

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
GLEN ELLYN, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Years Ended
June 30, 2021 and 2020

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
TABLE OF CONTENTS
June 30, 2021 and 2020

Financial Section:

Independent Auditors' Report..... 1-3

Required Supplementary Information (Unaudited):

Management's Discussion and Analysis 4-11

Basic Financial Statements

Statements of Net Position..... 12

Statements of Revenues, Expenses, and Changes in Net Position 13

Statements of Cash Flows..... 14

Notes to Financial Statements..... 15-25

Supplementary Financial Information:

Schedule of Functional Expenses, For the Year Ended June 30, 2021..... 26

Schedule of Functional Expenses, For the Year Ended June 30, 2020..... 27

Independent Auditors' Report on Schedule of Nonfederal Financial Support 28-29

Schedule of Nonfederal Financial Support 30

Notes to Schedule of Nonfederal Financial Support..... 31

Independent Auditors' Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial Statements

Performed in Accordance with *Government Auditing Standards*..... 32-33

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Board of Trustees
WDCB-FM Radio Station
College of DuPage - Community College District 502
Glen Ellyn, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of WDCB-FM Radio Station, College of DuPage - Community College District 502 (the Radio Station) as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Radio Station's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Radio Station's preparation and fair presentation of the financial statements 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 the Radio Station's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Radio Station as of June 30, 2021 and 2020, and the respective changes in financial position and cash flows thereof for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 1, the financial statements present only WDCB-FM Radio Station and do not purport to and do not, present fairly the financial position of College of DuPage - Community College District 502 and its changes in financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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


Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Radio Station's basic financial statements. The schedules of functional expenses for the years ended June 30, 2021 and 2020, on pages 26 and 27, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Board of Trustees
WDCB-FM Radio Station
College of DuPage - Community College District 502

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 10, 2022, on our consideration of the Radio Station's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Radio Station's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Radio Station's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Oak Brook, Illinois
January 10, 2022

REQUIRED SUPPLEMENTARY INFORMATION

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE – COMMUNITY COLLEGE DISTRICT 502
MANAGEMENT’S DISCUSSION AND ANALYSIS JUNE 30, 2021 AND 2020 (UNAUDITED)

This section of the WDCB-FM Radio Station, College of DuPage - Community College District Number 502 (the Radio Station) Annual Financial Report presents Management’s Discussion and analysis of the Radio Station’s financial activity during the fiscal years ended June 30, 2021 and June 30, 2020. Since this Management’s Discussion and Analysis is designed to focus on current activities, resulting changes, and currently known facts, please read it in conjunction with the Radio Station’s basic financial statements including the notes to the financial statements as listed in the table of contents. Responsibility for the completeness and fairness of this information rests with College of DuPage and Radio Station management. The WDCB-FM Radio Station is an institutional radio station affiliated with the College of DuPage - Community College District Number 502.

Using This Annual Report

The financial statement model focuses on the Radio Station as a whole, versus the traditional presentation by fund types. The Radio Station’s basic financial statements are designed to emulate corporate presentation models whereby all of the Radio Station’s activities are consolidated into one total. The purpose of the Statement of Net Position is to present the bottom line results of the Radio Station. This statement combines and consolidates current financial resources with capital assets. The Statement of Revenues, Expenses, and Changes in Net Position focuses on both the gross costs and the net costs of the Radio Station’s activities, which are supported mainly by general appropriations from College of DuPage, contributions, and non-federal and state grants. This approach is intended to summarize and simplify the user’s analysis of the cost of the various services, which the Radio Station provides to its community.

Financial Highlights

For the year ended June 30, 2021, the Radio Station recorded total operating revenues of \$223,075 and total operating expenses of \$1,688,884, resulting in an operating loss of \$1,465,809. Non-operating revenues of \$1,472,976 offset the majority of the operating loss. The Radio Station’s net position increased by \$7,167 from \$3,406,821 to \$3,413,988.

The Radio Station operating revenues represent rents received from cell phone providers for use of the Radio Station’s antenna tower.

Non-operating revenues constitute the majority of the Radio Station’s revenues and include: external donor contributions of \$1,036,739, in-kind contributions of \$273,316, Corporation for Public Broadcasting award of \$144,251, and Illinois Arts Council awards of \$18,670.

WDCB-FM RADIO STATION
 COLLEGE OF DUPAGE – COMMUNITY COLLEGE DISTRICT 502
 MANAGEMENT’S DISCUSSION AND ANALYSIS JUNE 30, 2021 AND 2020 (UNAUDITED)

Comparative Statements of Net Position - Fiscal Years 2021, 2020, and 2019

	2021	2020	Increase (Decrease) 2021 - 2020	2019	Increase (Decrease) 2020 - 2019
Assets					
Current assets	\$ 2,964,597	\$ 2,762,737	\$ 201,860	\$ 2,823,849	\$ (61,112)
Capital assets, net of depreciation	729,668	808,653	(78,985)	863,617	(54,964)
Total assets	3,694,265	3,571,390	122,875	3,687,466	(116,076)
Liabilities					
Current liabilities	264,749	144,004	120,745	88,974	55,030
Long-term liabilities	15,528	20,565	(5,037)	11,111	9,454
Total liabilities	280,277	164,569	115,708	100,085	64,484
Net position					
Invested in capital assets	729,668	808,653	(78,985)	863,617	(54,964)
Unrestricted	2,684,320	2,598,168	86,152	2,723,764	(125,596)
Total net position	\$ 3,413,988	\$ 3,406,821	\$ 7,167	\$ 3,587,381	\$ (180,560)

This above schedule is prepared from the Radio Station’s Statement of Net Position, which is presented on the accrual basis of accounting.

Current assets increased by \$201,860 due to an increase in the cash and cash equivalent of \$16,520 and in the other receivable of \$185,340. Other receivables include balances owed to the College for antenna tower revenues, property tax refunds, individual donations, and underwriting revenues. Capital assets, net of depreciation decreased by \$78,985 due to depreciation on capital assets of \$78,985. There were no new assets purchased or retired during FY2021.

Total liabilities increased \$115,708 from the previous year. Current liabilities increased by \$120,745 and long-term liabilities decreased by \$5,037. The increase in total liabilities is primarily due to an increase of \$109,413 for deferred revenue, attributed in timing of grant payment received that will be spent in FY2022. Compensated absences also increased \$2,757 from the previous year due to another one-year carryover allowance issued by the College during FY2021. Accrued payroll liabilities increased by \$3,459 due to the timing of payroll made in the subsequent fiscal year.

WDCB-FM RADIO STATION
 COLLEGE OF DUPAGE – COMMUNITY COLLEGE DISTRICT 502
 MANAGEMENT’S DISCUSSION AND ANALYSIS JUNE 30, 2021 AND 2020 (UNAUDITED)

Comparative Statements of Revenues, Expenses, and Changes in Net Position
Fiscal Years 2021, 2020, and 2019

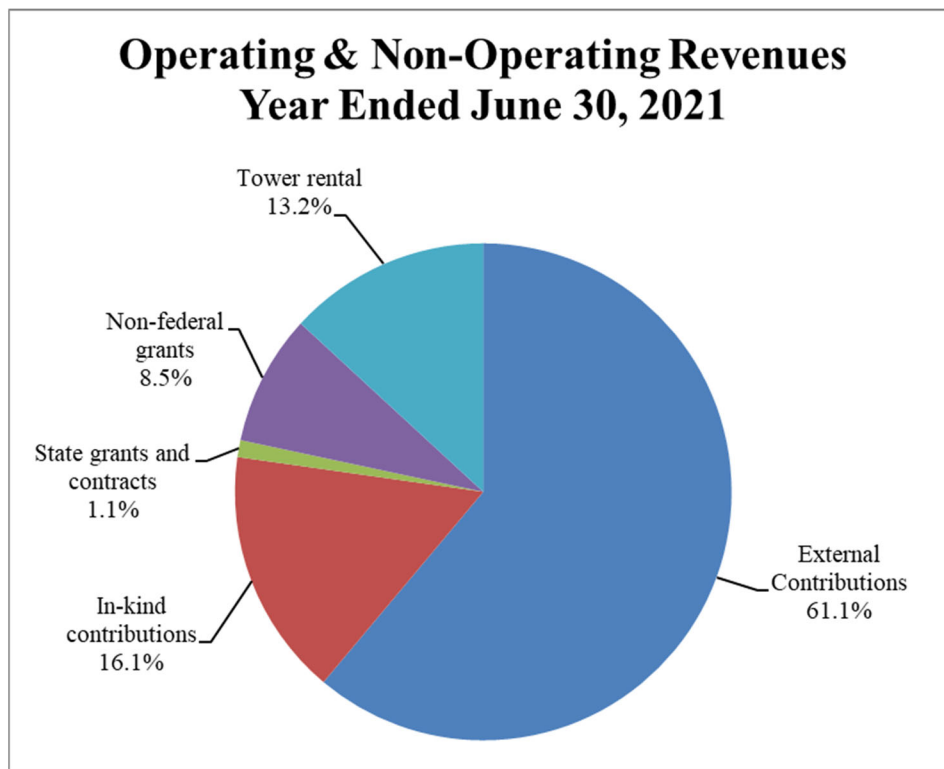
	2021	2020	Increase (Decrease) 2021 - 2020	2019	Increase (Decrease) 2020 - 2019
Operating revenue	\$ 223,075	\$ 215,565	\$ 7,510	\$ 191,317	\$ 24,248
Operating expenses					
Public services	1,609,899	1,776,283	(166,384)	1,635,469	140,814
Depreciation	78,985	77,136	1,849	84,655	(7,519)
Total operating expenses	1,688,884	1,853,419	(164,535)	1,720,124	133,295
Operating income (loss)	(1,465,809)	(1,637,854)	172,045	(1,528,807)	(109,047)
Non-operating revenue (expenses)					
Contributions	1,036,739	989,207	47,532	1,020,932	(31,725)
In-kind contributions	273,316	300,524	(27,208)	178,886	121,638
State grants and contracts	18,670	18,070	600	18,880	(810)
Non-federal grants and contracts	144,251	149,493	(5,242)	154,252	(4,759)
Total non-operating revenue (expenses)	1,472,976	1,457,294	15,682	1,372,950	84,344
Changes in net position	7,167	(180,560)	187,727	(155,857)	(24,703)
Net position, beginning of year	3,406,821	3,587,381	(180,560)	3,743,238	(155,857)
Net position, end of year	\$ 3,413,988	\$ 3,406,821	\$ 7,167	\$ 3,587,381	\$ (180,560)
Total revenues	\$ 1,696,051	\$ 1,672,859	\$ 23,192	\$ 1,564,267	\$ 108,592

Revenues

The operating revenue, antenna rentals from cell phone providers, was \$223,075 for FY2021, an increase of \$7,510 from the prior year. The rental revenue increased due to an annual increase per contract as well as a slight increase in cell tower property tax assessment.

Non-operating revenues totaled \$1,472,976, an increase of \$15,682 from the previous year. Revenue from contributions, which is comprised of donations received from individual donors and underwriting revenues, increased \$47,532. Individual donors contributions increased by \$114,423. Underwriting revenue, merchandising, and special event revenue decreased by \$60,783, \$2,962 and \$3,156, respectively, due primarily to COVID-19 pandemic. The in-kind contributions, which are the College's indirect costs attributable to the Radio Station's operations, decreased \$27,208 from the previous year. Nongovernmental grants from Corporation for Public Broadcasting decreased by \$5,242 and Illinois Art Council grants increased \$600 from FY2020.

The following is a graphic illustration of operating and non-operating revenues by source.



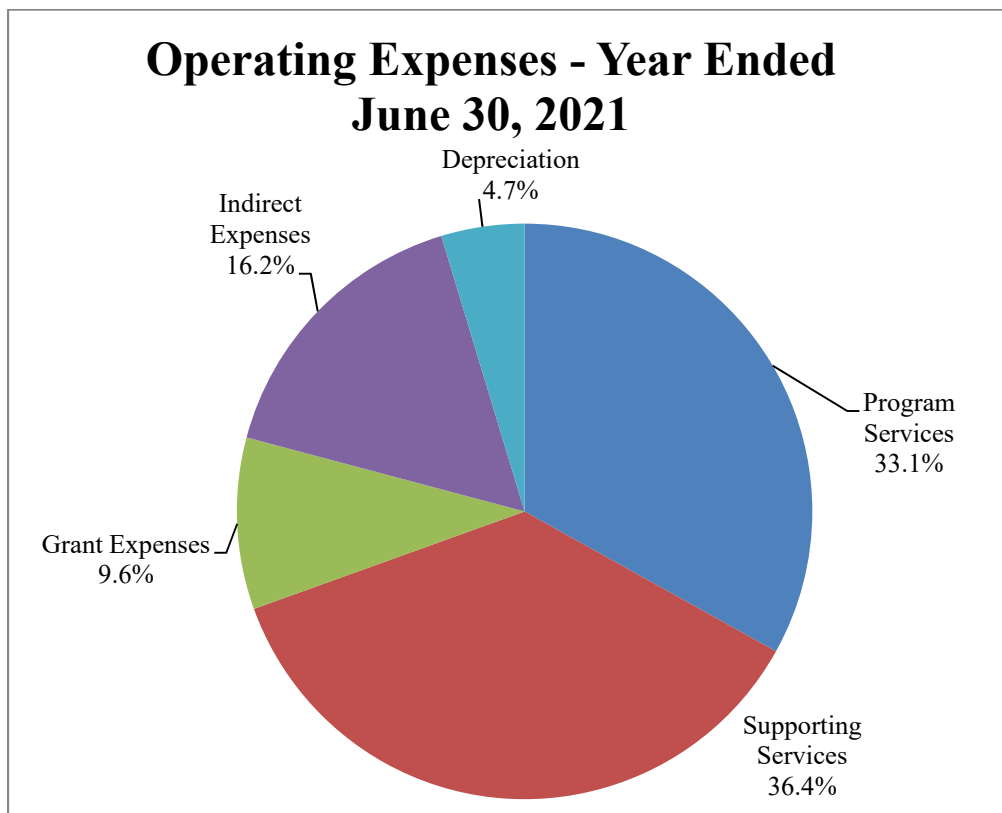
Operating Expenses

FY2021 operating expenses totaled \$1,688,884 as summarized below.

	2021	2020	Increase (Decrease) 2021 - 2020	2019	Increase (Decrease) 2020 - 2019
Operating Expenses					
Public services					
Program services	\$ 558,784	\$ 645,383	\$ (86,599)	\$ 629,115	\$ 16,268
Supporting services	614,878	662,813	(47,935)	654,336	8,477
Grant expenses	162,921	167,563	(4,642)	173,132	(5,569)
Indirect expenses	273,316	300,524	(27,208)	178,886	121,638
Depreciation	78,985	77,136	1,849	84,655	(7,519)
Total	<u>\$ 1,688,884</u>	<u>\$ 1,853,419</u>	<u>\$ (164,535)</u>	<u>\$ 1,720,124</u>	<u>\$ 133,295</u>

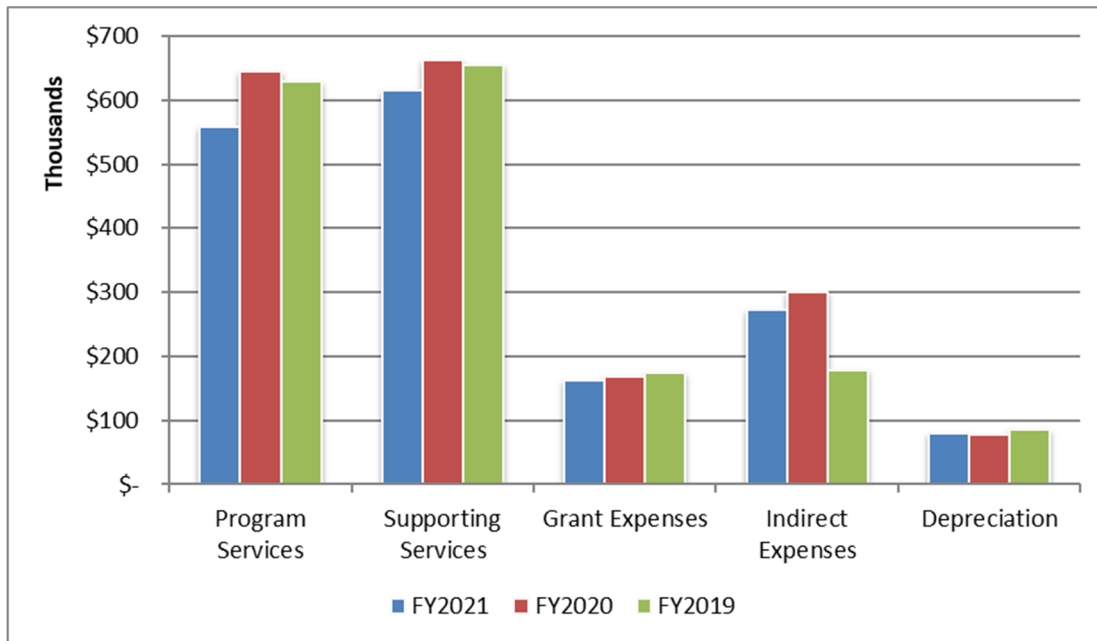
Program services and supporting services expenses comprise approximately 69% of the total operating expenses. Program service expenses are those expenses related to the programming, production, broadcasting, engineering, and promotion functions of the Radio Station. Supporting service expenses are those expenses related to management, fundraising, membership solicitation, and underwriting activities. Grant expenses are all expenses funded by grants, including program and support expenses.

The following is a graphic illustration of operating expenses.



Operating expenses decreased \$164,535 from the previous year from \$1,853,419 to \$1,688,884 due primarily to decrease in salaries and benefits, and indirect expenses, offset by increase in other expenses and depreciation expense. Salaries and benefits expenses decreased by \$144,548. Two positions remained unfilled and student worker positions were not utilized due to the pandemic. Indirect expenses decreased \$27,208 from FY2020 due to a large decrease in salaries and benefits expenses. Other expense increased \$4,462 due to more postage costs. Depreciation expense increased \$1,849.

Comparison of Operating Expenses - Fiscal Years 2021, 2020, and 2019



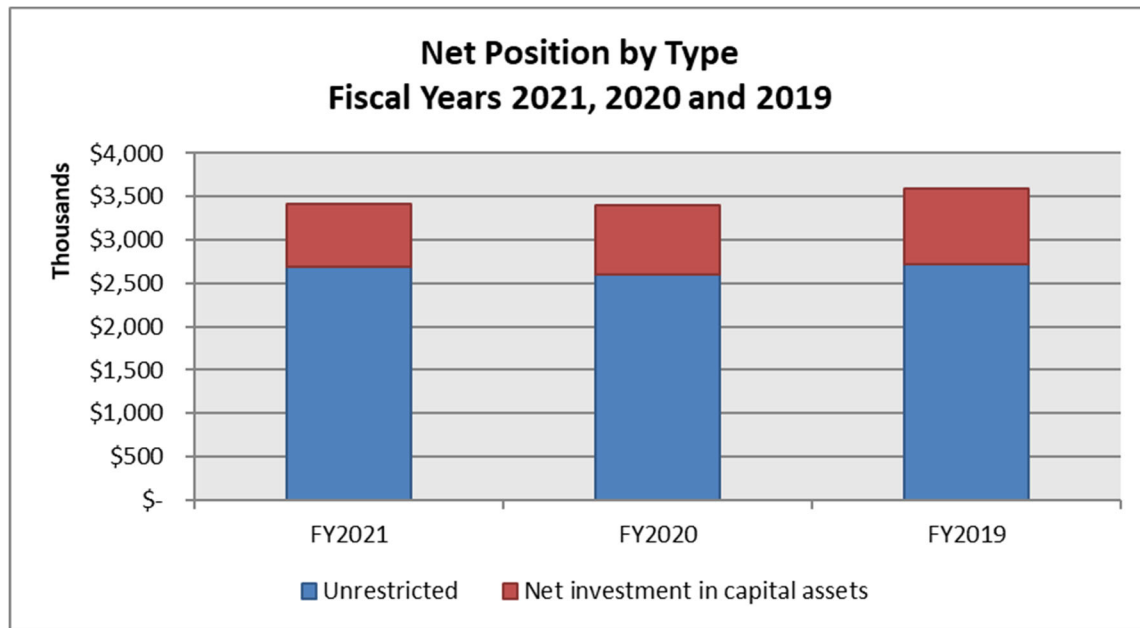
Net Position

The Radio Station’s net position increased \$7,167, from \$3,406,821 as of June 30, 2020 to \$3,413,988 as of June 30, 2021 due to bringing in contributions while keeping expenses minimum. The decrease in the net position invested in capital assets is the result of the current year depreciation expense of \$78,985.

Analysis of Net Position - Fiscal Years 2021, 2020, and 2019

	2021	2020	Increase (Decrease) 2021-2020	2019	Increase (Decrease) 2020-2019
Net Position					
Net investment in capital assets	\$ 729,668	\$ 808,653	\$ (78,985)	\$ 863,617	\$ (54,964)
Unrestricted	2,684,320	2,598,168	86,152	2,723,764	(125,596)
Total	\$ 3,413,988	\$ 3,406,821	\$ 7,167	\$ 3,587,381	\$ (180,560)

WDCB-FM RADIO STATION
 COLLEGE OF DUPAGE – COMMUNITY COLLEGE DISTRICT 502
 MANAGEMENT’S DISCUSSION AND ANALYSIS JUNE 30, 2021 AND 2020 (UNAUDITED)



Net Capital Assets

Capital Assets net of accumulated depreciation decreased by \$78,985 from the previous year.

	Capital Assets				
	2021	2020	Increase (Decrease) 2021 - 2020	2019	Increase (Decrease) 2020 - 2019
Capital assets					
Building Improvement	\$ 1,155,725	\$ 1,155,725	\$ -	\$ 1,155,725	\$ -
Equipment	708,498	708,498	-	700,104	8,394
Subtotal	1,864,223	1,864,223	-	1,855,829	8,394
Accum. Depr.	<u>(1,134,555)</u>	<u>(1,055,570)</u>	<u>(78,985)</u>	<u>(992,212)</u>	<u>(63,358)</u>
Capital assets, net	<u>\$ 729,668</u>	<u>\$ 808,653</u>	<u>\$ (78,985)</u>	<u>\$ 863,617</u>	<u>\$ (54,964)</u>

The Radio Station had \$729,668 of capital assets, net of accumulated depreciation as of June 30, 2021. The depreciation expense was \$78,985. No new capital equipment was purchased and no capital equipment was disposed during FY2021.

Contacting Financial Management

This financial report is designed to provide our audience with a general overview of the Radio Station’s finances and to show the Radio Station’s accountability for the revenue it receives.

If you have questions about this report or need additional information, please contact the College of DuPage Financial Affairs Department, at finance@cod.edu, or 425 Fawell Blvd., Glen Ellyn, IL 60137-6599, (630) 942-4285.

BASIC FINANCIAL STATEMENTS

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

STATEMENTS OF NET POSITION

June 30, 2021 and 2020

	2021	2020
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,553,051	\$ 2,536,531
Other receivables	401,546	216,206
Prepaid expense	10,000	10,000
Total current assets	2,964,597	2,762,737
Non-current assets		
Capital assets being depreciated	1,864,223	1,864,223
Less accumulated depreciation	(1,134,555)	(1,055,570)
Net capital assets	729,668	808,653
Total assets	3,694,265	3,571,390
LIABILITIES		
Current liabilities		
Accounts payable	5,905	5,826
Accrued salaries and payroll	42,229	38,770
Compensated absences	58,795	51,001
Deferred revenue	157,820	48,407
Total current liabilities	264,749	144,004
Long-term liabilities		
Compensated absences	15,528	20,565
Total liabilities	280,277	164,569
NET POSITION		
Investment in capital assets	729,668	808,653
Unrestricted	2,684,320	2,598,168
Total net position	\$ 3,413,988	\$ 3,406,821

See accompanying notes to financial statements.

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
REVENUES		
Operating revenues		
Tower rental	\$ 223,075	\$ 215,565
EXPENSES		
Operating expenses		
Public services		
Program services	558,784	645,383
Supporting services	614,878	662,813
Grant expenses	162,921	167,563
Indirect expenses	273,316	300,524
Depreciation	78,985	77,136
Total operating expenses	<u>1,688,884</u>	<u>1,853,419</u>
Total operating income (loss)	<u>(1,465,809)</u>	<u>(1,637,854)</u>
NON-OPERATING REVENUES (EXPENSES)		
Contributions from donors and other revenue	1,036,739	989,207
In-kind contributions	273,316	300,524
State grants and contracts	18,670	18,070
Nongovernmental grants and contracts	144,251	149,493
Total non-operating revenues (expenses)	<u>1,472,976</u>	<u>1,457,294</u>
Increase (decrease) in net position	7,167	(180,560)
Net position at beginning of year	<u>3,406,821</u>	<u>3,587,381</u>
Net position at end of year	<u><u>\$ 3,413,988</u></u>	<u><u>\$ 3,406,821</u></u>

See accompanying notes to financial statements.

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

STATEMENTS OF CASH FLOWS

For the Years Ended June 30, 2021 and 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Sales and services	\$ 332,488	\$ 260,972
Payments to suppliers	(276,213)	(275,793)
Payments to employees	(1,054,075)	(1,190,889)
Net cash used in operating activities	<u>(997,800)</u>	<u>(1,205,710)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Contributions	851,399	937,656
Grants	162,921	177,023
Net cash provided by noncapital financing activities	<u>1,014,320</u>	<u>1,114,679</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES		
Purchases of capital assets	-	(22,172)
Net increase (decrease) in cash and cash equivalents	16,520	(113,203)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,536,531</u>	<u>2,649,734</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 2,553,051</u>	<u>\$ 2,536,531</u>
RECONCILIATION OF NET OPERATING REVENUES (EXPENSES) TO NET CASH FROM OPERATING ACTIVITIES		
Operating (loss)	\$ (1,465,809)	\$ (1,637,854)
Adjustments to reconcile net operating income (loss) to net cash from operating activities		
Depreciation	78,985	77,136
In-kind contributions	273,316	300,524
Changes in assets and liabilities		
Prepaid Expenses	-	(10,000)
Deferred revenues	109,413	45,407
Accounts payable	79	5,125
Accrued salaries	3,459	1,935
Accrued compensated absences	2,757	12,017
NET CASH USED IN OPERATING ACTIVITIES	<u>\$ (997,800)</u>	<u>\$ (1,205,710)</u>

See accompanying notes to financial statements.

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of WDCB-FM Radio Station, College of DuPage - Community College District Number 502 (the Radio Station) conform to accounting principles generally accepted in the United States of America (GAAP) applicable to government units and Illinois community colleges. The Radio Station's reports are based on all applicable Governmental Accounting Standards Board (GASB) pronouncements. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Radio Station is operated by and is a part of the College of DuPage - Community College District Number 502 (the College). The financial statements presented are only for the Radio Station and are not intended to present the financial position, results of operations, and cash flows of the College.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

For financial reporting purposes, the College is considered a special-purpose government engaged only in business-type activities. Accordingly, the Radio Station'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. All significant intra-agency transactions have been eliminated.

Non-exchange transactions, in which the Radio Station receives value without directly giving equal value in return, include: federal, state, and local grants; College appropriations; and other contributions. Revenue from grants, state appropriations, and other contributions is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the College must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the College on a reimbursement basis.

C. Capital Assets

Capital assets include property, plant, and equipment. Capital assets are defined by the College as assets with an initial unit cost of follows in the table or more and an estimated useful life of at least one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Costs of normal maintenance and repairs that do not add to the value of the assets or materially extend their useful lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

WDCB-FM RADIO STATION
 COLLEGE OF DUPAGE
 COMMUNITY COLLEGE DISTRICT NUMBER 502
 NOTES TO FINANCIAL STATEMENTS (Continued)
 June 30, 2021 and 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant, and equipment of the Radio Station are depreciated using the straight-line method over the following useful lives (see Note 3 for more information):

Capital Asset	Dollar Threshold	Useful Life (Years)
Buildings	\$100,000	50
Building Improvements	\$50,000	20
Land	All	Non-Depreciable
Land Improvements	\$50,000	20
Infrastructure	\$50,000	20
Artwork	\$5,000	Non-Depreciable
Equipment	\$5,000	6
Vehicles	\$5,000	4
IT Equipment	\$5,000	4

D. Cash and Cash Equivalents

Cash includes deposits held at financial institutions and small amounts maintained for change and petty cash funds. Cash equivalents are defined as highly liquid investments readily converted to cash with original maturities of three months or less. Cash equivalents can include amounts held in overnight repurchase agreements, Illinois Funds, Illinois School District Liquid Asset Fund Money Market, Illinois Institutional Investors Trust, and amounts held in banks as trust assets.

E. Investments

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, nonnegotiable certificates of deposit and investments with a maturity of less than one year at date of purchase are stated at amortized cost, which approximates fair value. All other investments are stated at fair value.

F. Unearned Grant Revenue

Grant revenues related to the period after June 30, 2021 and 2020, or for which all eligibility requirements have not been met, will be recognized as revenue in the subsequent fiscal year when eligibility requirements have been fulfilled.

G. Net Position

The Radio Station's net position is classified as follows:

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2021 and 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment in capital assets - this represents the Radio Station's total investment in capital assets, net of accumulated depreciation and any liabilities issued to acquire the capital assets.

Unrestricted net position - This includes resources from fees, College appropriations, sales and services of educational departments, and auxiliary enterprises. These resources are used for transactions relating to the educational and general operations of the Radio Station and may be used at the discretion of the Board of Trustees to meet current expenses for any purpose.

H. Classification of Revenues and Expenses

Operating revenue includes activities that have the characteristics of exchange transactions, such as sales and services of auxiliary enterprises. Non-operating revenue includes activities that have the characteristics of non-exchange transactions, such as most federal, state, and local grants and contracts and federal appropriations, and gifts and contributions. Operating expenses are those expenses directly attributable to the operations of the Radio Station.

I. Compensated Absences

The Radio Station records a liability for employees' vacation leave earned, but not taken. Employees are allowed to carry over a limited number of vacation days from year-to-year. The Radio Station has no commitment for accumulated sick leave and no liability is recorded. Employees who retire are given credit for unused sick leave towards years of service in the State Universities Retirement System pension plan. See Note 4 for more information.

J. Use of Estimates

In order to prepare these financial statements in conformity with GAAP, management has made a number of estimates and assumptions that affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities at the date of the financial statements; the reported amounts of revenues and expenses; and gains and losses during the reporting period. Actual results could differ from these estimates.

K. Property Tax Assessment

Beginning in 2015, the College of DuPage was assessed real estate taxes on several parcels of its land. The portion of the total bill attributable to the radio station tower was \$40,692 and \$39,725 for calendar years 2021 and 2020, respectively.

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2021 and 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Under the terms of the rental lease agreements on the radio station tower, the Radio Station was able to collect the real estate taxes from its tower rental tenants.

2. CASH DEPOSITS AND INVESTMENTS

The Radio Station's cash deposits and investments are pooled together with the College's cash deposits and investments. The information presented in this note is from the College's Annual Comprehensive Financial Report for the fiscal years ended June 30, 2021 and 2020.

The Illinois Public Community College Act and the Investment of the Public Funds Act authorize the College to invest in obligations issued by the United States Government, investments constituting direct obligations of any bank, short-term commercial paper of U.S. corporations with assets exceeding \$500 million, short-term obligations issued by the Federal National Mortgage Association, shares or other securities issued by savings and loan associations, share accounts of credit unions chartered in the United States with their principal office located in Illinois and securities issued by the Illinois Funds.

The College of DuPage Board of Trustees has adopted an investment policy (Policy 2.13) which governs the investment of College funds. It is the policy of the College to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the College and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy, in order of priority are: safety (preservation of capital and protection of investment principal), liquidity, return, and sustainability.

The investments which the College may purchase are limited by Illinois law to the following: (1) securities which are fully guaranteed by the U.S. Government as to principal and interest; (2) certain U.S. Government Agency securities; (3) certificates of deposit or time deposits of banks and savings and loan associations which are insured by a Federal corporation; (4) certain short-term obligations of corporations (commercial paper) rated in the highest classifications by at least two of the major rating services; (5) municipal bonds rated within the four highest general classifications; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois Funds; and (8) money market mutual funds and certain other instruments.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Funds' share price, which is the price for which the investment could be sold.

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2021 and 2020

2. CASH DEPOSITS AND INVESTMENTS (Continued)

These investments are not required to be categorized based on custodial risk in accordance with GASB Statement No. 40 because they are not securities. The relationship between the College and the Illinois Funds is a direct contractual relationship and the investments are not supported by a transferable instrument that evidences ownership. For the College's reporting purposes, Illinois Funds are considered cash equivalents.

A. Deposits with Financial Institutions

Cash: The College's investment policy does not allow uninsured or uncollateralized deposits at any financial institution. Funds may be deposited in certificates of deposit, money market accounts, time deposits, or savings accounts, and only with banks, savings banks and savings and loan associations which are insured by the FDIC (Bank Insurance Fund or Savings Association Insurance Fund) or the National Credit Union Share Insurance Fund (NCUSIF). The deposits must be collateralized or insured at levels acceptable to the College in excess of the current maximum limit provided by the FDIC. At June 30, 2021 and 2020, the College had no bank balances on deposit which were uninsured and uncollateralized out of total bank balances on deposit of \$12,144,729, and \$14,074,010, respectively. In addition, as of June 30, 2021, the College had \$17,699,207 in money market mutual funds, which were not subject to collateralization and are considered cash equivalents for the College's reporting purposes. The amount for June 30, 2020 was \$2,964,923. As of June 30, 2021 and 2020 the carrying value of cash on hand was \$28,283,505 and \$16,691,849, respectively.

B. Investments

The College categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs. The investment values are measured using trading platform fees, quoted matrix pricing models, and multi-dimensional relational models. Level 3 inputs are significant unobservable inputs.

WDCB-FM RADIO STATION
 COLLEGE OF DUPAGE
 COMMUNITY COLLEGE DISTRICT NUMBER 502
 NOTES TO FINANCIAL STATEMENTS (Continued)
 June 30, 2021 and 2020

2. CASH DEPOSITS AND INVESTMENTS (Continued)

The College has the following recurring fair value measurements as of June 30:

June 30, 2021	Total	Total	Duration Less	Duration
<u>Investment</u>	<u>Fair Value (Level 1)</u>	<u>Fair Value (Level 2)</u>	<u>Than 1 Year</u>	<u>1 to 5 Years</u>
Certificates of Deposit	\$ -	\$ 47,155,157	\$ 31,155,167	\$ 15,999,990
U.S. Treasury Bond / Notes	176,638,398	-	67,297,148	109,341,250
Commercial Paper	-	2,998,180	-	2,998,180
Federal Agency Bond / Notes	-	57,429,504	54,427,704	3,001,800
	<u>\$ 176,638,398</u>	<u>\$ 107,582,841</u>	<u>\$ 152,880,019</u>	<u>\$ 131,341,220</u>

June 30, 2020	Total	Total	Duration Less	Duration
<u>Investment</u>	<u>Fair Value (Level 1)</u>	<u>Fair Value (Level 2)</u>	<u>Than 1 Year</u>	<u>1 to 5 Years</u>
Certificates of Deposit	\$ -	\$ 29,764,916	\$ 26,260,626	\$ 3,504,290
U.S. Treasury Bond / Notes	213,421,703	-	117,338,398	96,083,305
Commercial Paper	-	18,482,499	18,482,499	-
Federal Agency Bond / Notes	-	32,815,056	27,782,415	5,032,641
	<u>\$ 213,421,703</u>	<u>\$ 81,062,471</u>	<u>\$ 189,863,938</u>	<u>\$ 104,620,236</u>

The College has the following recurring fair value measurements as of June 30, 2021: U.S. agency securities (FHLMC, FFCB, and FHLB) of \$57,429,504, negotiable certificates of deposit of \$47,155,157, and corporate commercial paper of \$2,998,180 (Level 2 inputs).

Credit Risk: The College limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the U.S. government or securities issued by agencies of the U.S. government. The College limits its investments in commercial paper and state/municipal government securities to no more than 30% each in aggregate, and 5% each in single issuer of the overall portfolio. Mutual funds in money market funds are limited to 20% in single issuer of the overall portfolio. At June 30, 2021, the College had 62% of its overall investment portfolio invested in U.S. Treasury Notes, 17% in Certificates of Deposit, 8% Federal Home Loan Mortgage, 5% each in Federal Home Loan Bank Bonds and Federal Farm Credit Bank Bonds, 2% in Federal National Mortgage Association, and 1% in Commercial Paper. At June 30, 2020, the College had 64% of its overall investment portfolio invested in U.S. Treasury Notes, 10% in Certificates of Deposit, 8% in U.S. Treasury Bills, 6% in Commercial Papers, 5% Federal Home Loan Bank Discount Notes, 3% in Federal Home Loan Mortgage, 1% each in Federal Farm Credit Banks Bonds and Federal Home Loan Bank Bonds, and less than 1% in Federal Farm Credit Bank Discount Notes.

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2021 and 2020

2. CASH DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of the counterparty to the investment, the College will not be able to recover the value of its investments that are in the possession of an outside party. To limit its exposure, the College's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment basis with the underlying investments held by a third party acting as the College's agent separate from where the investment was purchased.

Additionally, financial institutions must collateralize all deposits in excess of the maximum limit provided by the FDIC to 102% of market value. Acceptable collateral includes the following:

- a. Bonds, notes, certificates of indebtedness, treasury bills, or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest;
- b. Bonds, notes or other securities constituting the direct and general obligations of any agency or instrumentality of the United States, the interest and principal of which is guaranteed by the United States;
- c. Bonds issued by College of DuPage;
- d. Obligations of United States government agencies; and
- e. Certain surety bonds or letters of credit as approved by the College Treasurer.

At June 30, 2021, the Federal Agency Bond/Note investments held by the College were all rated AA+/Aaa by Standard and Poors (S&P) and Moody's, respectively. The Certificates of Deposit were rated AA- by S&P and Aa3 to Aa1 by Moody's. The Commercial Papers were rated A-1+ by S&P and P-1 by Moody's.

At June 30, 2020, the Federal Agency Bond/Note investments held by the College were all rated AA+/Aaa by Standard and Poors (S&P) and Moody's, respectively. The Certificates of Deposit were rated AA- by S&P and Aa3 to Aa2 by Moody's. The Commercial Papers were rated A-1+ by S&P and P-1 by Moody's.

At June 30, 2021 and 2020, the College's investment balances totaled \$284,221,238 and \$294,484,174, respectively. All required investments were insured or collateralized.

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2021 and 2020

3. CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2021 is as follows:

	Balance June 30, 2020	Additions	Retirements	Balance June 30, 2021
Capital assets being depreciated				
Building improvement	\$ 1,155,725	\$ -	\$ -	\$ 1,155,725
Transmitter, antenna, and tower	385,743	-	-	385,743
Studio and broadcast equipment	254,509	-	-	254,509
Furniture and fixtures	68,246	-	-	68,246
Total capital assets being depreciated	<u>1,864,223</u>	<u>-</u>	<u>-</u>	<u>1,864,223</u>
Less accumulated depreciation				
Building improvement	409,318	57,786	-	467,104
Transmitter, antenna, and tower	385,743	-	-	385,743
Studio and broadcast equipment	201,458	19,329	-	220,787
Furniture and fixtures	59,051	1,870	-	60,921
Total accumulated depreciation	<u>1,055,570</u>	<u>78,985</u>	<u>-</u>	<u>1,134,555</u>
NET CAPITAL ASSETS	<u>\$ 808,653</u>	<u>\$ (78,985)</u>	<u>\$ -</u>	<u>\$ 729,668</u>

A summary of changes in capital assets for the year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020
Capital assets being depreciated				
Building improvements	\$ 1,155,725	\$ -	\$ -	\$ 1,155,725
Transmitter, antenna, and tower	385,743	-	-	385,743
Studio and broadcast equipment	232,337	22,172	-	254,509
Furniture and fixtures	82,024	-	13,778	68,246
Total capital assets being depreciated	<u>1,855,829</u>	<u>22,172</u>	<u>13,778</u>	<u>1,864,223</u>
Less accumulated depreciation				
Building improvements	351,532	57,786	-	409,318
Transmitter, antenna, and tower	385,743	-	-	385,743
Studio and broadcast equipment	183,978	17,480	-	201,458
Furniture and fixtures	70,959	1,870	13,778	59,051
Total accumulated depreciation	<u>992,212</u>	<u>77,136</u>	<u>13,778</u>	<u>1,055,570</u>
NET CAPITAL ASSETS	<u>\$ 863,617</u>	<u>\$ (54,964)</u>	<u>\$ -</u>	<u>\$ 808,653</u>

WDCB-FM RADIO STATION
 COLLEGE OF DUPAGE
 COMMUNITY COLLEGE DISTRICT NUMBER 502
 NOTES TO FINANCIAL STATEMENTS (Continued)
 June 30, 2021 and 2020

4. COMPENSATED ABSENCES

As of June 30, 2021 and 2020, employees had earned but not taken annual vacation leave which at salary rates then in effect aggregated to \$74,323 and \$71,566, respectively. The Radio Station has accrued these amounts as appropriate. The Radio Station has no commitment for accumulated sick leave and no liability is recorded. Employees who retire are given credit for unused sick leave towards years of service in the State Universities Retirement System. The ending balances as of June 30, 2021, and 2020 are reported in the financial statements as follows:

Fiscal Year	Beginning Balance July 1	Issuances	Retirements	Ending Balance June 30	Current Portion
2021	\$ 71,566	\$ 59,656	\$ 56,889	\$ 74,323	\$ 58,795
2020	59,549	69,679	57,662	71,566	51,001

5. RISK MANAGEMENT

The Radio Station is covered under the College’s risk management program. The College is exposed to various risks of loss related to torts, theft of, damage to, or destruction of property, injuries to employees and natural disasters. The College is a member of the Illinois Community College Risk Management Consortium (the “Consortium”). The Consortium is a public entity risk pool operating as a common risk management and insurance program for 14 local community colleges. Each college pays an annual premium to the Consortium as its pro rata share for property and casualty insurance coverage. The Agreement for Formation of the Consortium provides that the Consortium will be self-sustaining through member premiums and will reinsure through commercial companies. The College continues to carry commercial insurance coverage for sports accident insurance.

The College participates in the Consortium, which was established in 1981 by several Chicago area community colleges as a means of reducing the cost of general liability insurance. The main purpose of the Consortium is to jointly self-insure certain risks up to an agreed upon retention limit and to obtain excess catastrophic coverage and aggregate stop-loss reinsurance over the selected retention limit. Coverage includes all property, re-insurance (\$30,000,000), and workers’ compensation. No settlement has exceeded coverage since establishment of the Consortium. The College joined the consortium in fiscal year 1982. Since the Consortium requests initial payments to cover substantially any losses to be incurred for that policy year, the College anticipates no future liabilities for incurred losses.

The policy is annual and renewable on July 1. The College’s level of coverage has not changed for the past three years, and the amount of settlements has not exceeded insurance coverage in each of the past three years.

WDCB-FM RADIO STATION
 COLLEGE OF DUPAGE
 COMMUNITY COLLEGE DISTRICT NUMBER 502
 NOTES TO FINANCIAL STATEMENTS (Continued)
 June 30, 2021 and 2020

5. RISK MANAGEMENT (Continued)

On January 1, 2012, the College joined the Community College Health Care Consortium which provides employees insurance coverage for medical and prescription drugs. The College pays the Community College Health Care Consortium a monthly premium based on the number of participants and the type of coverage that has been elected. The College maintains self-insurance coverage through a third-party administrator for its dental insurance. The College currently allocates all expenses associated with the employee health plans to each of the College's individual departments. Claims and expenses are reported when incurred, and an estimate is made for incurred but not reported claims. The amount of settlements has not exceeded insurance coverage in each of the past three years.

The College's estimate of liability for claims incurred but not reported for the past three fiscal years is as follows:

Fiscal Year	Claims Payable Beginnig of Year	Claims Incurred	Claims Paid	Claims Payable End of Year
2021	\$ 879,134	\$ 11,968,591	\$ 12,156,535	\$ 691,190
2020	999,787	9,931,162	10,051,815	879,134
2019	1,044,997	11,808,757	11,853,967	999,787

6. LITIGATION

From time to time, the Radio Station is party to various pending claims and legal proceedings. Although the outcome cannot be forecast with certainty, it is the opinion of management and appropriate legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Radio Station's financial position or results of operations.

7. INDIRECT COSTS

The portion of the College's indirect costs attributable to the Radio Station's operations and the value of space provided for broadcast facilities are included as revenues and expenses, and are computed in accordance with guidelines established by the Corporation for Public Broadcasting. Total space allocated to the Radio Station and administrative support from the College for the years ended June 30, 2021 and 2020 were \$273,316 and \$300,524, respectively.

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502
NOTES TO FINANCIAL STATEMENTS (Continued)
June 30, 2021 and 2020

8. RETIREMENT, AND POSTEMPLOYMENT RELATED BENEFITS

State of Illinois Pension and Postemployment Benefits

Employees receive pension benefits as part of the State Universities Retirement System of Illinois (SURS, or the System), a cost-sharing multiple-employer defined benefit plan with a special funding situation whereby the State of Illinois (the State) makes substantially all actuarially determined required contributions on behalf of the participating employers. In addition to the pension plan, employees receive postemployment benefits as part of the State of Illinois Community College Health Insurance Security Fund (CIP), a cost-sharing multiple-employer defined benefit postemployment health care plan administered by the State of Illinois. CIP provides health, vision and dental benefits to retired staff and dependent beneficiaries of participating Community Colleges. As a result, the College recognized on-behalf revenue and expense of \$85,133,431 for the fiscal year ended June 30, 2021 and \$82,339,091 for the fiscal year ended June 30, 2020.

Other Postemployment Benefits (OPEB)

In addition to the health care coverage provided by the State of Illinois, the College provides fixed health care coverage reimbursements for insurance premiums capped at a fixed dollar amount to retirees. Any administrative costs for the plan are paid by the College.

This postemployment benefit plan is a single-employer plan. The amount of reimbursement provided to the retiree is dependent on the retirement notice date and age of the retiree. The College is not required to and currently does not advance funds to the cost of benefits that will become due and payable in the future. The College's most recent actuarial valuation was performed for the plan as of June 30, 2020 to measure the employer's total OPEB liability as of June 30, 2021. A total OPEB liability of \$15,357,456 was recognized as of June 30, 2020, and \$15,528,212 as of June 30, 2021.

The Radio Station does not include any liabilities or expenses related to future potential benefit obligations.

9. SUBSEQUENT EVENT

In March 2020, the Covid-19 virus was declared a global pandemic and it continues to spread rapidly. Business continuity, including consumer demand across a broad range of industries and countries could be severely impacted for months or beyond and governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

SUPPLEMENTARY FINANCIAL INFORMATION

WDCB-FM RADIO STATION
 COLLEGE OF DUPAGE
 COMMUNITY COLLEGE DISTRICT NUMBER 502

SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2021

	<u>Programming and Production</u>	<u>Broadcasting</u>	<u>Program Information</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Grant Solicitation, Fundraising and Membership Development</u>	<u>Indirect Cost</u>	<u>Depreciation</u>	<u>TOTALS</u>
Salaries, payroll taxes, and employee benefits	\$ 212,157	\$ 210,459	\$ 50,744	\$ 473,360	\$ 236,772	\$ 234,411	\$ -	\$ -	\$ 944,543
Professional services	40,141	40,142	-	80,283	22,938	11,469	-	-	114,690
Travel	-	-	-	-	305	-	-	-	305
Facilities cost, administrative services	-	-	-	-	-	-	273,316	-	273,316
Supplies and materials	2,336	-	4,671	7,007	2,336	37,370	-	-	46,713
Other	-	-	-	-	-	86,081	-	-	86,081
Depreciation	-	-	-	-	-	-	-	78,985	78,985
TOTAL FUNCTIONAL EXPENSES	<u><u>\$ 254,634</u></u>	<u><u>\$ 250,601</u></u>	<u><u>\$ 55,415</u></u>	<u><u>\$ 560,650</u></u>	<u><u>\$ 262,351</u></u>	<u><u>\$ 369,331</u></u>	<u><u>\$ 273,316</u></u>	<u><u>\$ 78,985</u></u>	<u><u>\$ 1,544,633</u></u>

Note: The above schedule includes all expenses of the WDCB-FM Radio Station except for Corporation for Public Broadcasting grant expenses in the amount of \$144,251.

WDCB-FM RADIO STATION
 COLLEGE OF DUPAGE
 COMMUNITY COLLEGE DISTRICT NUMBER 502

SCHEDULE OF FUNCTIONAL EXPENSES

For the Year Ended June 30, 2020

	<u>Programming and Production</u>	<u>Broadcasting</u>	<u>Program Information</u>	<u>Total Program Services</u>	<u>Management and General</u>	<u>Grant Solicitation, Fundraising and Membership Development</u>	<u>Indirect Cost</u>	<u>Depreciation</u>	<u>TOTALS</u>
Salaries, payroll taxes, and employee benefits	\$ 259,744	\$ 247,344	\$ 56,979	\$ 564,067	\$ 266,360	\$ 255,457	\$ -	\$ -	\$ 1,085,884
Professional services	39,219	39,219	-	78,438	22,411	11,206	-	-	112,055
Travel	-	-	-	-	1,188	-	-	-	1,188
Facilities cost, administrative services	-	-	-	-	-	-	300,524	-	300,524
Supplies and materials	2,276	-	4,552	6,828	2,276	36,417	-	-	45,521
Other	-	-	-	-	-	81,618	-	-	81,618
Depreciation	-	-	-	-	-	-	-	77,136	77,136
TOTAL FUNCTIONAL EXPENSES	<u><u>\$ 301,239</u></u>	<u><u>\$ 286,563</u></u>	<u><u>\$ 61,531</u></u>	<u><u>\$ 649,333</u></u>	<u><u>\$ 292,235</u></u>	<u><u>\$ 384,698</u></u>	<u><u>\$ 300,524</u></u>	<u><u>\$ 77,136</u></u>	<u><u>\$ 1,703,926</u></u>

Note: The above schedule includes all expenses of the WDCB-FM Radio Station except for Corporation for Public Broadcasting grant expenses in the amount of \$149,493.



INDEPENDENT AUDITORS' REPORT ON SCHEDULE OF NONFEDERAL FINANCIAL SUPPORT

Board of Trustees
WDCB-FM Radio Station
College of DuPage - Community College District 502
Glen Ellyn, Illinois

Report on the Financial Statements

We have audited the accompanying Schedule of Nonfederal Financial Support (the Schedule) of the WDCB-FM Radio Station, College of DuPage - Community College District 502 (the Radio Station) as of and for the years ended June 30, 2021 and 2020, and the related note to the Schedule as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on the Schedule 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Radio Station's preparation and fair presentation of the financial statements 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 the Radio Station's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Trustees
WDCB-FM Radio Station
College of DuPage - Community College District 502

Opinions

In our opinion, the Schedule referred to above presents fairly, in all material respects, the nonfederal financial support of the Radio Station for the years ended, June 30, 2021 and 2020, in accordance with the criteria for revenue as defined by the Communication Act of 1934, as amended; and adheres to the appropriate source, form, purpose, and recipient criteria as described in the Corporation for Public Broadcasting's Fiscal Year 2005 Principles of Accounting and Financial Reporting handbook; and includes only amounts that are also included in the College of DuPage - Community College District Number 502 financial statements for the years ended June 30, 2021 and 2020.

Other Matters

Restriction on Use

Our report is intended solely for the information and use of the College of DuPage - Community College District Number 502 and the Corporation for Public Broadcasting and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Oak Brook, Illinois
January 10, 2022

WDCB - FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

Schedule of Nonfederal Financial Support
For the Fiscal Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Direct revenue	\$ 1,000,642	\$ 970,044
Indirect administrative support	<u>273,316</u>	<u>300,524</u>
Total nonfederal financial support	<u><u>\$ 1,273,958</u></u>	<u><u>\$ 1,270,568</u></u>

See accompanying notes to schedule of nonfederal financial support.

WDCB-FM RADIO STATION
COLLEGE OF DUPAGE
COMMUNITY COLLEGE DISTRICT NUMBER 502

NOTES TO SCHEDULE OF NONFEDERAL FINANCIAL SUPPORT

June 30, 2021 and 2020

1. SCHEDULE OF NONFEDERAL FINANCIAL SUPPORT

The Communications Act of 1934, as amended, defines nonfederal financial support as the total value of cash and the fair market value of property and services received as either a contribution or a payment and meeting all of the respective criteria for each as described in the Corporation for Public Broadcasting's Fiscal Year 2021 Annual Financial Report Handbook of Instructions. Direct revenue consists of expenses incurred or absorbed by the licensee specifically for the operation of the Radio Station. Indirect administrative support is that portion of the licensee's indirect costs attributable to the Radio Station's operations. This support can only be claimed by institutional stations and must be reported in the Radio Station's audited financial statements.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Trustees
WDCB-FM Radio Station
College of DuPage - Community College District 502
Glen Ellyn, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the business-type activities of WDCB-FM Radio Station, College of DuPage - Community College District 502 (the Radio Station) as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the Radio Station's basic financial statements, and have issued our report thereon dated January 10, 2022.

Internal Control Over Financial Reporting

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

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

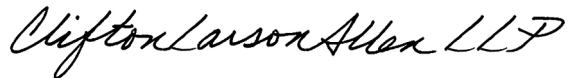
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Radio Station'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 Radio Station's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Oak Brook, Illinois
January 10, 2022