

**MORGAN STATE UNIVERSITY  
WEAA-FM**

**Financial Statements and Supplemental Information  
Together with Report of Independent Public Accountants**

**For the Years Ended June 30, 2022 and 2021**



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**JUNE 30, 2022 AND 2021**

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## **REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS**

To the Board of Regents  
Morgan State University

### **Report on the Audit of the Financial Statements**

#### ***Opinion***

We have audited the accompanying balance sheets of WEAA-FM (the Station), a program of Morgan State University, as of June 30, 2022 and 2021, and the related statements of revenues, expenses, and change in net position and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Station as of June 30, 2022 and 2021, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Station and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Other Matter***

As discussed in Note 1, the financial statements of the Station are intended to present the financial position, the changes in net position and cash flows of only that portion of the financial reporting segment of Morgan State University (the University) that is attributable to the transactions of the Station. They do not purport to, and do not, present fairly the financial position, changes in financial position and cash flows of the University as of and for the years ended June 30, 2022 and 2021.

#### ***Responsibilities of Management for the Financial Statements***

The Station's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Station's internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal controls-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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



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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 audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Supplementary Information***

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Station’s basic financial statements. The supplemental schedules of non-Federal support are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules of non-Federal support are the responsibility of management and were derived from and relate 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 schedules of non-Federal support are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Owings Mills, Maryland  
November 30, 2022

*SB & Company, LLC*

**MORGAN STATE UNIVERSITY  
WEAA-FM**

**Management's Discussion and Analysis  
For the Years Ended June 30, 2022 and 2021**

**Overview of the Station**

WEAA-FM (the Station) is the National Public Radio (NPR) affiliated public radio station of Morgan State University (the University) and is an educational component of the University's School of Global Journalism and Communication. The Station serves as a learning lab to educate and prepare students for careers in broadcast journalism, media management and program marketing. It also provides listeners across the University's campus and throughout the Baltimore metropolitan area with music, news and public affairs programming that is largely created by a staff of broadcast professionals, and undergraduate graduate students.

Operating since 1977, the Station operates free from commercial influence in a 24-hour, seven-day-a-week format that attracts the continual support from members, underwriters, grant-makers and the University.

**Overview of the Financial Statements**

The following discussion provides an overview of the Station's financial performance for the years ended June 30, 2022 and 2021, with 2020 for comparative purposes. This analysis should be read in conjunction with the Station's basic financial statements and the notes to the basic financial statements.

The three primary financial statements of the Station presented are the balance sheet, the statement of revenues, expenses, and change in net position, and the statement of cash flows. These statements are prepared in conformity with accounting principles generally accepted in the United States of America. The management's discussion and analysis (MD&A) provides an overview of the financial position and activities of the Station for the fiscal years ended June 30, 2022 and 2021, with 2020 for comparative purposes, and should be read in conjunction with financial statements and notes thereto. This overview is required by the Governmental Accounting Standards Board (GASB) by a primary government or component but is not required for the Station; however, management has elected to provide one. The MD&A, financial statements, and notes thereto, are the responsibility of the Station's management.

The notes to the financial statements provide required disclosures and other information that are essential to full understanding of the material data provided in the statements. The notes present information about the Station's accounting policies, significant account balances and activities, obligations and subsequent events, if any, and can be found beginning on page 11 of this report. The information contained in the basic financial statements of the Station is incorporated within Morgan State University's Annual Financial Statements.

**MORGAN STATE UNIVERSITY  
WEAA-FM**

**Management's Discussion and Analysis  
For the Years Ended June 30, 2022 and 2021**

**Balance Sheets**

The Balance Sheet presents the financial position of the Station as of the end of the fiscal year and includes all assets and liabilities of the Station. Assets and liabilities are presented as either current or noncurrent to provide an indication of their anticipated liquidation.

The difference between total assets and total liabilities equals net position. The net position is an indicator of the current financial condition of the Station. A summary of assets, liabilities, and net position as of June 30, 2022, 2021, and 2020, is as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Assets</b>			
Current assets	\$ 474,464	\$ 668,855	\$ 464,865
<b>Liabilities</b>			
Current liabilities	423,854	596,480	409,504
Non-current liabilities	50,610	53,840	37,471
<b>Total Liabilities</b>	<u>474,464</u>	<u>650,320</u>	<u>446,975</u>
<b>Net Position</b>			
Unrestricted	-	18,535	17,890
<b>Total Net Position</b>	<u>\$ -</u>	<u>\$ 18,535</u>	<u>\$ 17,890</u>

**Fiscal Year 2022 compared to Fiscal Year 2021**

- Current assets as of the fiscal year ended 2022 decreased by \$194,389 or 29.1% primarily due to the reduction in cash as unearned grant revenue was utilized.
- Total liabilities in the fiscal year ended 2022 decreased by \$175,854 or 27.0% due to reduction in unearned grant revenue.

**Fiscal Year 2021 compared to Fiscal Year 2020**

- Current assets as of the fiscal year ended 2021 increased by \$203,990 or 43.9% primarily due to the increase in cash.
- Total liabilities in the fiscal year ended 2021 increased by \$203,345 or 45.5% due to the increase in unearned revenue from unexpended grants.
- Total net position in fiscal year 2021 increased by \$645 or 3.6% compared to fiscal year 2020 primarily due to the increase in revenue in 2021.

**MORGAN STATE UNIVERSITY  
WEAA-FM**

**Management's Discussion and Analysis  
For the Years Ended June 30, 2022 and 2021**

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

The statement of revenues, expenses, and change in net position presents the Station's results of operations. The statement distinguishes revenues and expenses between operating and non-operating categories and provides a view of the Station's operating margin. A summary of revenues, expenses, and change in net position for the years ended June 30, 2022, 2021, and 2020, is as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Operating Income</b>			
Operating revenues	\$ 617,657	\$ 558,275	\$ 445,783
Operating expenses	<u>1,772,057</u>	<u>1,640,469</u>	<u>1,503,911</u>
<b>Operating Loss</b>	<u>(1,154,400)</u>	<u>(1,082,194)</u>	<u>(1,058,128)</u>
<b>Non-operating Revenues</b>			
Appropriations from Morgan State University	609,063	681,062	691,725
Donated facilities and administrative support from Morgan State University	<u>526,802</u>	<u>401,777</u>	<u>350,222</u>
<b>Total Non-operating Revenues</b>	<u>1,135,865</u>	<u>1,082,839</u>	<u>1,041,947</u>
<b>Total Change in Net Position</b>	<b>(18,535)</b>	645	(16,181)
Net position, beginning of year	<u>18,535</u>	<u>17,890</u>	<u>34,071</u>
<b>Net Position, End of Year</b>	<u>\$ -</u>	<u>\$ 18,535</u>	<u>\$ 17,890</u>

**Fiscal Year 2022 compared to Fiscal Year 2021**

- Total operating revenues for fiscal year 2022 increased by \$59,379 or 10.6% from fiscal year 2021 due to reopening of the University campus and renewed efforts in membership and underwriting.
- Total operating expenses in fiscal year 2022 increased by \$131,585 or 8.0% due a full year of salaries for personnel hired in fiscal year 2021 and the purchase of non-capitalized equipment.
- Non-operating revenues increased by \$53,026 or 4.9% for fiscal year 2022 due to State of Maryland cost of living and merit increase in fiscal year 2022.

**Fiscal Year 2021 compared to Fiscal Year 2020**

- Total operating revenues for fiscal year 2021 increased by \$112,492 or 25.2% from fiscal year 2020 due to the increase in underwriting revenues and CPB grant activity.
- Total operating expenses in fiscal year 2021 increased by \$136,558 or 9.1% due to the increase in management staffing.
- Non-operating revenues increased by \$40,892 or 3.9% for fiscal year 2021.



**MORGAN STATE UNIVERSITY  
WEAA-FM**

**Management's Discussion and Analysis  
For the Years Ended June 30, 2022 and 2021**

**Statement of Cash Flows**

The statement of cash flows provides information about the Station's receipts and disbursement of cash during the year. This statement also assists users in assessing the Station's ability to generate net cash flows, its ability to meet its obligations as they come due, and its need for external financing. A summary of cash flows for the years ended June 30, 2022, 2021, and 2020, is as follows:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
<b>Cash (Used in) Provided by :</b>			
Operating activities	\$ (873,036)	\$ (474,507)	\$ (590,601)
Noncapital financing activities	696,709	681,062	691,725
<b>Net Change in Cash</b>	<u>(176,327)</u>	<u>206,555</u>	<u>101,124</u>
Cash, beginning of year	650,791	444,236	343,112
<b>Cash, End of Year</b>	<u>\$ 474,464</u>	<u>\$ 650,791</u>	<u>\$ 444,236</u>

**SUMMARY AND ECONOMIC OUTLOOK**

In fiscal year 2022, the Station's revenues and expenses increased compared to fiscal year 2021. This coincides with the reopening of the University campus in September 2021 and the resumption of activities.

In fiscal year 2021, the Station's revenues and expenses increased compared to fiscal year 2020. Although the worldwide pandemic continued in fiscal year 2021, the Station's operations were more active than fiscal year 2020.

In fiscal year 2020, the Station showed a decrease in operating revenues of 16.5%. This decrease is due to the decrease in subscription and membership income. Operating expenses decreased by 7.5% due to the decrease in fundraising and membership development expense in 2020.

During 2022, the Station has implemented new procedures to significantly increase membership with the full year employment of new Station membership personnel. The Station has also restructured fund drives to utilize technology and to promote on-line real-time donations. This has led to a significant increase in membership revenue. The Station is also implementing new procedures for underwriting revenue that will lead to a significant increase in the next fiscal year.

The Station is in the process of updating the strategic mission and vision to respond to the community and University campus needs from the past two years. This includes a reorganized programming cycle that responds to the community's needs. In addition, the Station is researching programming opportunities to further strengthen the base of the listening audience. By utilizing a research consortium, the Station receives statistical data that provides listener feedback and demographic information.

**MORGAN STATE UNIVERSITY  
WEAA-FM**

**Balance Sheets  
As of June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 474,464	\$ 650,791
Accounts receivable, net	-	1,592
Pledges receivable, net	-	14,743
Grant receivable	-	1,729
<b>Total Assets</b>	<b>\$ 474,464</b>	<b>\$ 668,855</b>
<b>LIABILITIES AND NET POSITION</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ -	\$ 20,858
Accrued payroll	42,922	58,055
Accrued vacation	18,479	9,436
Unearned grant revenue	342,963	508,131
Unearned revenue	19,490	-
<b>Total Current Liabilities</b>	<b>423,854</b>	<b>596,480</b>
<b>Non-Current Liabilities</b>		
Accrued vacation, net of current portion	50,610	53,840
<b>Total Liabilities</b>	<b>474,464</b>	<b>650,320</b>
<b>Net Position</b>		
Unrestricted	-	18,535
<b>Total Net Position</b>	<b>-</b>	<b>18,535</b>
<b>Total Liabilities and Net Position</b>	<b>\$ 474,464</b>	<b>\$ 668,855</b>

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

**MORGAN STATE UNIVERSITY  
WEAA-FM**

**Statements of Revenues, Expenses and Change in Net Position  
For the Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Operating Revenues</b>		
Subscription and membership income	\$ 230,979	\$ 130,612
Underwriting income	114,691	167,977
Grants	252,593	251,815
In-kind contributions	19,394	7,871
<b>Total Operating Revenues</b>	<u>617,657</u>	<u>558,275</u>
<b>Operating Expense</b>		
Program services:		
Programming and production	455,624	310,836
Broadcasting	382,292	561,697
Program information	224,660	61,755
Total program services	<u>1,062,576</u>	<u>934,288</u>
Management and general	383,125	513,032
Fundraising and membership development	326,356	193,149
<b>Total Operating Expense</b>	<u>1,772,057</u>	<u>1,640,469</u>
<b>Operating Loss</b>	<u>(1,154,400)</u>	<u>(1,082,194)</u>
<b>Non-Operating Revenues</b>		
Appropriations from Morgan State University	609,063	681,062
Donated facilities and administrative support from Morgan State University	526,802	401,777
<b>Total Non-Operating Revenues</b>	<u>1,135,865</u>	<u>1,082,839</u>
<b>Change in Net Position</b>	(18,535)	645
Net position, beginning of year	18,535	17,890
<b>Net Position, End of Year</b>	<u>\$ -</u>	<u>\$ 18,535</u>

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

**MORGAN STATE UNIVERSITY  
WEAA-FM**

**Statements of Cash Flows  
For the Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash Flows From Operating Activities</b>		
Subscription and membership income	\$ 230,979	\$ 150,052
Underwriting income	135,773	167,977
Grants	1,729	408,570
Payments to employees	(995,122)	(932,702)
Payments to suppliers and contractors	(246,395)	(268,404)
<b>Net Cash from Operating Activities</b>	<u>(873,036)</u>	<u>(474,507)</u>
<b>Cash Flows from Noncapital Financing Activities</b>		
Appropriations from Morgan State University	<u>696,709</u>	<u>681,062</u>
Net change in cash	(176,327)	206,555
Cash, Beginning of Year	<u>650,791</u>	<u>444,236</u>
<b>Cash, End of Year</b>	<u>\$ 474,464</u>	<u>\$ 650,791</u>
<b>Reconciliation of Operating Loss to Net Cash from Operating Activities</b>		
Operating Loss	\$ (1,154,400)	\$ (1,082,194)
Donated facilities and administrative support from Morgan State University	526,802	401,777
Bad debt (recovery) expense	(87,646)	(35,885)
Effect of changes in non-cash operating assets and liabilities:		
Accounts receivable	1,592	18,000
Pledges receivable	14,743	19,440
Grant receivable	1,729	1,010
Accrued payroll	(15,133)	10,642
Accrued vacation	5,813	22,877
Unearned grant revenue	(165,168)	155,745
Unearned revenue	19,490	-
<b>Net Cash from Operating Activities</b>	<u>\$ (873,036)</u>	<u>\$ (474,507)</u>

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

**MORGAN STATE UNIVERSITY  
WEAA-FM**

**Notes to the Financial Statements  
June 30, 2022 and 2021**

**1. DESCRIPTION OF ORGANIZATION**

WEAA-FM (the Station) is a National Public Radio (NPR) Station licensed and owned by Morgan State University (the University). The Station, which broadcasts in stereo on a frequency of 88.9 MHz, began operating on January 10, 1977, and serves the Baltimore/Washington Metropolitan area. Both the University and the Station are governed by a Board of Regents appointed by the State of Maryland.

The financial activity of the Station is included in the financial statements of the University. These accompanying financial statements of the Station present only that portion of the business-type activities of the University that is attributable to the transactions of the Station. They do not represent the financial position, changes in financial position, or cash flows of the University.

**Relationship with the University**

Administrative support from the University consists of allocated financial costs and certain other expenses incurred by the University on behalf of the Station and are reported as operating revenues and expenses in accordance with valuation guidelines prescribed by the Corporation for Public Broadcasting. Revenue and expenses for administrative support totaling \$416,333 and \$401,777, was reported for the fiscal years ended June 30, 2022 and 2021, respectively. This allocation from the University is not necessarily representative of the Station's cost as if it were a stand-alone entity and could significantly change in the future.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Accounting**

The Station's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenue is recognized when earned, and expenses are recorded when an obligation has been incurred.

**Use of Estimates**

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

**Notes to the Financial Statements  
June 30, 2022 and 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Accounts Receivable**

Accounts receivable represents amounts related to underwriting sales that have not been collected as of year-end and are recorded at their net realizable value. The allowance for doubtful accounts is based on specific identification of uncollectable accounts and the Station's historical collection experience. There was no reserve for doubtful accounts as of June 30, 2021.

**Pledges Receivable**

Pledges receivable represents amounts pledged to the Station by individual donors and is reported at its net realizable value. The Station distinguishes contributions received for each net position category in accordance with donor restrictions. For the years ended June 30, 2022 and 2021, there were no pledges with donor restrictions.

Management estimates an allowance on pledges based on historical collection data. Pledges are written off when deemed uncollectable. Recoveries of receivables previously written off are recorded as revenue when received. A receivable is considered to be past due when the balance is outstanding for greater than one year. There was no reserve for doubtful accounts as of June 30, 2022. The reserve for doubtful accounts as of June 30, 2021, was \$169,353.

**Grants Receivable**

Grants receivable represents amounts due from grants and is reported at their net realizable value. The allowance for doubtful accounts is based on specific identification of uncollectible accounts and the Station's historical collection experience. As of June 30, 2021, management believes all grants receivable are fully collectible, thus no allowance for doubtful accounts is recorded.

**Accrued Vacation**

Compensated absences are accrued at year-end for financial statement purposes. The liability and expense incurred are recorded at year-end as accrued vacation in the balance sheets and as a component of the appropriate functional category of expense in the statements of revenues, expenses, and change in net position.

**Unearned Revenue**

Unearned revenues are funds collected for underwriting sales before the year-end for radio spots that run after the year-end.

Unearned grant revenues represent funds received from granting agencies before the year-end that have not been expended as of the end of the year.

**MORGAN STATE UNIVERSITY  
WEAA-FM**

**Notes to the Financial Statements  
June 30, 2022 and 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Classification of Revenues and Expenses**

The Station has classified its revenues and expenses as either operating or non-operating according to the following criteria:

(1) *Operating*

Operating revenues and expenses include activities that have the characteristics of exchange transactions such as subscription and membership income, underwriting income, grants income, and other income and operating expenses include program and support expenses.

(2) *Non-operating*

Non-operating revenues include activities that have the characteristics of non-exchange transactions, such as appropriations from Morgan State University and donated facilities and services.

**Grant Revenues**

Grant revenues are recognized as expenditures are incurred. Any unexpended grant funds are recorded as unearned grant revenues in the accompanying balance sheets.

**Donated Facilities and Administrative Support**

The University provides certain facilities and administrative support to the Station. Donated facilities and administrative support represent the Station's allocated amounts of institutional support and donated facilities and is recorded as revenues and expenses in the statements of revenues, expenses, and changes in net position. Institutional support is based on the Station's pro-rata share of the University's total salaries, wages, and administrative expenses. Donated facilities are the Station's pro-rata share of the University's total plant expenses along with calculated occupancy costs permitted by the Corporation for Public Broadcasting. For the years ended June 30, 2022 and 2021, the Station's allocated amounts of donated facilities and administrative support were calculated based on amounts stated in the University's audited financial statements.

**MORGAN STATE UNIVERSITY  
WEAA-FM**

**Notes to the Financial Statements  
June 30, 2022 and 2021**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Appropriations from Morgan State University**

The appropriation from the University represents support from the University for salaries and operating expenses not provided through other resources. It represents the difference between cash received from operating activities, excluding grants, and total direct expenses of the Station paid for by the University.

**Risk Management**

The Station is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to and illnesses of employees; and natural disasters. The Station, through the University, participates in the State's various self-insurance programs. The State is self-insured for general liability, property and casualty, workers' compensation, environmental and antitrust liabilities, and certain employee health benefits.

The State allocates the cost of providing claims servicing and claims payment by charging a "premium" to the University based on a percentage of the University's estimated current-year payroll or based on the average loss experienced by the University. This charge considers recent trends in actual claims experience of the State as a whole and makes provisions for catastrophic losses.

**Subsequent Events**

The Station's management evaluated subsequent events and transactions through November 30, 2022, the date the financial statements were available for issue, and have determined that no material subsequent events have occurred that would affect the information presented in the accompanying financial statements or require additional disclosure.

**3. CASH**

As of June 30, 2022 and 2021, the Station had cash on deposit in an internal pooled cash account with the Maryland State Treasurer (the Treasurer) in the amount of \$474,464 and \$650,791, respectively. The Treasurer has statutory responsibility for the State's cash management activities. The Treasurer maintains these and other State agency funds on a pooled basis in accordance with State statutes. As of June 30, 2022 and 2021, the Station's amount due from the Treasurer was less than 1% of total deposits with the Treasurer. For additional information on cash risk, see the State of Maryland Comprehensive Annual Financial Report for the year ended June 30, 2022.



**MORGAN STATE UNIVERSITY  
WEAA-FM**

**Notes to the Financial Statements  
June 30, 2022 and 2021**

**4. NON-CURRENT LIABILITIES**

Changes in non-current liabilities consisted of the following for the year ended June 30, 2022:

	<b>Balance as of June 30, 2021</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance as of June 30, 2022</b>	<b>Amount Due Within One Year</b>
Accrued vacation	<u>\$ 63,276</u>	<u>\$ 23,986</u>	<u>\$ 18,173</u>	<u>\$ 69,089</u>	<u>\$ 18,479</u>

Changes in non-current liabilities consisted of the following for the year ended June 30, 2021:

	<b>Balance as of June 30, 2020</b>	<b>Additions</b>	<b>Reductions</b>	<b>Balance as of June 30, 2021</b>	<b>Amount Due Within One Year</b>
Accrued vacation	<u>\$ 40,399</u>	<u>\$ 27,008</u>	<u>\$ 4,131</u>	<u>\$ 63,276</u>	<u>\$ 9,436</u>

**5. RETIREMENT PLANS**

Eligible employees who perform services for the Station and employees of the State are covered under the retirement plans of the State Retirement and Pension System of Maryland (the System) and are also entitled to certain healthcare benefits upon retirement. The Station's only liability for retirement and post-employment benefits is its required annual contribution to the University, which in turn was paid in full to the State of Maryland prior to year-end. The System is considered part of the State's financial reporting entity and is not considered a part of the Station's reporting entity. The System prepares a separate Annual Comprehensive Financial Report, which can be obtained from the Retirement and Pension System of Maryland at 120 East Baltimore Street, Baltimore, Maryland 21202.

**6. COMMITMENTS AND CONTINGENCIES**

Grant expenses are subject to audit by the grantor, and to the extent an audit determines any expenses were disallowed, the amount is subject to refund to the grantor. Management does not believe any refund, if required as of June 30, 2022 and 2021, would be material to the financial statements as a whole.

## **SUPPLEMENTAL INFORMATION**

**MORGAN STATE UNIVERSITY  
WEAA-FM**

**Schedules of Non-Federal Support  
For the Years Ended June 30, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Operating Revenues</b>	<b>\$ 365,064</b>	<b>\$ 306,460</b>
<b>Non-Operating Revenues</b>		
Appropriations from Morgan State University	<u>609,063</u>	<u>681,062</u>
<b>Total Direct Non-Federal Financial Support</b>	<b>974,127</b>	<b>987,522</b>
Indirect Non-Federal Financial Support	<u>526,802</u>	<u>401,777</u>
<b>Total Non-Federal Financial Support</b>	<b><u>\$ 1,500,929</u></b>	<b><u>\$ 1,389,299</u></b>