

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023



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INDEPENDENT AUDITORS' REPORT

Board of Directors
Wisconsin Public Radio Association, Inc.
Madison, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Wisconsin Public Radio Association, Inc., which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wisconsin Public Radio Association, Inc. as of June 30, 2024 and 2023, and the changes in its net assets 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Wisconsin Public Radio Association, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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 control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Wisconsin Public Radio Association, Inc.'s ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditors' 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 auditors' 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 control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Wisconsin Public Radio Association, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Wisconsin Public Radio Association, Inc.'s ability to continue as a going concern for a reasonable period of time.

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



CliftonLarsonAllen LLP

Middleton, Wisconsin
November 7, 2024

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 1,040,348	\$ 889,948
Short-Term Investments	1,752,077	1,328,500
Accounts Receivable	-	31,515
Pledges Receivable	124,060	10,882
Prepaid Expenses	37,380	31,935
Due From WPM Entities	9,329	-
Total Current Assets	2,963,194	2,292,780
NONCURRENT ASSETS		
Software, Net	147,689	271,757
Beneficial Interest in Trust	90,020	81,100
Promises to Give, Multi-Year	35,000	-
Total Noncurrent Assets	272,709	352,857
INVESTMENTS		
Board-Designated Endowment UW-WPM/WI-ECB	11,464,823	9,428,308
Board-Designated Endowment UW-WPM	473,621	436,124
UW-WPM Permanent Endowment	833,941	753,232
UW-WPM/WI-ECB Endowment	333,490	304,242
Total Investments	13,105,875	10,921,906
Total Assets	\$ 16,341,778	\$ 13,567,543
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts Payable	\$ 502,892	\$ 395,410
Other Accrued Liabilities	9,853	86,836
Total Liabilities	512,745	482,246
NET ASSETS		
Without Donor Restrictions:		
Undesignated	2,478,585	1,830,027
Designated for Endowment	12,028,495	10,088,994
Total Without Donor Restrictions	14,507,080	11,919,021
With Donor Restrictions	1,321,953	1,166,276
Total Net Assets	15,829,033	13,085,297
Total Liabilities and Net Assets	\$ 16,341,778	\$ 13,567,543

See accompanying Notes to Financial Statements.

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE, GAINS, AND OTHER SUPPORT			
Membership Contributions	\$ 10,623,053	\$ 732,003	\$ 11,355,056
Bequests and Memorials	955,141	-	955,141
UW-WPM Programming Gift	200,000	-	200,000
Event and Regional	3,695	-	3,695
Investment Return:			
Operating Reserves	84,975	-	84,975
Board-Designated UW-WPM/WI-ECB	1,301,458	-	1,301,458
Board-Designated UW-WPM	57,911	-	57,911
Endowment- Strategic Initiatives	-	100,084	100,084
Endowment - Permanent Endowment	-	40,547	40,547
Subtotal	<u>13,226,233</u>	<u>872,634</u>	<u>14,098,867</u>
Net Assets Released from Restrictions	<u>716,957</u>	<u>(716,957)</u>	<u>-</u>
Total Revenue, Gains, and Other Support	<u>13,943,190</u>	<u>155,677</u>	<u>14,098,867</u>
EXPENSES			
Program Services:			
Contractual Support to Licensees	6,858,794	-	6,858,794
Promotions	275,646	-	275,646
Endowment Appropriations	390,062	-	390,062
Designated Programming Gift	200,000	-	200,000
Restricted Accounts	384,666	-	384,666
Capital Projects	<u>581,270</u>	<u>-</u>	<u>581,270</u>
Total Program Services	<u>8,690,438</u>	<u>-</u>	<u>8,690,438</u>
Supporting Activities:			
Fundraising	2,317,129	-	2,317,129
Administration	<u>347,564</u>	<u>-</u>	<u>347,564</u>
Total Supporting Activities	<u>2,664,693</u>	<u>-</u>	<u>2,664,693</u>
Total Expenses	<u>11,355,131</u>	<u>-</u>	<u>11,355,131</u>
CHANGE IN NET ASSETS	2,588,059	155,677	2,743,736
Net Assets - Beginning of Year	<u>11,919,021</u>	<u>1,166,276</u>	<u>13,085,297</u>
NET ASSETS - END OF YEAR	<u><u>\$ 14,507,080</u></u>	<u><u>\$ 1,321,953</u></u>	<u><u>\$ 15,829,033</u></u>

See accompanying Notes to Financial Statements.

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE, GAINS, AND OTHER SUPPORT			
Membership Contributions	\$ 10,372,029	\$ 338,785	\$ 10,710,814
Bequests and Memorials	1,537,632	-	1,537,632
UW-WPM Programming Gift	200,000.00	-	200,000
Event and Regional	510	-	510
Investment Return:			
Operating Reserves	51,906	-	51,906
Board-Designated UW-WPM/WI-ECB	946,482	-	946,482
Board-Designated UW-WPM	45,502	-	45,502
Endowment - Strategic Initiatives	-	77,052	77,052
Endowment - Permanent Endowment	-	31,324	31,324
Subtotal	<u>13,154,061</u>	<u>447,161</u>	<u>13,601,222</u>
Net Assets Released from Restrictions	403,276	(403,276)	-
Total Revenue, Gains, and Other Support	<u>13,557,337</u>	<u>43,885</u>	<u>13,601,222</u>
 EXPENSES			
Program Services:			
Contractual Support to Licensees	8,216,688	-	8,216,688
Promotions	247,764	-	247,764
Endowment Appropriations	327,332	-	327,332
Designated Programming Gift	200,000	-	200,000
Restricted Accounts	95,131	-	95,131
Capital Projects	377,119	-	377,119
Total Program Services	<u>9,464,034</u>	<u>-</u>	<u>9,464,034</u>
Supporting Activities:			
Fundraising	2,599,806	-	2,599,806
Administration	216,164	-	216,164
Total Supporting Activities	<u>2,815,970</u>	<u>-</u>	<u>2,815,970</u>
Total Expenses	<u>12,280,004</u>	<u>-</u>	<u>12,280,004</u>
 CHANGE IN NET ASSETS	1,277,333	43,885	1,321,218
Net Assets - Beginning of Year	<u>10,641,688</u>	<u>1,122,391</u>	<u>11,764,079</u>
 NET ASSETS - END OF YEAR	<u>\$ 11,919,021</u>	<u>\$ 1,166,276</u>	<u>\$ 13,085,297</u>

See accompanying Notes to Financial Statements.

**WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2024 AND 2023**

	2024				2023			
	Program Services	Administration	Fundraising	Total	Program Services	Administration	Fundraising	Total
Contractual Support to Licensees:								
Contractual Agreement - UW-WPM	\$ 2,817,920	\$ -	\$ -	\$ 2,817,920	\$ 3,123,735	\$ 34,147	\$ -	\$ 3,157,882
Contractual Agreement - WI-ECB	4,040,874	-	-	4,040,874	5,092,953	-	-	5,092,953
Fundraising Organizer - WI-ECB	-	-	14,952	14,952	-	-	48,875	48,875
State Promotions	221,981	-	-	221,981	159,886	-	-	159,886
Membership Solicitation	-	-	1,157,488	1,157,488	-	-	1,257,915	1,257,915
Salaries, Wages, and Fringe Benefits	53,664	96,913	1,049,624	1,200,201	87,878	70,987	1,197,956	1,356,821
Accountant, Audit, and Tax Preparation	-	141,394	-	141,394	-	30,237	-	30,237
General Office and Computer	-	37,051	-	37,051	-	52,792	-	52,792
Board Expenses	-	15,077	-	15,077	-	5,666	-	5,666
Public Awareness	-	22,530	-	22,530	-	12,561	-	12,561
Bank Charges	-	2,287	-	2,287	-	1,938	-	1,938
Staff Professional Development	-	2,320	-	2,320	-	6,904	-	6,904
WI-ECB/UW-WPM Discretionary	-	989	-	989	-	932	-	932
Endowment Appropriations	390,062	-	-	390,062	327,332	-	-	327,332
Capital Projects	581,270	-	-	581,270	377,119	-	-	377,119
Depreciation and Amortization	-	29,003	95,065	124,068	-	-	95,060	95,060
Designated Programming Gift	200,000	-	-	200,000	200,000	-	-	200,000
Restricted Expenses	384,667	-	-	384,667	95,131	-	-	95,131
Total Functional Expenses	<u>\$ 8,690,438</u>	<u>\$ 347,564</u>	<u>\$ 2,317,129</u>	<u>\$ 11,355,131</u>	<u>\$ 9,464,034</u>	<u>\$ 216,164</u>	<u>\$ 2,599,806</u>	<u>\$ 12,280,004</u>

See accompanying Notes to Financial Statements.

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 2,743,736	\$ 1,321,218
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	124,068	95,060
Change in Value of Beneficial Interest in Trust	(8,920)	(6,322)
Realized and Unrealized Gains on Investments	(1,231,011)	(798,991)
Changes in Operating Assets and Liabilities:		
Accounts Receivable	31,515	(374)
Pledges Receivable	(148,178)	15,832
Inventories	-	10,282
Prepaid Expenses	(5,445)	18,314
Due from WPM Entities	(9,329)	-
Accounts Payable	107,482	231,969
Other Accrued Liabilities	(76,983)	35,753
Net Cash Provided by Operating Activities	1,526,935	922,741
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(3,642,095)	(6,574,038)
Proceeds from Sales of Investments	2,265,560	5,910,862
Purchases of Property and Equipment	-	(145,018)
Net Cash Used by Investing Activities	(1,376,535)	(808,194)
NET INCREASE IN CASH AND CASH EQUIVALENTS	150,400	114,547
Cash and Cash Equivalents - Beginning of Year	889,948	775,401
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,040,348	\$ 889,948

See accompanying Notes to Financial Statements.

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Wisconsin Public Radio Association, Inc. (WPRA) is a nonprofit corporation whose purpose is to administer various fundraising and membership duties of Wisconsin Public Radio. WPRA also provides financial support to the two licensee holders for the statewide Wisconsin Public Radio service: (1) the Board of Regents of the University of Wisconsin System, through Wisconsin Public Media, a Division of UW-Madison (henceforth "UW-WPM"), and (2) the Educational Communications Board, a State of Wisconsin Agency (henceforth "WI-ECB"). WPRA's fundraising efforts include the entire state of Wisconsin. WPRA is primarily supported by public donations. The following summary of significant accounting policies is presented to enhance the usefulness of the financial statements to the reader.

Basis of Preparation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States for the nonprofit industry. Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of WPRA and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations. Designations are voluntary board-approved segregations of net assets without donor restrictions for specific purposes, projects, or investments. WPRA board of directors and WPRA's licensees have earmarked assets for specified purposes, including board-designated endowments and licensee-designated programming funds. Since these are not donor-imposed restrictions, the designated assets are classified and reported as part of net assets without donor restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor-imposed stipulations that will be met, either by actions of WPRA and/or the passage of time. Some donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Use of Estimates

The preparation of the accompanying financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that directly affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results may differ from these estimates.

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

Cash and cash equivalents consist of cash in a checking account and investments held in short term, highly liquid assets.

Accounts Receivable

WPRA considers all accounts receivable at June 30, 2024 and 2023 to be fully collectible. Accordingly, no allowance for current expected credit losses is required. If accounts receivable become uncollectible, they will be charged to operations when that determination is made.

Software

Software development and installation costs for the Constituent Relationship Management (CRM) and Accounting Software projects are stated at cost. Amortization is calculated using the straight-line method based on the estimated useful life of the asset, which is estimated to be five years.

Investments

Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales of investments are recorded on a trade date basis. Net appreciation (depreciation) in fair value of investments includes both realized and unrealized investment gains and losses. Interest is recorded on the accrual basis and dividends are recorded on the ex-dividend date.

Beneficial Interest in Trust

WPRA has been named as a 10% beneficiary of a charitable trust held and administered by an independent trustee. This trust was created independently by donors and are administered by an outside agent designated by the donors. Therefore, WPRA has neither possession nor control over the assets of the trust. At the date WPRA receives notice of a beneficial interest, a contribution with donor restriction is recorded in the statements of activities, and a beneficial interest in trust is recorded in the statements of financial position at fair value. Thereafter, beneficial interest in the trust is reported at fair value in the statements of financial position, with changes in fair value recognized in the statements of activities.

Upon receipt of trust distributions, net assets with donor restrictions are released to net assets without donor restrictions.

Contributions

Contributions, including pledges receivable and donated assets, are recorded as received. All contributions are available for general operations unless specifically restricted by the donor. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Pledges receivable due in the next year are recorded at their net realizable value. Pledges receivable due in subsequent years are reported at the present value of their net realizable value, using risk-free interest rates applicable to the years in which the pledges are to be received.

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Tax Status

WPRA is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, WPRA qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization other than a private foundation under Section 509(a)(2).

Expense Allocation

The costs of providing the various program services and supported activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the program services and supporting activities benefited. Fundraising – contractual support to licensees consists of reimbursements to UW-WPM and WI-ECB for fundraising expenses they incur for WPRA. The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the organization. Those expenses include salaries, wages, and contractual support to the licensees. These costs are allocated based on the primary purpose of the staff duties performed. Most costs are directly charged to their related supporting function.

Adoption of New Accounting Standards

WPRA has adopted ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which modified the measurement of expected credit losses. The adoption of this standard did not have a material impact on WPRA's financial statements.

NOTE 2 CONCENTRATION OF CREDIT RISK

WPRA maintains cash deposits and certificates of deposit at various high credit qualified financial institutions. Balances on deposit are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Balances in excess of FDIC limits are uninsured. At times during the year, the balances in these accounts may exceed the insurance limits. To mitigate the risk associated with uninsured deposits, in FY24 WPRA opened an Insured Cash Sweep (ICS) account. This account functions by taking balances at the primary financial institution that are in excess of the FDIC insurance limit and dividing them into smaller amounts. These smaller amounts are placed at multiple FDIC-insured accounts at different ICS participating financial institutions. The ICS account setup with the primary financial institution fully insures deposits up to \$150 million

The endowments (see Note 5) are invested in money market funds, fixed income mutual funds, and equity mutual funds to limit risk.

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 3 PLEDGES RECEIVABLE

Pledges receivable consisted of the following:

	2024	2023
Pledges Receivable Due Within One Year	\$ 124,060	\$ 18,174
Pledges Receivable Due In Over One Year	35,000	-
Subtotal	159,060	18,174
Less: Allowance for Uncollectible Pledges	-	7,292
Pledges Receivable, Net	\$ 159,060	\$ 10,882

NOTE 4 SOFTWARE

Software consisted of the following:

	2024	2023
Software	\$ 620,319	\$ 620,319
Less: Accumulated Amortization	(472,630)	(348,562)
Software, Net	\$ 147,689	\$ 271,757

Amortization expense for the years ended June 30, 2024 and 2023 was \$124,068 and \$95,060, respectively.

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 5 INVESTMENTS

Investments, including money market funds classified as cash and cash equivalents, consisted of the following:

	2024					
	Operating Reserves	Board-Designated Endowment		Endowment		Total
		UW-WPM/ WI-ECB	UW-WPM	UW-WPM/ WI-ECB	UW-WPM	
Money Markets	\$ 704,148	\$ 349,971	\$ 5,332	\$ 3,616	\$ 9,480	\$ 1,072,547
Mutual Funds:						
Fixed Income	1,047,929	3,066,717	128,999	90,846	227,137	4,561,628
Domestic Equities	-	5,681,046	241,246	169,984	424,663	6,516,939
International Equities	-	2,367,089	98,044	69,044	172,661	2,706,838
Total Investments	\$ 1,752,077	\$ 11,464,823	\$ 473,621	\$ 333,490	\$ 833,941	\$ 14,857,952

	2023					
	Operating Reserves	Board-Designated Endowment		Endowment		Total
		UW-WPM/ WI-ECB	UW-WPM	UW-WPM/ WI-ECB	UW-WPM	
Money Markets	\$ 329,655	\$ 99,194	\$ 4,115	\$ 2,920	\$ 6,997	\$ 442,881
Mutual Funds:						
Fixed Income	998,845	2,547,791	114,250	79,660	197,488	3,938,034
Domestic Equities	-	4,839,205	227,499	158,604	392,732	5,618,040
International Equities	-	1,942,118	90,260	63,058	156,015	2,251,451
Total Investments	\$ 1,328,500	\$ 9,428,308	\$ 436,124	\$ 304,242	\$ 753,232	\$ 12,250,406

Investment return consisted of the following:

	2024					
	Operating Reserves	Board-Designated Endowment		Endowment		Total
		UW-WPM/ WI-ECB	UW-WPM	UW-WPM/ WI-ECB	UW-WPM	
Interest and Dividends	\$ 85,067	\$ 283,027	\$ 12,514	\$ 8,770	\$ 21,687	\$ 411,065
Realized Gain (Loss)	-	64,560	10,317	4,986	(2,698)	77,165
Unrealized Gain (Loss)	4,552	999,362	37,111	28,213	84,608	1,153,846
Investment Fees	(4,644)	(45,491)	(2,031)	(1,422)	(3,513)	(57,101)
Investment Return	\$ 84,975	\$ 1,301,458	\$ 57,911	\$ 40,547	\$ 100,084	\$ 1,584,975

	2023					
	Operating Reserves	Board-Designated Endowment		Endowment		Total
		UW-WPM/ WI-ECB	UW-WPM	UW-WPM/ WI-ECB	UW-WPM	
Interest and Dividends	\$ 71,997	\$ 282,973	\$ 14,188	\$ 9,799	\$ 23,772	\$ 402,729
Realized Gain (Loss)	(7)	(37,637)	(72)	(1,366)	(36,947)	(76,029)
Unrealized Gain (Loss)	(15,479)	739,385	33,348	24,249	93,518	875,021
Investment Fees	(4,605)	(38,239)	(1,962)	(1,358)	(3,291)	(49,455)
Investment Return	\$ 51,906	\$ 946,482	\$ 45,502	\$ 31,324	\$ 77,052	\$ 1,152,266

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 6 FAIR VALUE MEASUREMENTS

That framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under generally accepted accounting principles are described as follows:

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

Level 2 – Inputs to the valuation methodology include:

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

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

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

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

Following is a description of the valuation methodologies used at June 30, 2024 and 2023 for assets measured at fair value:

Mutual Funds: Valued at quoted market prices, which represent the net asset value of shares held by WPRA at year-end.

Money Market Funds: Represent ownership of units of participation rather than ownership of specific assets. The value of a unit of participation is the total value of the fund divided by the number of units outstanding.

Beneficial Interests in Trust: Valued at quoted market prices of trust investments as reported by the trustee. WPRA is a 10% beneficiary of a trust and related underlying investments to be distributed upon passing of the current income beneficiary. This beneficial interest in the trust is valued at present value utilizing estimated inputs to calculate fair value of WPRA's proportional share of the underlying investments as reported to WPRA by the trustee. This beneficial interest is considered Level 3 measurements.

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE 6 FAIR VALUE MEASUREMENTS (CONTINUED)

Information regarding assets measured at fair value on a recurring basis as of June 30 is as follows:

	2024			Total
	Level 1	Level 2	Level 3	
Money Markets	\$ 1,072,547	\$ -	\$ -	\$ 1,072,547
Mutual Funds:				
Value Funds	3,926,990	-	-	3,926,990
Growth Funds	2,589,949	-	-	2,589,949
International Funds	2,706,838	-	-	2,706,838
Fixed Income Funds	4,561,628	-	-	4,561,628
Beneficial Interest in Trust		-	90,020	90,020
Total Investments at Fair Value	<u>\$ 14,857,952</u>	<u>\$ -</u>	<u>\$ 90,020</u>	<u>\$ 14,947,972</u>
	2023			Total
	Level 1	Level 2	Level 3	
Money Markets	\$ 442,881	\$ -	\$ -	\$ 442,881
Mutual Funds:				
Value Funds	3,275,917	-	-	3,275,917
Growth Funds	2,342,123	-	-	2,342,123
International Funds	2,251,451	-	-	2,251,451
Fixed Income Funds	3,938,034	-	-	3,938,034
Beneficial Interest in Trust	-	-	81,100	81,100
Total Investments at Fair Value	<u>\$ 12,250,406</u>	<u>\$ -</u>	<u>\$ 81,100</u>	<u>\$ 12,331,506</u>

During 2024 and 2023, there were no purchases or issuances of Level 3 assets or transfers in or out of Level 3 of the fair value hierarchy.

NOTE 7 MEMBERSHIP CONTRIBUTIONS

Membership contributions consisted of the following:

	2024	2023
On-Air Pledge Drives	\$ 1,360,865	\$ 1,242,884
Direct Mail-Renewal, Additional Gifts, etc.	1,665,092	1,514,852
Telemarketing	68,603	171,240
Vehicle Donations	279,225	246,390
Employees' Company Matching	66,267	69,110
Website via wpr.org	657,632	625,944
Sustained Giving	4,475,596	4,295,929
Major Giving Revenue	230,912	347,063
Solicitation Source Unknown	1,954,954	1,886,759
Other	595,910	310,643
Total	<u>\$ 11,355,056</u>	<u>\$ 10,710,814</u>

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 8 ALLOCATION OF NET ASSETS

WPRA provides financial support to the two licensee holders for the statewide Wisconsin Public Radio service: (1) the Board of Regents of the University of Wisconsin System, through Wisconsin Public Media, a Division of UW-Madison (henceforth “UW-WPM”), and (2) the Educational Communications Board, a State of Wisconsin Agency (henceforth “WI-ECB”). WPRA solicits funds in the name of, and with the approval of, both WI-ECB and UW-WPM. Both WI-ECB and UW-WPM have access to WPRA’s net assets, retain an ongoing equity interest, and are considered to be financially interrelated organizations. WI-ECB’s and UW-WPM’s equity interests in WPRA are calculated in accordance with an allocations and operations agreement that currently provides WI-ECB with 76% and UW-WPM with 24% of WPRA’s net assets. In fiscal year 2022, the licensees agreed to a special modification to the allocations and operations agreement which had the first \$1,500,000 of unrestricted net revenue allocated to UW-WPM.

Allocation of net assets consisted of the following:

	2024		
	WI-ECB	UW-WPM	Total
Allocated Net Assets July 1, 2023	\$ 9,270,389	\$ 2,648,632	\$ 11,919,021
Support and Revenue Without Restriction	8,715,924	4,252,397	12,968,321
Designated Support and Revenue	-	200,000	200,000
Investment Return - Board-Designated UW-WPM	-	57,911	57,911
Release of Purpose Restrictions	544,887	172,070	716,957
Less: Designated Expenditures	-	(200,000)	(200,000)
Less: Endowment Appropriation	(266,208)	(123,854)	(390,062)
Less: Expenses Net of Contractual Support	(2,957,392)	(933,930)	(3,891,322)
Subtotal	15,307,600	6,073,226	21,380,826
Less: Contractual Support	(4,055,826)	(2,817,920)	(6,873,746)
Allocated Net Assets - End of Year	\$ 11,251,774	\$ 3,255,306	14,507,080
Net Assets With Donor Restrictions			1,321,953
Net Assets June 30, 2024			\$ 15,829,033
	2023		
	WI-ECB	UW-WPM	Total
Allocated Net Assets July 1, 2022	\$ 8,282,991	\$ 2,358,697	\$ 10,641,688
Support and Revenue Without Restriction	8,670,500	4,238,058	12,908,558
Designated Support and Revenue	-	200,000	200,000
Investment Return - Board-Designated UW-WPM	-	45,502	45,502
Release of Purpose Restrictions	306,490	96,786	403,276
Less: Designated Expenditures	-	(200,000)	(200,000)
Less: Endowment Appropriation	(223,517)	(103,815)	(327,332)
Less: Expenses Net of Contractual Support	(2,624,247)	(828,709)	(3,452,956)
Subtotal	14,412,217	5,806,519	20,218,736
Less: Contractual Support	(5,141,828)	(3,157,887)	(8,299,715)
Allocated Net Assets - End of Year	\$ 9,270,389	\$ 2,648,632	11,919,021
Net Assets With Donor Restrictions			1,166,276
Net Assets June 30, 2023			\$ 13,085,297

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE 9 NET ASSETS

Net assets with donor restrictions consisted of the following:

	2024			
	Beginning	Increases	Releases	Ending
Purpose Restrictions:				
Unmet Challenges	\$ 13,575	\$ 285,068	\$ 299,117	\$ (475)
Classical Music	-	364,485	209,485	155,000
Digital Fund	10,000	-	10,000	-
Diversity Intern EC	5,000	-	5,000	-
Fellowship - Second Century	-	36,000	36,000	-
Mike Simonson Fellow	-	46,451	46,451	-
Superior Region	67,830	-	67,830	-
Journalism Fund	3,400	-	3,400	-
Wisconsin Life	4,500	-	4,500	-
TTBOOK	2,000	-	2,000	-
Strategic Initiatives Endowment				
Earnings	(57,101)	100,084	19,375	23,608
Endowment Earnings	41,192	40,547	13,799	67,940
Restricted in Perpetuity	1,075,880	-	-	1,075,880
Total	<u>\$ 1,166,276</u>	<u>\$ 872,634</u>	<u>\$ 716,957</u>	<u>\$ 1,321,953</u>
	2023			
	Beginning	Increases	Releases	Ending
Purpose Restrictions:				
Unmet Challenges	\$ 11,067	\$ 284,285	\$ 281,777	\$ 13,575
Classical Music	-	5,000	5,000	-
Digital Fund	-	10,000	-	10,000
Diversity Intern EC	5,000	-	-	5,000
Mike Simonson Fellow	25,132	10,000	35,132	-
Superior Region	97,830	-	30,000	67,830
Journalism Fund	3,400	-	-	3,400
Wisconsin Life	-	29,500	25,000	4,500
TTBOOK	2,000	-	-	2,000
Strategic Initiatives Endowment				
Earnings	(121,118)	77,052	13,035	(57,101)
Endowment Earnings	23,200	31,324	13,332	41,192
Restricted in Perpetuity	1,075,880	-	-	1,075,880
Total	<u>\$ 1,122,391</u>	<u>\$ 447,161</u>	<u>\$ 403,276</u>	<u>\$ 1,166,276</u>

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 10 BOARD-DESIGNATED AND DONOR RESTRICTED ENDOWMENTS

WPRA's endowments consist of four funds established to support general operations. Its endowment includes both donor-restricted funds and funds designated by the board of directors to function as endowments. As required by accounting principles generally accepted in the United States of America (GAAP), net assets associated with endowment funds, including funds designated by the board of directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The summary of endowments below excludes contribution receivables and amounts not yet transferred to the endowment investment accounts of -\$0- and \$2,500 as of June 30, 2024 and 2023, respectively, that are classified as net assets with donor restrictions. Additionally, the summary of board-designated endowments (without donor restrictions) below excludes amounts not yet transferred to the endowment investment accounts of \$325,933 and \$224,562 as of June 30, 2024 and 2023, respectively.

Interpretation of Relevant Law

The board of directors of the Association has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, WPRA retains in perpetuity the original value of initial and subsequent gift amounts donated to the endowment. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by WPRA. WPRA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the durations and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Association, and (7) WPRA's investment policies.

Funds with Deficiencies

From time to time, the fair value of the assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires WPRA to retain as a fund of perpetual duration. As of June 30, 2024, no funds were in a deficit. As of June 30, 2023, one fund with an original gift value of \$810,331, fair value of \$753,231 and deficiency of \$57,100 was reported in net assets with donor restrictions.

Investment Return Objectives, Risk Parameters, and Strategies

WPRA has adopted investment and spending policies, approved by the board of directors, for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment funds while also allowing the conservation of principal of endowment assets over the long term. Both the board-designated endowment funds and the donor-restricted endowment fund assets are invested in a well-diversified asset mix, which includes equity and debt securities that are intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of up to 5%.

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 10 BOARD-DESIGNATED AND DONOR RESTRICTED ENDOWMENTS (CONTINUED)

Investment Return Objectives, Risk Parameters, and Strategies (Continued)

WPRAs defines total return as income from dividends and interest, as well as appreciation and depreciation in the price of the security, over a full market cycle of five years. Additionally, WPRAs understands that investment risk is measured in terms of the total endowment fund, and that investment assets and allocation between asset classes and strategies must be managed to not expose the fund to unacceptable levels of risk.

WPRAs expects its donor-restricted endowment assets to remain into perpetuity, unless otherwise stated in the gift instrument, and board-designated endowment assets to also remain into perpetuity, unless a recommendation by the director of WPR and approval of the licensees that the corpus of one or more endowment funds be accessed; and a two-thirds vote of the WPRAs board of directors. All three of these conditions must be met before the corpus of a quasi-endowment can be spent.

Spending Policy

WPRAs, effective July 1, 2009, adopted a policy of appropriating for distribution each year of up to 5% of its board-designated and donor-restricted endowment funds. These funds may be budgeted within the annual budget process or the director of WPR may recommend not budgeting these funds. In establishing this policy, WPRAs considered the long-term expected total return on its investment assets, the nature, and duration of the individual endowment funds, and the possible effects of inflation. WPRAs expects the current spending policy to allow its endowment funds to be maintained in perpetuity.

Endowment net assets composition by type of fund was as follows:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment UW-WPM/WI-ECB	\$ 11,464,823	\$ -	\$ 11,464,823
Endowment UW-WPM	473,621	-	473,621
Endowment:			
Original Donor-Restricted Gift Amount			
Required to be Maintained in Perpetuity	-	1,060,546	1,060,546
Accumulated Investment Gains	-	106,885	106,885
Endowment Net Assets	\$ 11,938,444	\$ 1,167,431	\$ 13,105,875
	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Endowment UW-WPM/WI-ECB	\$ 9,428,308	\$ -	\$ 9,428,308
Endowment UW-WPM	436,124	-	436,124
Endowment:			
Original Donor-Restricted Gift Amount			
Required to be Maintained in Perpetuity	-	1,058,046	1,058,046
Accumulated Investment Gains (Losses)	-	(572)	(572)
Endowment Net Assets	\$ 9,864,432	\$ 1,057,474	\$ 10,921,906

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 10 BOARD-DESIGNATED AND DONOR RESTRICTED ENDOWMENTS (CONTINUED)

Changes in endowment net assets were as follows:

	2024		
	Without Donor Restrictions	With Donor Restrictions	Total
Balance - Beginning of Year	\$ 9,864,432	\$ 1,057,474	\$ 10,921,906
Contributions	1,071,531	2,500	1,074,031
Appropriations	(356,888)	(33,174)	(390,062)
Investment Return:			
Interest and Dividends	295,541	30,458	325,999
Realized Gain (Loss)	(47,522)	(4,935)	(52,457)
Unrealized Gain	1,036,473	112,820	1,149,293
Investment Fees	74,877	2,288	77,165
Balance - End of Year	<u>\$ 11,938,444</u>	<u>\$ 1,167,431</u>	<u>\$ 13,105,875</u>
	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Balance - Beginning of Year	\$ 7,785,133	\$ 972,968	\$ 8,758,101
Contributions	1,388,277	2,500	1,390,777
Appropriations	(300,962)	(26,370)	(327,332)
Investment Return:			
Interest and Dividends	297,161	33,571	330,732
Realized Gain (Loss)	(37,709)	(38,313)	(76,022)
Unrealized Gain	772,733	117,767	890,500
Investment Fees	(40,201)	(4,649)	(44,850)
Balance - End of Year	<u>\$ 9,864,432</u>	<u>\$ 1,057,474</u>	<u>\$ 10,921,906</u>

NOTE 11 RELATED PARTIES

WPRA solicits and raises funds in the name of Wisconsin Public Radio on behalf of WI-ECB and UW-WPM. UW-WPM, a division of UW-Madison, provides facilities, as well as administrative and clerical services to WPRA. Related party transactions are summarized below for the years ended June 30:

	2024		2023	
	UW-WPM	WI-ECB	UW-WPM	WI-ECB
Contractual Support Paid	\$ 2,817,920	\$ 4,055,826	\$ 3,123,735	\$ 5,141,828
Endowment Appropriations Paid	123,854	266,208	103,815	223,517
Staff Support	1,768,097	-	1,593,240	-
Other Payments for Projects and Capital	481,270	100,000	277,119	100,000
Programming Paid from Designated Gifts	200,000	-	200,000	-
Accounts Payable at June 30	178,279	-	200,181	-

WISCONSIN PUBLIC RADIO ASSOCIATION, INC.
NOTES TO FINANCIAL STATEMENTS
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NOTE 12 LIQUIDITY

As part of WPRA's liquidity management, it invests cash in excess of daily requirements in short-term investments. WPRA has a quasi-endowment of \$11.9 million. Although WPRA does not intend to spend from its quasi-endowment other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation, amounts from its quasi-endowment could be made available if necessary.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

	<u>2024</u>	<u>2023</u>
Cash and Cash Equivalents	\$ 1,040,348	\$ 889,948
Short-Term Investments	1,752,077	1,328,500
Accounts Receivable	-	31,515
Pledges Receivable - Net of Noncurrent Portion	<u>124,060</u>	<u>10,882</u>
Subtotal	2,916,485	2,260,845
Less: Amounts Restricted for a Specific Purpose	<u>(154,522)</u>	<u>(106,305)</u>
Total	<u><u>\$ 2,761,963</u></u>	<u><u>\$ 2,154,540</u></u>

NOTE 13 SUBSEQUENT EVENTS

Management evaluated subsequent events through November 7, 2024, the date the accompanying financial statements were available to be issued. Events or transactions occurring after June 30, 2024 but prior to November 7, 2024, that provided additional evidence about conditions that existed at June 30, 2024, have been recognized in the accompanying financial statements for the year ended June 30, 2024. Events or transactions that provided evidence about conditions that did not exist at June 30, 2024, but arose before the accompanying financial statements were available to be issued, have not been recognized in the accompanying financial statements for the year ended June 30, 2024.



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