

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

AUDIT REPORT

WVUT-TV  
A PUBLIC TV STATION OPERATED BY  
VINCENNES UNIVERSITY  
VINCENNES, INDIANA

July 1, 2011 to June 30, 2012



**FILED**  
01/30/2013



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INDEPENDENT AUDITOR'S REPORT

TO: THE OFFICIALS OF THE WVUT-TV, A PUBLIC TV STATION OPERATED  
BY VINCENNES UNIVERSITY, VINCENNES, INDIANA

We have audited the accompanying financial statements of WVUT-TV (Station), a public television station operated by Vincennes University, as of and for the years ended June 30, 2012, and 2011, which collectively comprise the Station's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the Station's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Station's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of WVUT-TV, as of June 30, 2012 and 2011, and the respective changes in financial position and cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, as listed in the Table of Contents, be presented to supplement the basis 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 managements 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.

STATE BOARD OF ACCOUNTS

Bruce A. Hartman, CPA  
State Examiner

January 15, 2013

# **WVUT-TV**

## **A PUBLIC TV STATION OPERATED BY VINCENNES UNIVERSITY**

### **Management's Discussion and Analysis**

#### **INTRODUCTION**

WVUT-TV is proud to present its financial statements for fiscal year 2012. This discussion and analysis provides an overview of the financial position and activities of WVUT-TV for the years ended June 30, 2012 and 2011. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes following this section.

WVUT-TV is licensed to the Board of Trustees for Vincennes University. One of the first two-year colleges in America, Vincennes University is also Indiana's oldest college. Currently, the University is a comprehensive public institution of higher learning with a fall 2011 enrollment of approximately 10,000 full-time equivalents. The University offers a broad range of degrees including baccalaureate programs. These degrees include Bachelor of Science degrees in Health Care Management, Homeland Security and Public Safety, Education-Science Concentration, Education –Special Education, Education – Math Concentration, Nursing, and Technology. Vincennes University has a statewide mission and is a state-supported university. Major extension sites are located in Jasper and Indianapolis, Indiana. The University also offers over 460 courses through its Distance Education program and at thirteen military sites across the United States. The University is accredited by the North Central Association of Colleges and Schools.

WVUT-TV was the first Public Television station to go on the air in Indiana on October 22, 1968. It was also the first college in Indiana to go on the air with a Digital Television Station on September 2, 2002. On June 12, 2009, WVUT-TV, along with all other analog TV stations, turned the analog transmitter off and went on-air completely digital only. In July of 2010, all in-studio and out-of-studio local productions were converted to High Definition. This was funded with a USDA grant to rural stations for digital transition. Also, the purchase of a new station encoder for present and future high definition and standard definition broadcasts was made possible with the help of local appropriations.

#### **USING THE FINANCIAL STATEMENTS**

The WVUT-TV report includes three financial statements: the Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets, and the Statement of Cash Flows. These financial statements are presented in accordance with Governmental Accounting Standards Board (GASB) principles. WVUT-TV follows GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions* and GASB Statement No. 35, *Basic Financial Statements-and Management's Discussion and Analysis-for Public Colleges and Universities*. These statements establish standards for external financial reporting for public colleges and universities and require that financial statements be presented on a consolidated basis to focus on the entity as a whole, with resources classified for accounting and reporting purposes into four net asset categories.

## **STATEMENT OF NET ASSETS**

The Statement of Net Assets presents the financial position of WVUT-TV at the end of the fiscal year and includes all assets and liabilities of WVUT-TV. The difference between total assets and total liabilities--net assets-- is one indicator of the current financial condition of WVUT-TV, while the change in net assets is an indicator of whether the overall financial condition has improved or worsened during the year. Assets and liabilities are generally measured using current values. One notable exception is capital assets, which are stated at historical cost less an allowance for depreciation. A summarization of the WVUT-TV's assets, liabilities and net assets at June 30, 2012 and 2011, is as follows:

	<b><u>2012</u></b>	<b><u>2011</u></b>
Current Assets	\$ 846,909	\$ 868,100
Noncurrent Assets		
Capital Assets, net of depreciation	1,992,334	2,119,551
Total Assets	<u>2,839,243</u>	<u>2,987,651</u>
Current Liabilities	806,379	823,356
Net assets	<u>\$ 2,032,864</u>	<u>\$ 2,164,295</u>

Current assets consist of cash and cash equivalents, accounts receivable and prepaid expense. Current liabilities consist of accounts payable and deferred income. WVUT-TV has no long-term liabilities.

### **Net Assets**

Net assets represent the residual interest in WVUT-TV's assets after liabilities are deducted. WVUT-TV's net assets at June 30, 2012 and 2011 are summarized as follows:

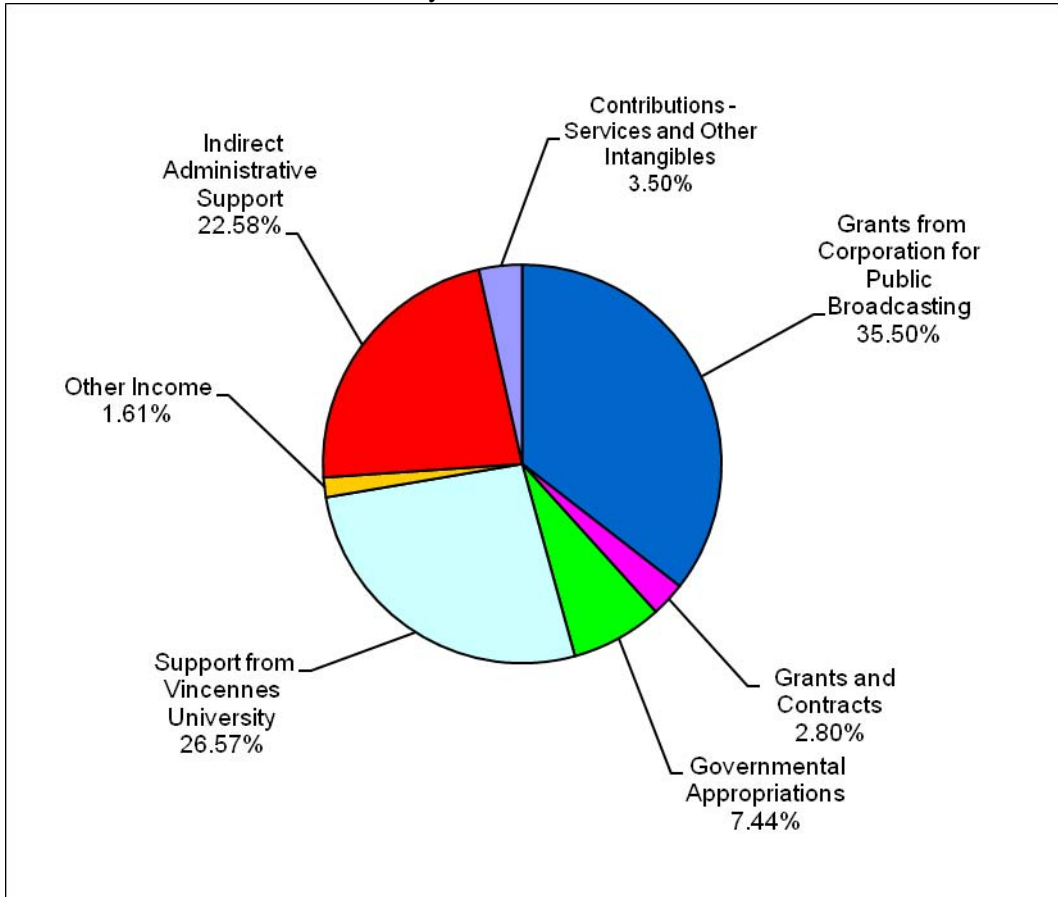
	<b><u>2012</u></b>	<b><u>2011</u></b>
Invested in Capital Assets	\$ 1,992,334	\$ 2,119,551
Unrestricted	40,530	44,744
Total Net Assets	<u>\$ 2,032,864</u>	<u>\$ 2,164,295</u>

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**

The Statement of Revenues, Expenses and Changes in Net Assets present the operating results of WVUT-TV as well as the non-operating revenues and expenses. Governmental appropriations, while used for operations, are considered non-operating revenues as defined by GASB Statement No. 35. A summary of the Statement of Revenues, Expenses and Changes in Net Assets for the year ended June 30, 2012 and 2011 is as follows:

	<u>2012</u>	<u>2011</u>
Operating Revenue	\$ 786,180	\$ 929,056
Operating Expenses	<u>2,183,744</u>	<u>2,198,066</u>
Net Operating Loss	(1,397,564)	(1,269,010)
Non-operating Revenues (Expenses)	<u>1,266,133</u>	<u>1,210,344</u>
Increase (Decrease) in Net Assets	(131,431)	(58,666)
Net Assets - Beginning of year	2,164,295	2,222,961
Net Assets - End of year	<u><u>\$ 2,032,864</u></u>	<u><u>\$ 2,164,295</u></u>

The following is a graphic illustration of revenues by source (both operating and non-operating) used to fund the WVUT-TV for the year ended June 30, 2012.



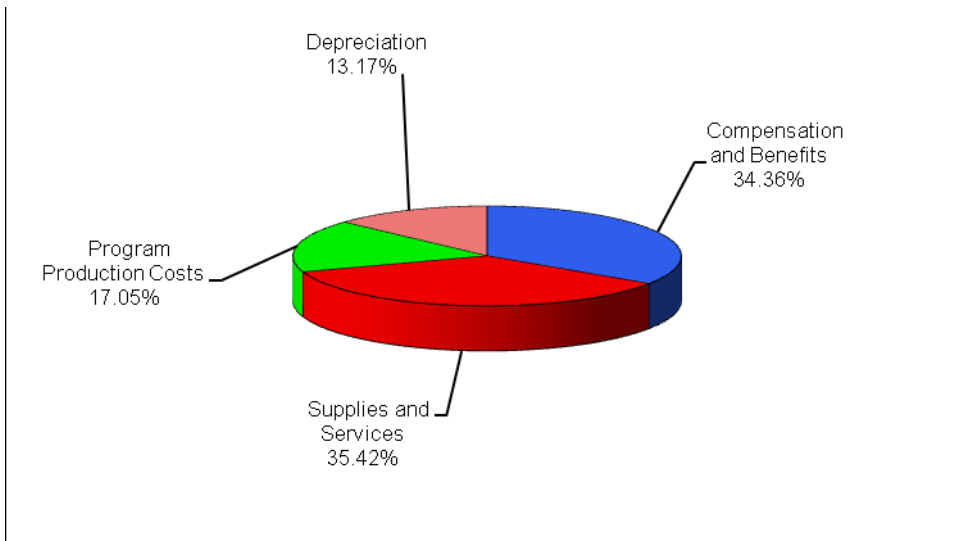


WVUT-TV continues to make cost containment an ongoing effort. This is necessary since the television station continues to face significant financial pressure due to the state and federal government's fiscal situations. Governmental appropriations to WVUT-TV and the University for operating and capital repair and rehabilitation increases are uncertain at this time.

A summary of WVUT-TV's expenses by object for the year ended June 30, 2012 and 2011 is as follows:

	<u><b>2012</b></u>	<u><b>2011</b></u>
Operating:		
Compensation and Benefits	\$ 750,471	\$ 807,375
Supplies and Services	773,433	749,344
Program Production Costs	372,297	368,659
Depreciation	287,543	272,688
Total Operating Expenses	<u><u>\$ 2,183,744</u></u>	<u><u>\$ 2,198,066</u></u>

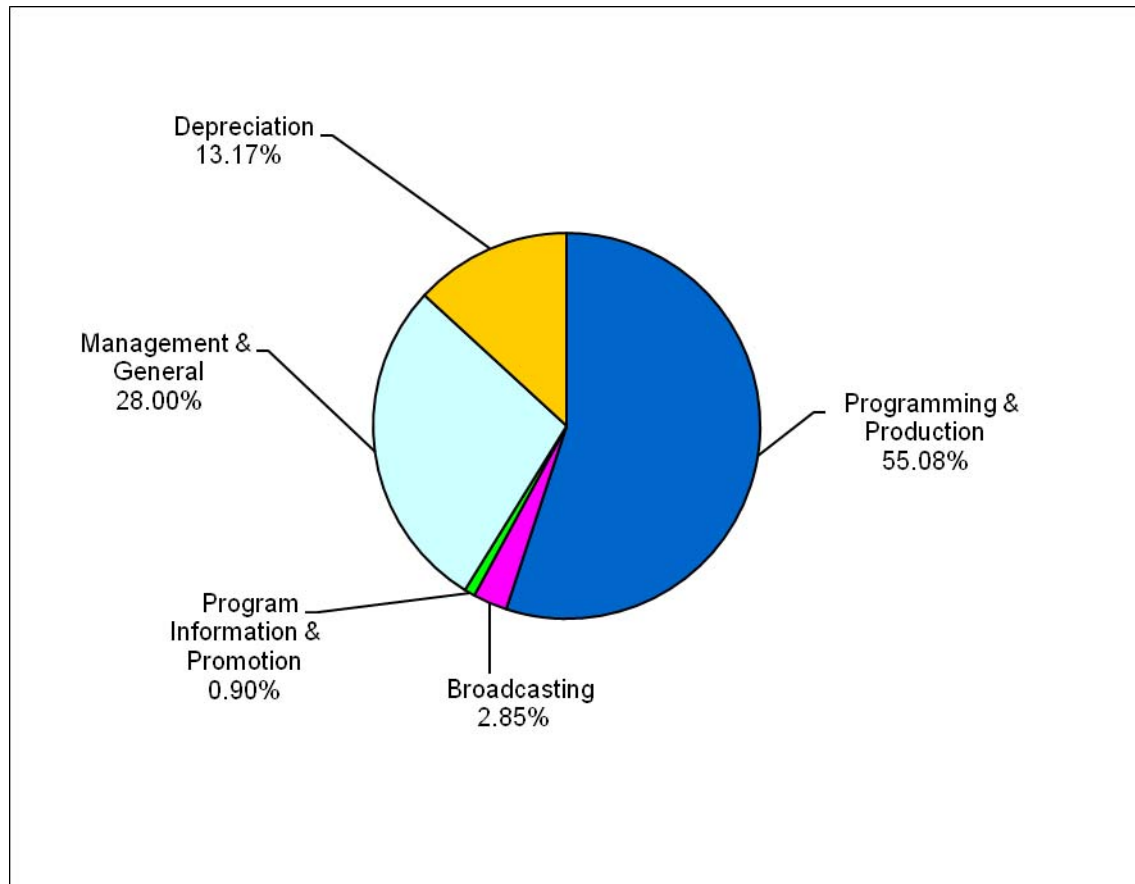
The following is a graphic illustration of total expenses by object for the year ended June 30, 2012:



In addition to their natural (object) classification, it is also informative to review operating expenses by function. A summary of WVUT-TV's expenses by functional classification for the year ended June 30, 2012 and 2011 is as follows:

	<u>2012</u>	<u>2011</u>
Operating:		
Programming & Production	\$ 1,202,785	\$ 1,240,082
Broadcasting	62,327	63,026
Program Information & Promotion	19,673	18,868
Management & General	611,416	603,402
Depreciation	287,543	272,688
Total operating expenses	<u>\$ 2,183,744</u>	<u>\$ 2,198,066</u>

The following graphic illustration presents total expenses by function for the year ended June 30, 2012:



## **STATEMENT OF CASH FLOWS**

The Statement of Cash Flows provides additional information about WVUT-TV's financial results by reporting the major sources and uses of cash. A summary of the Statement of Cash Flows for the year ended June 30, 2012 and 2011 is as follows:

	<b><u>2012</u></b>	<b><u>2011</u></b>
Cash received from operations	\$ 764,837	\$ 975,525
Cash expended for operations	<u>(1,335,219)</u>	<u>(1,437,924)</u>
Net cash used in operating activities	(570,382)	(462,399)
Net cash provided by non-capital financing activities	712,385	711,541
Net cash used in capital and related financing activities	<u>(158,872)</u>	<u>(245,521)</u>
Net increase in cash and cash equivalents	(16,869)	3,621
Cash and cash equivalents, beginning of year	863,708	860,087
Cash and cash equivalents, end of year	<u><u>\$ 846,839</u></u>	<u><u>\$ 863,708</u></u>

## **ECONOMIC FACTORS THAT WILL AFFECT THE FUTURE**

Management believes that WVUT-TV is positioned to continue in fair financial condition and can serve the general public well by offering them quality public broadcasting programs coupled with local origination programs focusing on community issues. The largest source of funding for operations is a grant from the federal government through the Corporation for Public Broadcasting (CPB). The 2012 CPB grant is \$640,050, a slight increase over \$633,444 for FY2011. WVUT-TV is considered a small rural station by CPB. Because of the small station classification, WVUT-TV has been awarded a TV Special Assistance Grant amounting to \$51,343 for the year ending June 30, 2012 and \$55,986 for the year ending June 30, 2011. The station is also eligible for rural assistance for equipment and study grants from CPB.

WVUT-TV received CPB funds for Fiscal Stabilization of \$54,180.38. These funds were used during the fiscal year ending June 30, 2011 to help with staffing expenses. WVUT-TV was awarded a 2009 Public Television Station Digital Transition Grant of \$596,000 to be used to purchase High Definition equipment upgrades. The station used \$21,411.00 of this grant during the year ended June 30, 2012 and \$59,876.44 during the year ended June 30, 2011. WVUT-TV has also been awarded a 2012 Rural Public Television Digital Transition Grant of \$355,000. This will be used to convert the remaining Master Control monitoring equipment and the portable, offsite equipment from analogue to digital high definition.

WVUT-TV entered into a five-year contract with the Hoosier Safe-T program for Tower space rental at \$1,500 per month. This contract generated an additional \$21,164.95 in income for the year ending June 30, 2012 and \$19,096.20 for the year ending June 30, 2011.

Management has been working diligently on partnerships with public and commercial stations and entities to help improve operations and local programming and increase underwriting income. Currently we are working closely with WNIN (PBS) in Evansville on cost cutting initiatives. We have also been working with all Indiana Public TV stations on cost cutting projects and cooperative efforts through the Indiana Public Broadcasting Stations, Inc. We are working with IPBS for a centralized and interconnected master control for all of the Indiana stations. WVUT-TV has an agreement with Cinergy Metronet for fiber usage. Currently, the Southern Indiana Bureau of WTHI-TV (NBC), Terre Haute, and WTWO-TV (CBS), Terre Haute, work jointly in the station's facilities on local productions and programming. They focus mainly on news operations. WVUT-TV collaborates with WTWO-TV, Terre Haute, and WEHT-TV, Evansville, on weather coverage. We are also working with WNIN-TV/FM on a cooperative sales agreement for underwriting.

Other sources of major funding are Vincennes University and the State of Indiana. The specific fiscal impact on higher education in the State of Indiana is uncertain; however, the University's current strong financial condition should help offset the state's economic uncertainties. University funding has remained stable over the past few years. The station continues to provide the highest quality of broadcasting for the area.

The State of Indiana has always supported public television and WVUT-TV. During the years ended June 30, 2012 and June 30, 2011, because of State funding cuts the station received only \$152,683.82 and \$162,652.44, consecutively. The State of Indiana has supported public broadcasting in the past and is expected to continue to do so as the state's economic crisis improves.

WVUT-TV  
 A PUBLIC TV STATION OPERATED BY VINCENNES UNIVERSITY  
 STATEMENT OF NET ASSETS  
 June 30, 2012 and 2011

<u>Assets</u>	<u>06-30-12</u>	<u>06-30-11</u>
Current Assets:		
Cash and Cash Equivalents	\$ 846,839	863,708
Accounts Receivable	-	4,392
Prepaid Expense	<u>70</u>	<u>-</u>
Total Current Assets	<u>846,909</u>	<u>868,100</u>
Non-Current Assets:		
Capital Assets	6,352,331	6,175,084
Less Accumulated Depreciation	<u>(4,359,997)</u>	<u>(4,055,533)</u>
Total Non-Current Assets	<u>1,992,334</u>	<u>2,119,551</u>
Total Assets	<u>\$ 2,839,243</u>	<u>\$ 2,987,651</u>
 <u>Liabilities</u>		
Current Liabilities:		
Accounts Payable	\$ 9,860	\$ 1,102
Deferred Revenue	<u>796,519</u>	<u>822,254</u>
Total Current Liabilities	<u>806,379</u>	<u>823,356</u>
 <u>Net Assets</u>		
Invested in Capital Assets	1,992,334	2,119,551
Unrestricted	<u>40,530</u>	<u>44,744</u>
Total Net Assets	<u>2,032,864</u>	<u>2,164,295</u>
Total Liabilities and Net Assets	<u>\$ 2,839,243</u>	<u>\$ 2,987,651</u>

The accompanying notes are an integral part of the financial statements.

WVUT-TV  
A PUBLIC TV STATION OPERATED BY VINCENNES UNIVERSITY  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2012 AND 2011

	<u>06-30-12</u>	<u>06-30-11</u>
Revenues:		
Operating Revenue:		
Grants from Corporation for Public Broadcasting	\$ 728,608	\$ 725,128
Grants and Contracts	<u>57,572</u>	<u>203,928</u>
Total Operating Revenue	<u>786,180</u>	<u>929,056</u>
Expenses:		
Operating Expenses:		
Programming and Production	1,202,785	1,240,082
Broadcasting	62,327	63,026
Program Information and Promotion	19,673	18,868
Management and General	611,416	603,402
Depreciation	<u>287,543</u>	<u>272,688</u>
Total Operating Expenses	<u>2,183,744</u>	<u>2,198,066</u>
Operating Income (Loss)	<u>(1,397,564)</u>	<u>(1,269,010)</u>
Non-Operating Revenues (Expenses)		
Governmental Appropriations	152,684	162,652
Support from Vincennes University	545,239	563,116
Other Income	33,024	28,459
Indirect Administrative Support	463,386	403,172
Contributions - Services and Other Intangibles	71,800	71,800
Loss on Disposition of Capital Assets	<u>-</u>	<u>(18,855)</u>
Net Non-Operating Revenues	<u>1,266,133</u>	<u>1,210,344</u>
Increase (Decrease) in Net Assets	(131,431)	(58,666)
Net Assets - Beginning of Year	<u>2,164,295</u>	<u>2,222,961</u>
Net Assets - End of Year	<u>\$ 2,032,864</u>	<u>\$ 2,164,295</u>

The accompanying notes are an integral part of the financial statements.

WVUT-TV  
A PUBLIC RADIO STATION OPERATED BY VINCENNES UNIVERSITY  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2012 AND 2011

	<u>06-30-12</u>	<u>06-30-11</u>
Cash Flows From Operating Activities:		
Grants from Public Broadcasting	\$ 703,842	\$ 701,639
Grants and Contracts	60,995	273,886
Payments to Suppliers	(584,749)	(630,549)
Payments to Employees	(553,855)	(597,054)
Payments for Benefits	<u>(196,615)</u>	<u>(210,321)</u>
Net Cash Used in Operating Activities	<u>(570,382)</u>	<u>(462,399)</u>
Cash Flows From Noncapital Financing Activities:		
Governmental Appropriations	152,684	162,652
Support from Vincennes University	526,677	520,430
Other Income	<u>33,024</u>	<u>28,459</u>
Net Cash Provided by Noncapital Financing Activities	<u>712,385</u>	<u>711,541</u>
Cash Flows From Capital and Related Financing Activities:		
Purchases of Capital Assets	<u>(158,872)</u>	<u>(245,521)</u>
Net cash used in capital and related financing activities	<u>(158,872)</u>	<u>(245,521)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(16,869)	3,621
Cash and Cash Equivalents - Beginning of Year	<u>863,708</u>	<u>860,087</u>
Cash and Cash Equivalents - End of Year	<u>\$ 846,839</u>	<u>\$ 863,708</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:		
Operating Loss	\$ (1,397,564)	\$ (1,269,010)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities:		
Depreciation Expenses	287,543	272,688
Changes in Assets and Liabilities:		
Accounts Receivable	4,392	68,990
Prepaid Expense	(70)	-
Accounts Payable and Accrued Liabilities	8,758	(3,043)
Deferred Revenue	(25,735)	(22,519)
Gifts in Kind	71,800	71,800
Institutional Support	17,108	15,523
Indirect Administrative Support	<u>463,386</u>	<u>403,172</u>
Net Cash Used in Operating Activities	<u>\$ (570,382)</u>	<u>\$ (462,399)</u>
Noncash Capital and Related Financing Activities:		
Contributions of Capital Assets from Government	\$ 21,230	\$ 25,743

The accompanying notes are an integral part of the financial statements.

WVUT-TV  
A PUBLIC TV STATION OPERATED BY VINCENNES UNIVERSITY  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012

Note 1. Summary of Significant Accounting Policies

Reporting Entity: WVUT-TV is a public television station operated by Vincennes University. The University is an institution of higher education and is considered to be a component unit of the State of Indiana.

Financial Statement Presentation: The financial statements have been prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements and Management Discussion and Analysis for State and Local Governments*, GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*, and with other accounting principles generally accepted in the United State of America, as prescribed by the GASB. During fiscal year 2012, the University adopted GASB Statement No. 61, *"The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34"* and GASB Statement No. 64, *"Derivative Instruments: Application of Hedge Accounting Termination Provisions."*

Basis of Accounting: For financial reporting purposes, Vincennes University is considered a special-purpose government engaged only in business-type activities. Accordingly, WVUT-TV's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred. Grants and similar items are recognized as revenue as soon as all eligibility requirements, imposed by the provider, have been met.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

WVUT-TV has the option to apply all Financial Accounting Standards Board (FASB) pronouncements issued after November 30, 1989, unless FASB conflicts with GASB. WVUT-TV has elected to not apply FASB pronouncements issued after the applicable date.

Cash Equivalents: For purposes of the Statement of Cash Flows, WVUT-TV considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Capital Assets: Capital assets are recorded at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. For equipment, WVUT-TV's capitalization policy includes all items with a unit cost of \$500 or more and an estimated useful life of greater than one year. Routine repairs and maintenance are charged to operating expense in the year in which the expense was incurred. Inventories of materials and supplies at year-end are not considered material; therefore, are not reflected in the financial statements.

Depreciation is computed using the straight-line method over the estimated useful life of the asset, generally 40 to 50 years for buildings, 20 to 25 years for infrastructure and land improvements, and 3 to 10 years for equipment.



WVUT-TV  
A PUBLIC TV STATION OPERATED BY VINCENNES UNIVERSITY  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2012  
(Continued)

Deferred Revenues: Deferred revenues include amounts received from grant and contract sponsors that have not yet been earned.

In-Kind Contributions: Contributed materials, supplies, facilities, and property are recorded at their estimated fair value at the date of donation. If the fair value of contributed materials, supplies, facilities and property cannot be reasonably determined they are not recorded. Donated personal services of nonprofessional volunteers, as well as national and local programming services, are not recorded as revenue and expense as there is no objective basis available to measure the value of such services.

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

Studio facilities from Vincennes University consist of office and studio space together with related occupancy costs. These have been recorded as revenue and expense at prorated share of cost. Administrative support from Vincennes University consists of allocated financial cost from support departments and other expenses incurred by Vincennes University on behalf of the station.

Net Assets: WVUT-TV's net assets are classified as follows:

*Invested in capital assets:* This represents WVUT-TV's total investment in capital assets. There is no outstanding debt related to these capital assets.

*Unrestricted net assets:* Unrestricted net assets represent resources derived from grants, underwriting, and fees. These resources are used for transactions relating to the educational and general operations of the television station.

Classification of revenues: WVUT-TV has classified its revenues as operating revenues according to the following criteria:

*Operating revenues:* Operating revenues include activities that have the characteristics of exchange transactions, such as grants and contracts.

*Non-operating revenues:* Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as gifts and contributions, 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 Governmental Entities That Use Proprietary Fund Accounting*, and GASB Statement No. 34, such as governmental appropriations.

WVUT-TV  
 A PUBLIC TV STATION OPERATED BY VINCENNES UNIVERSITY  
 NOTES TO THE FINANCIAL STATEMENTS  
 June 30, 2012  
 (Continued)

Note 2. Capital Assets

	<u>Balances</u> <u>07-01-11</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balances</u> <u>06-30-12</u>
Capital Assets Not Being Depreciated:				
Fine Arts (Film Library)	\$ 750,000	\$ -	\$ -	\$ 750,000
Total Capital Assets not being depreciated	<u>750,000</u>	<u>-</u>	<u>-</u>	<u>750,000</u>
Capital Assets Being Depreciated:				
Building and Improvements	401,036	-	-	401,036
Equipment	<u>5,024,048</u>	<u>177,247</u>	<u>-</u>	<u>5,201,295</u>
Total Capital Assets Being Depreciated	<u>5,425,084</u>	<u>177,247</u>	<u>-</u>	<u>5,602,331</u>
Less Accumulated Depreciation for:				
Building and Improvements	106,486	3,494	-	109,980
Equipment	<u>3,949,047</u>	<u>300,970</u>	<u>-</u>	<u>4,250,017</u>
Total Accumulated Depreciation	<u>4,055,533</u>	<u>304,464</u>	<u>-</u>	<u>4,359,997</u>
Total Capital Assets Being Depreciated, Net	<u>1,369,551</u>	<u>(127,217)</u>	<u>-</u>	<u>1,242,334</u>
Capital Assets, Net	<u>\$ 2,119,551</u>	<u>\$ (127,217)</u>	<u>\$ -</u>	<u>\$ 1,992,334</u>

Note 3. Functional Statement

Operating expenses by functional classification is summarized as follows:

	<u>Program and</u> <u>Production</u>	<u>Broadcasting</u>	<u>Program</u> <u>Information</u>	<u>Total</u> <u>Program</u> <u>Services</u>	<u>Management</u> <u>and General</u>	<u>Total</u> <u>06-30-12</u>
Salaries, Payroll Taxes and Benefits	\$ 649,020	\$ -	\$ -	\$ 649,020	\$ 101,451	\$ 750,471
Donated Personal Services of Volunteers	-	-	-	-	-	-
Scholarships	-	-	-	-	-	-
Professional Services	-	-	-	-	4,166	4,166
Supplies	-	-	-	-	27,721	27,721
Telephone and Utilities	-	62,327	-	62,327	3,967	66,294
Postage	-	-	-	-	369	369
Advertising and Insurance	-	-	19,673	19,673	2,054	21,727
Printing and Publications	-	-	-	-	-	-
Travel	-	-	-	-	8,027	8,027
Repair and Maintenance	44,303	-	-	44,303	275	44,578
Program Production Costs	372,297	-	-	372,297	-	372,297
Administrative Support	-	-	-	-	463,386	463,386
Miscellaneous	-	-	-	-	-	-
Membership and Dues	137,165	-	-	137,165	-	137,165
Depreciation	-	-	-	-	287,543	287,543
Totals	<u>\$ 1,202,785</u>	<u>\$ 62,327</u>	<u>\$ 19,673</u>	<u>\$ 1,284,785</u>	<u>\$ 898,959</u>	<u>\$ 2,183,744</u>