September 30, 2023 were $29,167. Because the agreement has expired, there was no deferred revenue related to this agreement as of September 30, 2024. Other deferred revenues totaled $832,507 and $468,816 as of September 30, 2024 and 2023, respectively.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Program Rental Fees

Costs incurred for the acquisition of programs are amortized on a straight-line basis over the period of time in which the Foundation has rights to broadcast the programs as specified in the lease agreements with the program distributors.

r. Unemployment Benefits

In lieu of unemployment tax contributions, the Foundation has elected under the Louisiana Employment Security Law to reimburse the State of Louisiana for benefits paid by the State and charged against the account of the Foundation. The Foundation recognizes this expense in the period for which the benefits are billed by the State. The Subsidiaries pay unemployment taxes based on statutory rates on wages paid.

s. Methods Used for Allocation of Expenses

Most of the expenses can be directly allocated to one of the programs or supporting functions. The financial statements also report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Personnel costs and related expenses are allocated based on time and level of effort. Building and occupancy related costs are allocated on an estimate of percentage of usage.

t. Recently Issued Accounting Standards

Credit Losses

In June 2016, the FASB issued ASU No. 2016-13, "*Financial Instruments - Credit Losses*" (Topic 326). The ASU introduces a new credit loss methodology, Current Expected Credit Losses (CECL), which requires earlier recognition of credit losses, while also providing additional transparency about credit risk. Since its original issuance in 2016, the FASB has issued several updates to the original ASU.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

t. Recently Issued Accounting Standards (Continued)

The CECL methodology utilizes a lifetime "expected credit loss" measurement objective for the recognition of credit losses for loans, held-to-maturity securities and other receivables at the time the financial asset is originated or acquired. The expected credit losses are adjusted each period for changes in expected lifetime credit losses. The methodology replaces the multiple existing impairment methods in current GAAP, which generally require that a loss be incurred before it is recognized. For available-for-sale securities where fair value is less than cost, credit-related impairment, if any, is recognized through an allowance for credit losses and adjusted each period for changes in credit risk. The ASU is effective for fiscal years beginning after December 15, 2022. As of October 1, 2023, the Foundation has adopted this Standard and it was applied prospectively after this date.

u. Subsequent Events

Management evaluates events occurring subsequent to the date of the consolidated financial statements in determining the accounting for and disclosure of transactions and events that effect the consolidated financial statements. Subsequent events have been evaluated through January 28, 2025, which is the date the consolidated financial statements were available to be issued.

Note 3 - CONCENTRATION OF CREDIT RISK ARISING FROM CASH DEPOSITS IN EXCESS OF INSURED LIMITS

The Foundation and its Subsidiaries maintain cash balances at several local financial institutions where they are insured by the Federal Deposit Insurance Corporation up to $250,000 per institution. As of September 30, 2024, cash deposits in excess of the insured limits were approximately $1,301,000.

Note 4 - PLEDGES RECEIVABLE

During the year ended June 30, 2012, the Foundation entered into Capital Campaign Phase II. The purpose of the campaign is to raise approximately $5,500,000 from private sources for the construction of an administration building that will house programming, educational outreach, local and national productions, volunteers, public information, membership and special events, and Foundation personnel. As of September 30, 2024, the Foundation has raised pledges and contributions totaling $6,023,351, exceeding the goal by approximately $523,000. As of September 30, 2024, $70,000 from those pledges and contributions remains to be collected.

Note 4 - PLEDGES RECEIVABLE (Continued)

During the year ended September 30, 2022, the Foundation entered into the NextGen Capital Campaign. The purpose of the campaign is to raise approximately $3,860,000 from public and private sources for the construction of a broadcast system capable of providing NextGen transmission accessible beyond traditional television sets - available to mobile devices, cars, laptops, and phones. As of September 30, 2024, the Foundation has raised pledges and contributions from private and public sources totaling approximately $4,660,000.

The Foundation has discounted the value of future pledges receivable by using an effective interest rate of 5%.

The details of pledges receivable as of September 30, 2024 and 2023 are as follows:

	2024	2023
Pledges receivable at beginning of year	$880,000	$1,185,000
New pledges made during the year	35,000	70,000
Less:		
Cash received	(620,000)	(375,000)
Pledges receivable at end of year	295,000	880,000
Unamortized discount	(11,250)	(43,333)
Totals	$283,750	$ 836,667

	2024	2023
Amounts due in:		
Less than one year	$295,000	$620,000
One to five years	-	260,000
	$295,000	$880,000

Pledges receivable as of September 30, 2024 and 2023 are comprised of the following:

	2024	2023
Pledges related to NextGen transmitter campaign	$225,000	$620,000
Pledges related to capital campaign	70,000	260,000
Totals	$295,000	$880,000

Note 5 - INVESTMENTS

Investments as of September 30, 2024 and 2023 consist of the following:

	2024	
Description	Cost	Market Value
Exchange traded funds	$3,016,633	$3,563,963
Equity mutual funds	2,215,798	2,421,383
Corporate bonds and U.S. Government Agency obligations	99,933	99,339
Money market funds	67,054	67,054
Total investments	$5,399,418	$6,151,739

	2023	
Description	Cost	Market Value
Equity mutual funds	$2,590,652	$2,314,011
Exchange traded funds	1,457,393	1,502,683
Bond mutual funds	1,062,787	960,589
Corporate bonds and U.S. Government Agency obligations	199,831	195,012
Money market funds	52,604	52,604
Total investments	$5,363,267	$5,024,899

Investment return for the year ended September 30, 2024 is summarized as follows:

	Cost	Market Value	Excess of Cost Over Market
Balances as of September 30, 2024	$5,399,418	$6,151,739	$ 752,321
Balances as of September 30, 2023	$5,363,267	$5,024,899	(338,368)
Increase in unrealized appreciation			$1,090,689

Interest and dividend income	$ 191,774
Unrealized gain	1,090,689
Realized loss, net	(79,059)
Investment fees	(39,714)
Investment income, net	$1,163,690

Note 5 - INVESTMENTS (Continued)

Investment return for the year ended September 30, 2023 is summarized as follows:

	Cost	Market Value	Excess of Market Over Cost (Cost Over Market)
Balances as of September 30, 2023	$5,363,267	$5,024,899	$ (338,368)
Balances as of September 30, 2022	$5,319,529	$4,743,136	(576,393)
Decrease in unrealized depreciation			$ 238,025

Interest and dividend income	$ 473,467
Unrealized gain	238,025
Realized loss, net	(291,088)
Investment fees	(31,004)
Investment income, net	$ 389,400

Note 6 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in the active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under the Financial Accounting Standards Board Accounting Standards Codification Topic 820, Fair Value Measurements are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and/or
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Note 6 - FAIR VALUE MEASUREMENTS (Continued)

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

- *Mutual funds (equity funds and bond funds)*: Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded. These are included in Level 1 of the fair value hierarchy.

- *Corporate bonds, and U.S. Government Agency obligations*: Valued at the closing price reported on the active market on which the individual securities are traded. These are included in Level 1 of the fair value hierarchy.

- *Exchange traded funds*: Valued at the quoted market price from a national securities exchange. These are included in Level 1 of the fair value hierarchy.

- *Money market funds*: Valued at quoted market prices, which represent the net asset value per unit. These are included in Level 1 of the fair value hierarchy.

The methodologies described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 6 - FAIR VALUE MEASUREMENT (Continued)

As of September 30, 2024 and 2023, assets measured at fair value on a recurring basis are comprised of and determined as follows:

		2024		
			Based on	
Description	Total Assets Measured at Fair Value	Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Exchange traded funds	$3,563,963	$3,563,963	$ -	$ -
Equity mutual funds	2,421,383	2,421,383	-	-
Corporate bonds and U.S. Government Agency obligations	99,339	99,339	-	-
Money market funds	67,054	67,054	-	-
Totals	$6,151,739	$6,151,739	$ -	$ -

		2023		
			Based on	
Description	Total Assets Measured at Fair Value	Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Equity mutual funds	$2,314,011	$2,314,011	$ -	$ -
Exchange traded funds	1,502,683	1,502,683	-	-
Bond mutual funds	960,589	960,589	-	-
Corporate bonds and U.S. Government Agency obligations	195,012	195,012	-	-
Money market funds	52,604	52,604	-	-
Totals	$5,024,899	$5,024,899	$ -	$ -

As of September 30, 2024 and 2023, there were no assets measured at fair value on a non-recurring basis.

Note 7 - PROPERTY AND EQUIPMENT

As of September 30, 2024 and 2023, property and equipment and accumulated depreciation is as follows:

	2024	2023
Leasehold improvements	$ 14,833,652	$ 14,827,752
Equipment	6,406,823	4,748,104
Office equipment	420,712	418,846
Construction in progress	88,767	424,092
Vehicles	36,404	36,404
	21,786,358	20,455,198
Less accumulated depreciation	(8,223,488)	(7,565,402)
Net property and equipment	$ 13,562,870	$ 12,889,796

Depreciation and amortization expense was $663,995 and $630,611 for the years ended September 30, 2024 and 2023, respectively.

Note 8 - LEASES

Operating Leases

The Foundation maintains a lease for real estate upon which the transmitter tower is placed. The lease began December 1, 2023 for a period of 10 years and expires on November 30, 2033. The lease agreement calls for monthly payments beginning at $5,000 monthly increasing 1% annually throughout the lease term.

The weighted-average discount rate is based on the discount rate implicit in the lease. The Foundation has elected the option to use the estimated incremental borrowing rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable.

Note 8 - LEASES (Continued)

Reported under FASB ASC 842 for the year ended September 30, 2024 is as follows:

	2024
Operating lease cost:	
Lease expense	$ 52,311
Operating lease right-of-use asset	$ 458,781
Operating lease liability	$ 461,092
Net cash flow items:	
Cash paid for amounts included in the measurement of lease liabilities	$ 50,000
Weighted-average information	
Weighted-average remaining lease in years	9.17
Weighted-average discount rate:	
Operating lease	5.00%

Future minimum lease payments for operating leases as of September 30, 2024 are as follows:

Year Ending September 30,	
2025	$ 60,500
2026	61,105
2027	61,716
2028	62,333
2029	62,957
Thereafter	269,122
Total minimum lease payments	577,733
Less amount representing interest	(116,641)
Present value of operating lease obligations	$461,092

Note 9 - BANK LINES OF CREDIT

The Foundation has a $750,000 line of credit with Hancock Whitney Bank. Interest is due monthly at U.S. Prime Rate + 1% (9.00% and 9.50% as of September 30, 2024 and 2023, respectively). The line of credit was renewed and will expire on September 6, 2026. There was no balance outstanding as of September 30, 2024 or 2023.

Note 10 - NOTES PAYABLE

The Foundation is obligated on the following notes payable as of September 30, 2024 and 2023.

	2024	2023
Note payable to First Horizon Bank. The note was converted from a revolving line of credit to a non-revolving line of credit in May 2019 and was due upon the lender's demand. If no demand was made, it was due on February 28, 2025. The note bore interest equal to the 1 month LIBOR ICE rate plus 1.75% (7.19% as of September 30, 2023) and was secured by a negative pledge balance. On February 2, 2024, the Foundation paid all outstanding balances and closed the line.	$ -	$177,618

Note 11 - ENDOWMENT

The Endowments. The Foundation's Endowment Fund consists of one fund established for support of operations and facility maintenance costs and includes donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Note 11 - ENDOWMENT (Continued)

Interpretation of Relevant Law. The Board of Trustees has interpreted the State Prudent Management Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies the following amounts as restricted net assets in the accompanying consolidated financial statements:

- the original value of the gifts donated to the endowment held in perpetuity;
- the original value of subsequent gifts to the endowment held in perpetuity;
- when applicable, accumulations to the endowment, made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. There were no additional gifts during the years ended September 30, 2024 and 2023.

In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- the duration and preservation of the fund;
- the purposes of the Foundation and the donor-restricted endowment fund;
- general economic conditions;
- the possible effect of inflation and deflation;
- the expected total return from income and the appreciation of investments;
- other resources of the Foundation; and
- the investment policies of the Foundation.

Endowment net asset composition by type of fund as of September 30, 2024 and 2023 is as follows:

	September 30, 2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 947,884	$947,884

	September 30, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 947,884	$947,884

Note 11 - ENDOWMENT (Continued)

Changes in endowment net assets for the years ended September 30, 2024 and 2023 are as follows:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Totals
Net assets, beginning of the year	$ -	$ 947,884	$ 947,884
Investment income	596,676	-	596,676
Transfers from operations	(596,676)	-	(596,676)
Net assets, end of the year	$ -	$ 947,884	$ 947,884

	2023		
	Without Donor Restrictions	With Donor Restrictions	Totals
Net assets, beginning of the year	$ -	$ 947,884	$ 947,884
Investment income	302,193	-	302,193
Transfers to operations	(302,193)	-	(302,193)
Net assets, end of the year	$ -	$ 947,884	$ 947,884

Funds with Deficiencies. From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that either the donor or SPMIFA requires the Foundation to retain as a fund of perpetual duration. These deficiencies can result from unfavorable market fluctuations and when continued appropriations for certain programs that were deemed prudent by the Board of Trustees occur in concurrence with the unfavorable market fluctuations. There were no such deficiencies as of September 30, 2024 and 2023.

Return Objectives and Risk Parameters. Endowment assets include donor restricted funds that the Foundation must hold in perpetuity. Under the investment policy, as approved by the Board of Trustees, gifts held in perpetuity to the Foundation are invested in a combination of fixed income and equity investments placed with an investment advisor who has been provided with specific guidelines for the portfolio composition within certain percentage ranges. Such guidelines prohibit investments considered at high risk such as derivatives, commodities, futures, options, purchases on margins, and short sales. The finance committee receives reports from the investment advisor and periodically reviews the investment guidelines.

Note 11 - ENDOWMENT (Continued)

Strategies Employed for Achieving Objectives. To satisfy its long-term rate of return objectives, management believes that asset allocation is the major determinant of investment performance and relies on a long-term asset allocation plan, consistent with the Foundation's investment objectives and performance goals. The Foundation targets a diversified asset allocation that is divided between equities (range between 65% and 85% with a target of 75%) and fixed income (range between 15% and 35% with a target of 25%).

Spending Policy and How Investment Objectives Relate to the Spending Policy. The Foundation adopted a policy of appropriating for distribution for operational spending, no more than 5% annually of the total endowment fund, including earnings. Earnings that exceed the allowed annual distribution shall remain in the fund to offset potential market losses so as to preserve the original corpus of the donor-restricted endowment funds.

Note 12 - NET ASSETS WITH DONOR RESTRICTIONS

Contributions are restricted by donors for specific purposes or designated for subsequent periods. Cash and investments raised through the capital campaign are restricted for the acquisition of property and equipment. Restrictions on such funds are considered to expire when payment for the designated purpose is made. Endowment funds are held in perpetuity.

Net assets with donor restrictions as of September 30, 2024 and 2023 are restricted for the following purposes:

	2024	2023
Subject to expenditure for specified purpose:		
Endowment	$ 947,884	$ 947,884
Capital campaign - property and equipment acquisition	401,723	462,611
NextGen transmission campaign	316,324	1,235,965
American Rescue Plan Act Stabilization	-	79,850
Total net assets with donor restrictions	$1,665,931	$2,726,310

Note 12 - NET ASSETS WITH DONOR RESTRICTIONS (Continued)

Net assets released from restrictions during the years ended September 30, 2024 and 2023 are as follows:

	2024	2023
Purpose restrictions satisfied:		
Capital campaign and NextGen campaign - property and equipment acquisition	$1,695,529	$532,669
American Rescue Plan Act Stabilization	79,850	83,513
Total net assets with donor restrictions	$1,775,379	$616,182

Note 13 - CONTRIBUTED NONFINANCIAL ASSETS

The television station, transmission tower, and land are leased through November 30, 2023, at $1 per year. These assets are utilized in Engineering Program Services, and do not bear any donor restrictions. The fair market rental value is estimated based on like kind rental rates charged to tenants at the donor's other transmitter and studio sites. The values established by WVUE for the tower, antenna, and land occupied by the Foundation was valued at approximately $18,788 and $111,907 for the years ended September 30, 2024 and 2023, respectively. Subsequent to the termination of this lease, the lease described in Note 8 was executed.

Transmission equipment is utilized in Engineering Program Services, and do not bear any donor restrictions. The fair market lease value is estimated based on the estimated useful life of the equipment as provided by the donor. The fair value of transmission equipment owned by LPB and leased to the Foundation for no rent was $79,903 and $128,902 for the years ended September 30, 2024 and 2023, respectively.

The television studio and office building are located on land leased through January 31, 2035 at $1 per year. These assets are utilized in Management and General Supporting Services, and do not bear any donor restrictions. The fair market rental value is estimated based on an independent appraisal performed in April 2016 by the donor. Rental value of $200,000 for both of the years ended September 30, 2024 and 2023 was recorded.

In addition, the Foundation recorded the value of certain in-kind goods and services received of $54,732 and $44,634 for the years ended September 30, 2024 and 2023, respectively. These assets are utilized in various programs and activities, do not bear any donor restrictions, and are valued based on management's estimate of the value of the contributed nonfinancial assets.

Note 13 - CONTRIBUTED NONFINANCIAL ASSETS (Continued)

The fair values of the above described contributed nonfinancial assets have been recorded as support and expenses for the years ended September 30, 2024 and 2023 are as follows:

	2024	2023
Support		
Transmitter in-kind rent:		
Tower and facility	$ 18,788	$111,907
Transmission equipment in-kind rent	79,903	128,902
Studio and office building in-kind rent	200,000	200,000
Other goods and services	54,732	44,634
Total support	$353,423	$485,443

	2024	2023
Expenditures		
Tower rental	$ 18,788	$111,907
Transmission equipment rental	79,903	128,902
Studio and office building rental	200,000	200,000
Goods and services	54,732	44,634
Total expenditures	$353,423	$485,443

Numerous volunteers have donated significant amounts of time to the Foundation's fund-raising campaigns and programs. No amounts have been reflected in the consolidated financial statements because they did not meet the criteria for recognition under FASB ASC No. 958, *Not-for-Profit Entities*.

Note 14 - SPECIAL EVENT REVENUE

Gross receipts from special fundraising events recorded by the Foundation consist of exchange transaction revenue and contribution revenue. Those amounts for the years ended September 30, 2024 and 2023 are summarized as follows:

	2024	2023
Sponsorships	$ 208,376	$ 222,810
Special event ticket sales	230,702	224,661
Special events - gross	439,078	447,471
Less: costs of direct donor benefit	(151,242)	(142,362)
Special events - net	$ 287,836	$ 305,109

The special events net revenue is included in other support on the Consolidated Statements of Activities.

Note 15 - COMMITMENTS AND CONTINGENCIES

The television studio and office building are located on land leased from the City of New Orleans for $1 per year for a 50 year period ending January 31, 2035.

The Foundation outsources some of their accounting responsibilities to National Educational Telecommunications Association (NETA). The professional fees and reimbursed expenses under this agreement totaled approximately $109,000 and $96,000 for the years ended September 30, 2024 and 2023, respectively. The current agreement will terminate on June 30, 2026 with total fees of approximately $90,000 plus reimbursable expenses due annually.

The Foundation signed a lease on June 14, 2023 for use of a tower beginning December 1, 2023 and ending November 30, 2033, with two additional renewal periods of five years each. The agreement calls for monthly payments of $5,000 plus annual increases of 1%.

Note 16 - UNRELATED BUSINESS INCOME

Revenues from certain projects are considered unrelated business income of a nonprofit organization by the Internal Revenue Service. Any net operating profits derived from such projects are subject to Federal unrelated business income tax.

Note 16 - UNRELATED BUSINESS INCOME (Continued)

The Foundation derives revenue from the rental of the remote production vehicle and rental of the studio facility (see Note 17). The last remaining remote production vehicle was sold during the year ended September 30, 2023. This income is reported as unrelated business income in the Foundation's Exempt Organization Business Income Tax Return ("Form 990T"). For the years ended September 30, 2024 and 2023, there was a taxable loss of approximately $284,000 and $82,000, respectively.

The Foundation has a net operating loss of approximately $1,415,000 as of September 30, 2024 that can be carried forward indefinitely.

Note 17 - SUBSIDIARY OPERATIONS AND INCOME TAXES

Yescom, the Foundation's wholly owned subsidiary, derived income by providing remote production services with a remote production vehicle, production services at the Foundation's facility, and other services to third parties. The last remaining remote production vehicle was sold during the year ended September 30, 2023. The income was reported in Yescom's U.S. Corporation Income Tax Returns.

Yescom was dissolved effective July 31, 2024. Yescom's operations resulted in a net loss of approximately $3,000 and $4,000 for the seven month period ended July 31, 2024 and the year ended September 30, 2023 and 2023, respectively. For both the seven month period ended July 31, 2024 and the year ended September 30, 2023, there were no income taxes paid.

Note 18 - AVAILABILITY OF FINANCIAL ASSETS

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Foundation receives grants and contributions with donor restrictions. In addition, the Foundation generates revenue and receives support without donor restrictions. To help manage unanticipated liquidity needs, the Foundation has a line of credit in the amount of $750,000.

Contributions without donor restrictions, broadcasting revenue, fundraising events, facility rentals, and miscellaneous income are considered to be available to meet cash needs for general expenditures. General expenditures include program services, general and administrative, and fundraising expenses. Annual operations are defined as activities occurring during, and included in the budget for, the upcoming fiscal year.

Note 18 - AVAILABILITY OF FINANCIAL ASSETS (Continued)

The following table represents financial assets available for general expenditures within one year as of September 30, 2024:

Financial assets:	
Cash and cash equivalents	$2,018,986
Accounts receivable, net	60,083
Pledges receivable, net	283,750
Investments	6,151,739
Total financial assets	8,514,558
Less amounts unavailable for general expenditures within one year, due to:	
Donor imposed restrictions:	
Restricted by donors with purpose restriction	(1,665,931)
Financial assets available to meet cash needs for general expenditures within one year	$6,848,627

Note 19 - BROADCAST HOURS

Broadcast hours of the television station were 8,760 (unaudited) on each of the four channels for a total of 35,040 hours for both the years ended September 30, 2024 and 2023.

Note 20 - RETIREMENT PLAN

The Foundation has a retirement program whereby its employees participate in the TIAA Retirement Annuity Program, a Tax-Sheltered Annuity. Subsequent to Board approval, the Foundation provided a 2.33 to one discretionary matching contribution for elective employee contributions up to 3% of qualified earnings for the years ended September 30, 2024 and 2023. During both of the years ended September 30, 2024 and 2023, 15 employees participated in the program. Retirement expenses under this plan totaled $30,189 and $29,421 for the years ended September 30, 2024 and 2023, respectively.

Note 21 - SUPPLEMENTAL CASH FLOWS INFORMATION

Cash payments of interest (for notes payable) during the years ended September 30, 2024 and 2023, were approximately $11,000 and $16,000, respectively.

Operating lease right-of-use assets obtained in exchange for new operating lease obligations totaled $493,233 for the year ended September 30, 2024.

Purchases of equipment financed through accounts payable totaled $217,041 for the year ended September 30, 2023.

No cash payments of income taxes were made during the years ended September 30, 2024 and 2023.

Note 22 - RISKS AND UNCERTAINTIES

In general, investment securities are exposed to various risks, such as interest rate, currency, and credit and market volatility. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in risk in the near term would materially affect the fair market value of investments held by the Foundation.

SUPPLEMENTARY INFORMATION

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

Greater New Orleans Educational
Television Foundation and Subsidiaries
New Orleans, Louisiana

September 30, 2024

	Foundation	Yescom	WYES Media Services	Eliminations	Totals
Assets					
Cash and cash equivalents	$ 1,314,247	$ -	$ 704,739	$ -	$ 2,018,986
Accounts receivable, net	60,083	-	-	-	60,083
Pledges receivable, net	283,750	-	-	-	283,750
Prepaid expenses	107,250	-	-	-	107,250
Investments	6,151,739	-	-	-	6,151,739
Operating lease right-of-use asset	458,781	-	-	-	458,781
Property and equipment, net of accumulated depreciation	13,562,870	-	-	-	13,562,870
Due from affiliates	-	-	828,507	(828,507)	-
Total assets	$21,938,720	$ -	$1,533,246	$(828,507)	$22,643,459
Liabilities					
Accounts payable and accrued expenses	$ 232,318	$ -	$ 11,600	$ -	$ 243,918
Deferred revenue	99,715	-	732,792	-	832,507
Operating lease liability	461,092	-	-	-	461,092
Due to affiliates	828,507	-	-	(828,507)	-
Total liabilities	1,621,632	-	744,392	(828,507)	1,537,517
Net Assets					
Net assets:					
Without donor restrictions	18,651,157	-	788,854	-	19,440,011
With donor restrictions	1,665,931	-	-	-	1,665,931
Total net assets (deficit) and common stock	20,317,088	-	788,854	-	21,105,942
Total liabilities, net assets (deficit) and common stock	$21,938,720	$ -	$1,533,246	$(828,507)	$22,643,459

CONSOLIDATING STATEMENT OF ACTIVITIES

Greater New Orleans Educational
Television Foundation and Subsidiaries
New Orleans, Louisiana

For the year ended September 30, 2024

	Foundation	Yescom	WYES Media Services	Eliminations	Totals
Changes in Unrestricted Net Assets					
Support and revenues:					
Support:					
Contributions	$ 1,760,731	$ -	$ -	$ -	$ 1,760,731
Grants from the Corporation for Public Broadcasting	1,260,306	-	-	-	1,260,306
Louisiana state grant	300,000	-	-	-	300,000
Other grants and tax credits	22,000	-	108,199	-	130,199
Program and production underwriting	448,770	-	92,209	-	540,979
Other support	303,069	-	-	-	303,069
Contributions of nonfinancial assets	353,423	-	-	-	353,423
Dissolution of entity	(460,439)	460,439	-	-	-
Revenues:					
Miscellaneous sales, net	114,994	-	-	(78,192)	36,802
Contract and production services	468,845	-	-	-	468,845
Tower rental	27,234	-	-	-	27,234
Investment income, net	1,163,690	-	-	-	1,163,690
Total unrestricted support and revenues	5,762,623	460,439	200,408	(78,192)	6,345,278
Net assets released from restrictions	1,775,379	-	-	-	1,775,379
Total unrestricted support and revenues	7,538,002	460,439	200,408	(78,192)	8,120,657
Expenses:					
Program services	3,762,915	199	102,243	-	3,865,357
Management and general	1,305,419	2,618	-	-	1,308,037
Development	935,797	-	-	(78,192)	857,605
Total expenses	6,004,131	2,817	102,243	(78,192)	6,030,999
Increase (decrease) in unrestricted net assets	1,533,871	457,622	98,165	-	2,089,658
Changes in Restricted Net Assets					
Grants	715,000	-	-	-	715,000
Net asset released from restrictions	(1,775,379)	-	-	-	(1,775,379)
Increase in restricted net assets	(1,060,379)	-	-	-	(1,060,379)
Increase (Decrease) in Net Assets	473,492	457,622	98,165	-	1,029,279
Net Assets (Deficit)					
Beginning of year	19,843,596	(457,622)	690,689	-	20,076,663
End of year	$20,317,088	$ -	$788,854	$ -	$21,105,942

CONSOLIDATED SCHEDULE OF SUPPORT AND REVENUES

Greater New Orleans Educational
Television Foundation and Subsidiaries
New Orleans, Louisiana

For the year ended September 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Totals
Support and Revenues			
Support:			
Contributions:			
Membership and general	$1,170,226	$ -	$1,170,226
Local business support	72,421	-	72,421
Major gifts	488,917	-	488,917
Support from commercial station - transmitter	29,167	-	29,167
Total contributions	1,760,731	-	1,760,731
Grants from the Corporation for Public Broadcasting	1,260,306	-	1,260,306
Louisiana state grant	300,000	-	300,000
Other grants:			
Grants - foundations and agencies	130,199	715,000	845,199
Program and production underwriting	540,979	-	540,979
Other support:			
Special events, net of direct benefit to donor costs	278,438	-	278,438
Miscellaneous	24,631	-	24,631
Total other support	303,069	-	303,069
Contributions of nonfinancial assets			
Rent:			
Transmission equipment	79,903	-	79,903
Transmitter	18,788	-	18,788
Studio and office building	200,000	-	200,000
Goods and services	45,334	-	45,334
Utilized in special events	9,398	-	9,398
Total contributions of nonfinancial assets	353,423	-	353,423
Total support	4,648,707	715,000	5,363,707

	Without Donor Restrictions	With Donor Restrictions	Totals
Support and Revenues (Continued)			
Total support (carried forward)	4,648,707	715,000	5,363,707
Revenues:			
Miscellaneous sales, net	36,802	-	36,802
Contract and production services:			
Studio rental	468,845	-	468,845
Tower rental	27,234	-	27,234
Investment income:			
Interest income, net of custodian fees	152,060	-	152,060
Net unrealized and realized losses on investments	1,011,630	-	1,011,630
Investment income, net	1,163,690	-	1,163,690
Total revenues	1,696,571	-	1,696,571
Total support and revenues	$6,345,278	$715,000	$7,060,278

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S 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*

To the Board of Trustees,
Greater New Orleans Educational Television Foundation,
New Orleans, Louisiana.

We have audited, in accordance with 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 consolidated financial statements of Greater New Orleans Educational Television Foundation and Subsidiaries (the "Foundation and Subsidiaries") as of and for the year ended September 30, 2024, and the related notes to the consolidated financial statements and have issued our report thereon dated January 28, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Foundation and Subsidiaries' internal control over financial reporting ("internal control") to determine audit procedures that are appropriate in the circumstances for the propose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation and Subsidiaries' internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation and Subsidiaries' 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 Foundation and Subsidiaries' consolidated financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or 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.

P.O. BOX 60600 • NEW ORLEANS, LA 70160-0600 • 504•831•4949 • BOURGEOISBENNETT.COM
P.O. BOX 2168 • HOUMA, LA 70361-2168 • 985•868•0139
34 LOUIS PRIMA, SUITE B • COVINGTON, LA 70433-5903 • 985•246•3022

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be a material weakness or significant deficiency. 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 may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greater New Orleans Educational Television Foundation and Subsidiaries' consolidated financial statements are free of 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 consolidated financial statements. 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 Foundation'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 Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana.
January 28, 2025.

<u>**SCHEDULE OF FINDINGS AND RESPONSES**</u>

Greater New Orleans Educational
Television Foundation and Subsidiaries
New Orleans, Louisiana

For the year ended September 30, 2024

Section I - Summary of Auditor's Report

a) Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ____ Yes _X_ No
- Significant deficiency(ies) identified that are not considered to be a material weakness? ____ Yes _X_ None reported

Noncompliance material to consolidated financial statements noted? ____ Yes _X_ No

b) Federal Awards

The Foundation did not expend more than $750,000 in Federal awards during the year ended September 30, 2024 and, therefore, is exempt from the audit requirements under *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.*

Section II - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

No internal control over financial reporting findings material to the consolidated financial statements were reported during the audit for the year ended September 30, 2024.

Section II - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements (Continued)

Compliance and Other Matters

No compliance findings material to the consolidated financial statements were reported during the audit for the year ended September 30, 2024.

Section III - Internal Control and Compliance Material to Federal Awards

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Greater New Orleans Educational
Television Foundation and Subsidiaries
New Orleans, Louisiana

For the year ended September 30, 2024

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

No internal control over financial reporting findings material to the consolidated financial statements were reported during the audit for the year ended September 30, 2023.

Compliance and Other Matters

No compliance findings material to the consolidated financial statements were reported during the audit for the year ended September 30, 2023.

Section II - Internal Control and Compliance Material to Federal Awards

The Foundation did not expend more than $750,000 in Federal awards during the year ended September 30, 2023 and, therefore, is exempt from the audit requirements under *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.*

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended September 30, 2023.

MANAGEMENT'S CORRECTIVE ACTION PLAN

Greater New Orleans Educational
Television Foundation and Subsidiaries
New Orleans, Louisiana

For the year ended September 30, 2024

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

No internal control over financial reporting findings material to the consolidated financial statements were reported during the audit for the year ended September 30, 2024.

Compliance and Other Matters

No compliance findings material to the consolidated financial statements were reported during the audit for the year ended September 30, 2024.

Section II - Internal Control and Compliance Material to Federal Awards

The Foundation did not expend more than $750,000 in Federal awards during the year ended September 30, 2024 and, therefore, is exempt from the audit requirements under *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.*

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended September 30, 2024.