

BOARD OF REGENTS
EASTERN MICHIGAN UNIVERSITY

SECTION: 25

DATE:

February 19, 2013

RECOMMENDATION

**WEMU-FM FINANCIAL STATEMENTS AS OF JUNE 30, 2012 AND
AUDITOR'S REPORT**

ACTION REQUESTED

It is recommended that the Board of Regents receive and place on file the WEMU-FM Financial Statements as of June 30, 2012 and related auditor's report.

STAFF SUMMARY

WEMU-FM, Eastern Michigan University's public radio station, is required as a condition of participation in the public broadcasting program to file an annual audited statement of financial operations. Plante & Moran, PLLC prepares this audit annually as part of its financial audit engagement with the University.

The financial report, statements and opinion are attached. Plante & Moran indicates that, in their opinion, the financial statements present fairly, and in accordance with generally accepted accounting principles, the financial position of the station as well as the changes in financial position and cash flows for the fiscal years 2011 and 2012.

During their review, Plante Moran did not identify any internal control material weaknesses or significant deficiencies.

FISCAL IMPLICATIONS

None

ADMINISTRATIVE RECOMMENDATION

The proposed Board action has been reviewed and is recommended for Board approval.

University Executive Officer

Date

Eastern Michigan University WEMU-FM

**Financial Report
with Additional Information
June 30, 2012**

Eastern Michigan University WEMU-FM

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Independent Auditors' Report

To the Board of Regents
Eastern Michigan University WEMU-FM

We have audited the accompanying basic financial statements of Eastern Michigan University WEMU-FM (the "Station") as of and for the years ended June 30, 2012 and 2011, as listed in the table of contents. These financial statements are the responsibility of the Station's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 audits provide a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the Station as of June 30, 2012 and 2011 and the changes in financial position and cash flows for the years 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 identified on pages 2-6, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which 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 supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Plante & Moran, PLLC

November 27, 2012

Eastern Michigan University WEMU-FM

Management's Discussion and Analysis (Unaudited)

This section of Eastern Michigan University WEMU-FM's (the "Station") annual financial report presents management's discussion and analysis of the financial performance of the Station during the fiscal years ended June 30, 2012, 2011, and 2010. This discussion should be read in conjunction with the accompanying financial statements and footnotes. The financial statements, footnotes, and this discussion are the responsibility of the Station's management.

Using the Annual Financial Report

This annual report consists of financial statements prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements - and Management's Discussion and Analysis - for Public Colleges and Universities*.

The financial statements prescribed by GASB Statement No. 35 (the statement of net assets, the statement of revenue, expenses, and changes in net assets, and the statement of cash flows) present financial information in a form similar to that used by corporations. They are prepared under the accrual basis of accounting, whereby revenue and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.

The statement of net assets includes all assets and liabilities. Over time, increases or decreases in net assets (the difference between assets and liabilities) are one indicator of the improvement or erosion of the Station's financial health when considered with nonfinancial facts such as the condition of facilities.

The statement of revenue, expenses, and changes in net assets presents the revenue earned and expenses incurred during the year. Activities are reported as either operating or nonoperating. A public radio station's dependency upon gifts could result in operating deficits because the financial reporting model classifies gifts as nonoperating revenue. The utilization of capital assets is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

The statement of cash flows presents information related to cash inflows and outflows, summarized by operating, noncapital financing, capital financing, and related investing activities, and helps measure the ability to meet financial obligations as they mature.

Noteworthy Financial Activity

Significant components of the Station's financial condition include the following:

- The Station's total assets as of June 30, 2012 increased versus the prior year by approximately \$24,000 primarily due to increased support from the Corporation for Public Broadcasting. Over \$151,000 is invested in capital assets as of June 30, 2012. The Station's total assets as of June 30, 2011 increased versus the prior year by approximately \$9,000 primarily due to increased contributions and increased support from the University's general appropriations.

Eastern Michigan University WEMU-FM

Management's Discussion and Analysis (Unaudited) (Continued)

- In 2012, operating revenue increased by approximately \$31,000 primarily due to increased support from the Corporation for Public Broadcasting. In 2011, operating revenue decreased by approximately \$1,000 primarily due to decreased broadcasting tower rental income.
- In 2012, nonoperating revenue decreased by approximately \$220,000 primarily due to decreased general appropriations (\$182,000) and decreased administrative support (\$62,000). In 2011, nonoperating revenue increased by approximately \$89,000 primarily due to increased general appropriations (\$121,000) and decreased administrative support (\$36,000).
- In 2012, operating expenses decreased by approximately \$160,000 primarily due to decreases in management support, fundraising, and program information expenses. In 2011, operating expenses increased by approximately \$115,000 primarily due to increases in programming and production expenses.

Condensed Statement of Net Assets (in thousands)

	June 30		
	2012	2011	2010
Assets			
Current assets	\$ 765	\$ 732	\$ 707
Noncurrent assets	152	161	177
Total assets	<u>\$ 917</u>	<u>\$ 893</u>	<u>\$ 884</u>
Liabilities			
Current liabilities	\$ 15	\$ 15	\$ 15
Noncurrent liabilities	187	207	271
Total liabilities	202	222	286
Net Assets			
Invested in capital assets - Net of related debt	152	161	177
Restricted expendable	147	81	62
Unrestricted	416	429	359
Total net assets	715	671	598
Total liabilities and net assets	<u>\$ 917</u>	<u>\$ 893</u>	<u>\$ 884</u>

Eastern Michigan University WEMU-FM

Management's Discussion and Analysis (Unaudited) (Continued)

Condensed Statement of Revenue, Expenses, and Changes in Net Assets (in thousands)

	Year Ended June 30		
	2012	2011	2010
Operating Revenue			
Grants from Corporation for Public Broadcasting	\$ 213	\$ 189	\$ 184
Rental income	58	51	57
Total operating revenue	271	240	241
Operating Expenses			
Program services:			
Programming and production	1,525	1,256	1,190
Broadcasting	140	191	180
Program information	100	248	235
Support services:			
Fundraising	80	166	157
Management	161	305	289
Total operating expenses	2,006	2,166	2,051
Operating Loss	(1,735)	(1,926)	(1,810)
Nonoperating Revenue			
General appropriations from the University	652	834	713
Administrative support from the University	508	569	605
Contributions	619	596	592
Total nonoperating revenue	1,779	1,999	1,910
Changes in Net Assets	44	73	100
Net Assets - Beginning of year	671	598	498
Net Assets - End of year	<u>\$ 715</u>	<u>\$ 671</u>	<u>\$ 598</u>

Eastern Michigan University WEMU-FM

Management's Discussion and Analysis (Unaudited) (Continued)

Condensed Statement of Cash Flows (in thousands)

	Year Ended June 30		
	2012	2011	2010
Cash (Used In) Provided By			
Operating activities	\$ (1,768)	\$ (1,926)	\$ (1,794)
Noncapital financing activities	1,778	1,999	1,910
Net Increase in Cash	10	73	116
Cash - Beginning of year	586	513	397
Cash - End of year	<u>\$ 596</u>	<u>\$ 586</u>	<u>\$ 513</u>

Looking Ahead

Fiscal year 2012 defined a 'new normal for WEMU.'

Per its three-year strategic plan, the Station eliminated \$50,000 from the General Fund and increased its fundraising goal by \$50,000 to offset the cut, making the overall goal \$650,000. By June 30, 2012, the Station had over \$651,000 in commitments, pledges, and contracts from listeners and corporations and collected over \$610,000 towards that goal. With a new emphasis on monthly giving, many large gifts are now collected over twelve months.

The station eliminated all expenses except salaries from the General Fund, including student employment which is now paid entirely from donor funds.

The Station established its first major giving initiative, Three Over Three, encouraging select donors to pledge \$3,000 over three years to build a future fund for hiring new employees in areas critical to continued audience growth, on-air news reporting and new media services. A total of \$21,000 was pledged in fiscal year 2012, with more major donor solicitation events planned for fiscal year 2013. The initial goal for the program is \$165,000.

The Station reduced its General Fund allotment by an additional \$100,000 in fiscal year 2013. Salaries and benefits for 1.2 FTEs were transferred to the donor account. The overall fundraising goal for the year was increased by \$100,000 to \$750,000.

The Station continues to place its infrastructure upgrades and furniture replacement plans on hold re: the current fiscal conditions. However, it is still a goal to cosmetically upgrade the Station's facilities, especially as the major donor program takes shape. A professional environment is important when cultivating major gifts.

Eastern Michigan University WEMU-FM

Management's Discussion and Analysis (Unaudited) (Continued)

Looking Ahead (Continued)

The Station will inspect its aging equipment, transmitters, generators, and other backup power supplies, in fiscal year 2013 to determine its longevity. Most were purchased at the same time and are approaching 20 years. The Station needs to determine the feasibility of retaining current equipment, along with its increased risk of failure and need for maintenance. Any new major equipment purchases will come from the Station's designated equipment fund.

The Station remains committed to serve the University's mission of public service through programming, community support, civic engagement, and free public service announcements to nonprofits.

Eastern Michigan University WEMU-FM

Statement of Net Assets

	June 30	
	2012	2011
Assets		
Current assets:		
Cash	\$ 596,193	\$ 586,603
Accounts receivable from the University	<u>169,729</u>	<u>144,939</u>
Total current assets	765,922	731,542
Noncurrent assets - Property and equipment - Net (Note 3)	<u>151,569</u>	<u>161,689</u>
Total assets	<u>\$ 917,491</u>	<u>\$ 893,231</u>
Liabilities		
Current liabilities - Deferred revenue	\$ 15,375	\$ 15,375
Noncurrent liabilities:		
Compensated absences	141,163	144,939
Deferred revenue	<u>46,125</u>	<u>61,500</u>
Total noncurrent liabilities	<u>187,288</u>	<u>206,439</u>
Total liabilities	202,663	221,814
Net Assets		
Invested in capital assets - Net of related debt	151,569	161,689
Restricted - Expendable	147,285	80,870
Unrestricted	<u>415,974</u>	<u>428,858</u>
Total net assets	<u>714,828</u>	<u>671,417</u>
Total liabilities and net assets	<u>\$ 917,491</u>	<u>\$ 893,231</u>

Eastern Michigan University WEMU-FM

Statement of Revenue, Expenses, and Changes in Net Assets

	Year Ended June 30	
	2012	2011
Operating Revenue		
Grants from Corporation for Public Broadcasting	\$ 212,845	\$ 188,448
Rental income	<u>57,735</u>	<u>51,219</u>
Total operating revenue	270,580	239,667
Operating Expenses		
Program services:		
Programming and production	1,524,260	1,256,418
Broadcasting	140,392	190,637
Program information	100,280	248,243
Support services:		
Fundraising	80,224	165,501
Management	<u>160,449</u>	<u>305,440</u>
Total operating expenses	<u>2,005,605</u>	<u>2,166,239</u>
Operating Loss	(1,735,025)	(1,926,572)
Nonoperating Revenue		
General appropriations from the University	651,826	833,558
Administrative support from the University	508,104	569,889
Contributions	<u>618,506</u>	<u>596,397</u>
Total nonoperating revenue	<u>1,778,436</u>	<u>1,999,844</u>
Changes in Net Assets	43,411	73,272
Net Assets - Beginning of year	<u>671,417</u>	<u>598,145</u>
Net Assets - End of year	<u>\$ 714,828</u>	<u>\$ 671,417</u>

Eastern Michigan University WEMU-FM

Statement of Cash Flows

	Year Ended June 30	
	2012	2011
Cash Flows from Operating Activities		
Cash received from Corporation for Public Broadcasting	\$ 184,279	\$ 188,448
Cash received from tower leases	57,735	51,219
Cash paid for programming services	(1,771,402)	(1,698,345)
Cash paid for management and fundraising	(239,458)	(467,515)
Net cash used in operating activities	(1,768,846)	(1,926,193)
Cash Flows from Noncapital Financing Activities		
Cash received from University appropriations	651,826	833,558
Cash received from administrative support	508,104	569,889
Contributions received	618,506	596,397
Net cash provided by noncapital financing activities	1,778,436	1,999,844
Net Increase in Cash	9,590	73,651
Cash - Beginning of year	586,603	512,952
Cash - End of year	<u>\$ 596,193</u>	<u>\$ 586,603</u>
Reconciliation of Operating Loss to Net Cash from Operating Activities		
Operating loss	\$ (1,735,025)	\$ (1,926,572)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation expense	10,120	15,754
Changes in assets and liabilities:		
Accounts receivable - Net	(24,790)	(48,854)
Accrued compensated absences	(3,776)	48,854
Deferred revenue	(15,375)	(15,375)
Total changes in assets and liabilities	(43,941)	(15,375)
Net cash used in operating activities	<u>\$ (1,768,846)</u>	<u>\$ (1,926,193)</u>

Eastern Michigan University WEMU-FM

Notes to Financial Statements June 30, 2012 and 2011

Note 1 - Organization

Eastern Michigan University WEMU-FM (the "Station" or WEMU-FM) is a public telecommunications radio station licensed to Eastern Michigan University (the "University"). WEMU-FM serves the Washtenaw County radio market, with a mission to participate in the educational and public service purposes of the University by providing programming which addresses the needs and the interests of the Station's coverage area.

WEMU-FM is owned and operated by the University and does not have separate legal status or existence. The financial position, support, revenue, and expenditures of WEMU-FM are included in the University's financial statements.

Note 2 - Basis of Presentation and Significant Accounting Policies

Basis of Presentation - The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB). The GASB established standards for external financial reporting for public colleges and universities and requires that financial statements be presented on a consolidated basis to focus on the University as a whole, with resources classified for accounting and reporting purposes into three net asset categories according to externally imposed restrictions.

The three net asset categories are as follows:

- **Invested in Capital Assets - Net of Related Debt** - Includes capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets
- **Restricted - Expendable** - Includes net assets whose whole use is subject to externally imposed stipulations that can be fulfilled by actions of the University pursuant to those stipulations or that expire by the passage of time
- **Unrestricted** - Includes net assets not subject to externally imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the Board of Regents or may otherwise be limited by contractual agreements with outside parties. Substantially all unrestricted net assets are designated for capital projects and other initiatives.

Cash - Cash is held in Eastern Michigan University funds. The amount reflected in the accompanying balance sheet represents the net amounts due to the Station from the University's pooled cash system.

Eastern Michigan University WEMU-FM

Notes to Financial Statements June 30, 2012 and 2011

Note 2 - Basis of Presentation and Significant Accounting Policies (Continued)

Property and Equipment - Property and equipment are recorded at cost or, if acquired by gift, at the fair value as of the date of donation. Depreciation is computed on the straight-line method over the estimated service lives (5 to 15 years) of the respective assets. Expenditures for repairs and maintenance are charged to expense as incurred.

Compensated Absences - Compensated absences include sick leave, annual leave, and compensatory time accrued by Station employees per University policy and paid by the University. It is the University's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. There is a liability for unpaid accumulated sick leave, since the University does have a policy to pay half of any amounts accumulated when eligible employees retire from the University. All vacation pay is accrued when incurred. A receivable from the University and a liability is reported for these amounts as of year end.

Deferred Revenue - WEMU-FM receives advance payments of rent related to a tower lease agreement. These payments are reported as deferred revenue and recognized when earned.

General Appropriations from the University - General appropriations from the University consist of certain payroll and other direct expenses paid by the University on behalf of WEMU-FM. Because the University pays for WEMU-FM's compensated absences, a receivable from the University has been established in the statement of net assets in the amount of accrued compensated absences.

Indirect Administrative Support - A portion of the University's general overhead costs relates to and benefits WEMU-FM. Such items include administration, utilities, maintenance, repairs, and other institutional support expenditures of the University. These services were provided without cost and have been allocated to WEMU-FM. The fair value of these services is reported as revenue (administrative support from the University) and expenditures in the accompanying statement of revenue, expenses, and changes in net assets.

Contributions and Grants - Unrestricted gifts are recognized as revenue when received.

WEMU-FM receives an annual community service grant from the Corporation for Public Broadcasting. These funds may be used at the discretion of WEMU-FM and are reported as restricted grant revenue in the accompanying financial statements.

Eastern Michigan University WEMU-FM

Notes to Financial Statements June 30, 2012 and 2011

Note 2 - Basis of Presentation and Significant Accounting Policies (Continued)

Allocation of Expenditures - Expenditures are reported by their functional classification. Accordingly, certain expenditures for facility operations, institutional support, interest, and depreciation have been allocated to functional classifications based on the time devoted to these activities.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of sources and application of net assets during the reporting period. Actual results could differ from those estimates.

Note 3 - Property and Equipment

Property and equipment at June 30, 2012 and 2011 consist of the following:

	2011	Additions	Retirement	2012
Land	\$ 100,000	\$ -	\$ -	\$ 100,000
Transmitter and tower	313,402	-	-	313,402
Studio and technical equipment	101,407	10,099	-	111,506
Furniture, fixture, and equipment	<u>270,953</u>	<u>-</u>	<u>-</u>	<u>270,953</u>
Subtotal	785,762	10,099	-	795,861
Less accumulated depreciation	<u>(624,073)</u>	<u>(20,219)</u>	<u>-</u>	<u>(644,292)</u>
Net property and equipment	<u>\$ 161,689</u>	<u>\$ (10,120)</u>	<u>\$ -</u>	<u>\$ 151,569</u>
	2010	Additions	Retirement	2011
Land	\$ 100,000	\$ -	\$ -	\$ 100,000
Transmitter and tower	306,121	7,281	-	313,402
Studio and technical equipment	101,407	-	-	101,407
Furniture, fixture, and equipment	<u>270,953</u>	<u>-</u>	<u>-</u>	<u>270,953</u>
Subtotal	778,481	7,281	-	785,762
Less accumulated depreciation	<u>(601,038)</u>	<u>(23,035)</u>	<u>-</u>	<u>(624,073)</u>
Net property and equipment	<u>\$ 177,443</u>	<u>\$ (15,754)</u>	<u>\$ -</u>	<u>\$ 161,689</u>

Eastern Michigan University WEMU-FM

Notes to Financial Statements June 30, 2012 and 2011

Note 4 - Retirement Benefits

The University has a Teachers Insurance and Annuities Association - College Retirement Equities Fund (TIAA-CREF) defined contribution retirement plan, which covers certain employees of WEMU-FM. The University contributes a specified percentage of employee wages, as defined by the appropriate labor contract. For the years ended June 30, 2012, 2011, and 2010, WEMU-FM contributed approximately \$53,000, \$52,000, and \$47,000, respectively, to the TIAA-CREF plan. The University has no liability beyond its own contributions under the TIAA-CREF plan.

The University also participates in the Michigan Public School Employees' Retirement System (MPSERS), a cost-sharing, multi-employer, noncontributory defined benefit retirement plan, which covers certain employees of WEMU-FM. The cost of the MPSERS plan allocated to WEMU-FM, all of which was contributed, totaled approximately \$20,000, \$42,000, and \$32,000 for the years ended June 30, 2012, 2011, and 2010, respectively. The costs of the MPSERS plan include contributions based on member payroll to fund normal pension costs, contributions to fund a portion of the plan's unfunded actuarial accrued liability, and contributions for retiree health insurance at a fixed dollar amount determined annually by MPSERS.

Note 5 - Upcoming Accounting Pronouncements

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, was issued in June 2011. This statement introduced and defined those elements as a consumption of net assets by the Station that is applicable to a future reporting period and an acquisition of net assets by the Station that is applicable to a future reporting period, respectively. The standard also incorporates deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The Station is currently evaluating the impact this standard will have on the financial statements when adopted during the Station's fiscal year ending June 30, 2013.

Eastern Michigan University WEMU-FM

Notes to Financial Statements June 30, 2012 and 2011

Note 5 - Upcoming Accounting Pronouncements (Continued)

In June 2012, the GASB issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. Statement No. 68 requires governments providing defined benefit pensions to recognize their unfunded pension benefit obligation as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The statement also enhances accountability and transparency through revised note disclosures and required supplemental information (RSI). The Station is currently evaluating the impact this standard will have on the financial statements when adopted. The total pension liability will be computed on a different basis than the current actuarial accrued liability and the method of allocating this liability to each participating employer has not yet been determined, so the precise impact is not known. The provisions of this Statement are effective for financial statements for the year ending June 30, 2015.

Supplemental Information



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Independent Auditors' Report on Supplemental Information

To the Board of Regents
Eastern Michigan University WEMU-FM

We have audited the basic financial statements of Eastern Michigan University WEMU-FM (the "Station") as of and for the years ended June 30, 2012 and 2011. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of net assets by fund and schedule of revenue, expenses, and changes in net assets by fund are presented for the purpose of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 financial statements as a whole.

Plante & Moran, PLLC

November 27, 2012

Eastern Michigan University WEMU-FM

Schedule of Net Assets by Fund

	June 30, 2012			June 30, 2011		
	Operating Funds		Total	Operating Funds		Total
	Unrestricted	Property Fund		Unrestricted	Property Fund	
				(restated)		
Assets						
Current assets:						
Cash	\$ 596,193	\$ -	\$ 596,193	\$ 586,603	\$ -	\$ 586,603
Accounts receivable	169,729	-	169,729	144,939	-	144,939
Total current assets	765,922	-	765,922	731,542	-	731,542
Noncurrent assets - Property and equipment - Net	-	151,569	151,569	-	161,689	161,689
Total assets	<u>\$ 765,922</u>	<u>\$ 151,569</u>	<u>\$ 917,491</u>	<u>\$ 731,542</u>	<u>\$ 161,689</u>	<u>\$ 893,231</u>
Liabilities						
Current liabilities - Deferred revenue	\$ 15,375	\$ -	\$ 15,375	\$ 15,375	\$ -	\$ 15,375
Noncurrent liabilities:						
Compensated absences	141,163	-	141,163	144,939	-	144,939
Deferred revenue	46,125	-	46,125	61,500	-	61,500
Total noncurrent liabilities	187,288	-	187,288	206,439	-	206,439
Total liabilities	202,663	-	202,663	221,814	-	221,814
Net Assets						
Invested in capital assets - Net of related debt	-	151,569	151,569	-	161,689	161,689
Restricted - Expendable	147,285	-	147,285	80,870	-	80,870
Unrestricted	415,974	-	415,974	428,858	-	428,858
Total net assets	563,259	151,569	714,828	509,728	161,689	671,417
Total liabilities and net assets	<u>\$ 765,922</u>	<u>\$ 151,569</u>	<u>\$ 917,491</u>	<u>\$ 731,542</u>	<u>\$ 161,689</u>	<u>\$ 893,231</u>

Eastern Michigan University WEMU-FM

Schedule of Revenue, Expenses, and Changes in Net Assets by Fund

	Year Ended June 30, 2012			Year Ended June 30, 2011		
	Operating Funds		Total	Operating Funds		Total
	Unrestricted	Property Fund		Unrestricted	Property Fund	
				(restated)		
Operating Revenue						
Grants from Corporation for Public Broadcasting	\$ 212,845	\$ -	\$ 212,845	\$ 188,448	\$ -	\$ 188,448
Rental income	57,735	-	57,735	51,219	-	51,219
Total operating revenue	270,580	-	270,580	239,667	-	239,667
Operating Expenses						
Program services:						
Programming and production	1,516,569	7,691	1,524,260	1,247,281	9,137	1,256,418
Broadcasting	139,684	708	140,392	189,468	1,169	190,637
Program information	99,774	506	100,280	246,220	2,023	248,243
Support services:						
Fundraising	79,819	405	80,224	164,297	1,204	165,501
Management	159,639	810	160,449	303,219	2,221	305,440
Total operating expenses	1,995,485	10,120	2,005,605	2,150,485	15,754	2,166,239
Operating Loss	(1,724,905)	(10,120)	(1,735,025)	(1,910,818)	(15,754)	(1,926,572)
Nonoperating Revenue						
General appropriations from the University	651,826	-	651,826	833,558	-	833,558
Administrative support from the University	508,104	-	508,104	569,889	-	569,889
Contributions	618,506	-	618,506	596,397	-	596,397
Net nonoperating revenue	1,778,436	-	1,778,436	1,999,844	-	1,999,844
Changes in Net Assets	53,531	(10,120)	43,411	89,026	(15,754)	73,272
Net Assets - Beginning of year	509,728	161,689	671,417	420,702	177,443	598,145
Net Assets - End of year	<u>\$ 563,259</u>	<u>\$ 151,569</u>	<u>\$ 714,828</u>	<u>\$ 509,728</u>	<u>\$ 161,689</u>	<u>\$ 671,417</u>