

**KALW-FM RADIO**  
**(A California Public Telecommunications Entity**  
**Operated by the San Francisco Unified School District)**

**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**

**For the Years Ended**  
**June 30, 2016 and 2015**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Education  
San Francisco Unified School District  
San Francisco, California

We have audited the accompanying financial statements of KALW-FM Radio (a California Public Telecommunications Entity Operated by the San Francisco Unified School District), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

### **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 and the standards required by the Corporation for Public Broadcasting, *Financial Reporting Guidelines*; 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards required by the Corporation for Public Broadcasting, *Financial Reporting Guidelines*. Those standards require that we plan and perform the audits 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 auditor's 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 entity'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 entity'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 opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of KALW-FM Radio as of June 30, 2016 and 2015, 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.

**Other Matters**

As described in Note 1, the Station is not a legally distinct entity but merely a division of the San Francisco Unified School District and is adopting a FASB nonprofit model for reporting purposes.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Doran & Associates*

November 29, 2016

**KALW-FM RADIO**  
**(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)**

**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2016**

	Unrestricted	Temporarily Restricted	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents (Note 1)	\$ 484,054	\$ 218,021	\$ 702,075
Accounts receivable (Note 1)	7,090	-	7,090
Grants receivable, current portion (Note 2)	-	342,000	342,000
Interest receivable	607	-	607
	<u>491,751</u>	<u>560,021</u>	<u>1,051,772</u>
Total current assets	491,751	560,021	1,051,772
Grants receivable, net of current portion and present value discount (Note 2)	-	214,016	214,016
Equipment and leasehold improvements, net of accumulated depreciation of \$388,487 (Notes 1 and 3)	8,562	-	8,562
	<u>8,562</u>	<u>-</u>	<u>8,562</u>
Total assets	<u>\$ 500,313</u>	<u>\$ 774,037</u>	<u>\$ 1,274,350</u>
<b>LIABILITIES AND NET ASSETS</b>			
Current liabilities:			
Accounts payable and accrued expenses	\$ 123,885	\$ -	\$ 123,885
Total liabilities	123,885	-	123,885
Net assets	<u>376,428</u>	<u>774,037</u>	<u>1,150,465</u>
Total liabilities and net assets	<u>\$ 500,313</u>	<u>\$ 774,037</u>	<u>\$ 1,274,350</u>

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

**KALW-FM RADIO**  
(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)

**STATEMENTS OF FINANCIAL POSITION (CONTINUED)**  
**June 30, 2015**

	Unrestricted	Temporarily Restricted	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents (Note 1)	\$ 783,758	\$ 62,535	\$ 846,293
Accounts receivable (Note 1)	1,380	-	1,380
Grants receivable, current portion (Note 2)	-	615,000	615,000
Interest receivable	<u>615</u>	<u>-</u>	<u>615</u>
Total current assets	785,753	677,535	1,463,288
Grants receivable, net of current portion and present value discount (Note 2)	-	257,040	257,040
Equipment and leasehold improvements, net of accumulated depreciation of \$381,743 (Notes 1 and 3)	<u>15,306</u>	<u>-</u>	<u>15,306</u>
Total assets	<u>\$ 801,059</u>	<u>\$ 934,575</u>	<u>\$ 1,735,634</u>
<b>LIABILITIES AND NET ASSETS</b>			
Current liabilities:			
Accounts payable and accrued expenses	<u>\$ 166,602</u>	<u>\$ -</u>	<u>\$ 166,602</u>
Total liabilities	166,602	-	166,602
Net assets	<u>634,457</u>	<u>934,575</u>	<u>1,569,032</u>
Total liabilities and net assets	<u>\$ 801,059</u>	<u>\$ 934,575</u>	<u>\$ 1,735,634</u>

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

**KALW-FM RADIO**  
**( A California Public Telecommunications Entity Operated by the, San Francisco Unified School District)**

**STATEMENTS OF ACTIVITIES**  
**For the year ended June 30, 2016**

	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT, REVENUE AND TRANSFERS</b>			
Support:			
Subscriptions and membership dues	\$ 1,701,009	\$ -	\$ 1,701,009
Corporation for Public Broadcasting grant	193,727	-	193,727
Foundation and corporate grants	91,090	202,230	293,320
Donated facilities (Note 5)	155,988	-	155,988
Indirect administrative support (Note 5)	<u>123,161</u>	<u>-</u>	<u>123,161</u>
Total support	2,264,975	202,230	2,467,205
Revenue:			
Interest income	2,719	-	2,719
Temporarily restricted net assets released from restrictions (Note 6)	<u>362,768</u>	<u>(362,768)</u>	<u>-</u>
Total support, revenue, and transfers	<u>2,630,462</u>	<u>(160,538)</u>	<u>2,469,924</u>
<b>EXPENSES</b>			
Program services	2,035,918	-	2,035,918
General and administrative	484,715	-	484,715
Fundraising	<u>367,858</u>	<u>-</u>	<u>367,858</u>
Total expenses	<u>2,888,491</u>	<u>-</u>	<u>2,888,491</u>
Change in net assets	(258,029)	(160,538)	(418,567)
Net assets, beginning of year	<u>634,457</u>	<u>934,575</u>	<u>1,569,032</u>
Net assets, end of year	<u>\$ 376,428</u>	<u>\$ 774,037</u>	<u>\$ 1,150,465</u>

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

**KALW-FM RADIO**  
(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)

**STATEMENTS OF ACTIVITIES (CONTINUED)**  
For the year ended June 30, 2015

	Unrestricted	Temporarily Restricted	Total
<b>SUPPORT, REVENUE AND TRANSFERS</b>			
Support:			
Subscriptions and membership dues	\$ 1,706,890	\$ -	\$ 1,706,890
Corporation for Public Broadcasting grant	214,739	-	214,739
Foundation and corporate grants	71,910	43,535	115,445
Donated facilities (Note 5)	155,988	-	155,988
Indirect administrative support (Note 5)	<u>114,824</u>	<u>-</u>	<u>114,824</u>
Total support	2,264,351	43,535	2,307,886
Revenue:			
Interest income	4,094	-	4,094
Temporarily restricted net assets released from restrictions (Note 6)	<u>419,862</u>	<u>(419,862)</u>	<u>-</u>
Total support, revenue, and transfers	<u>2,688,307</u>	<u>(376,327)</u>	<u>2,311,980</u>
<b>EXPENSES</b>			
Program services	1,937,702	-	1,937,702
General and administrative	488,483	-	488,483
Fundraising	<u>277,333</u>	<u>-</u>	<u>277,333</u>
Total expenses	<u>2,703,518</u>	<u>-</u>	<u>2,703,518</u>
Change in net assets	(15,211)	(376,327)	(391,538)
Net assets, beginning of year	<u>649,668</u>	<u>1,310,902</u>	<u>1,960,570</u>
Net assets, end of year	<u>\$ 634,457</u>	<u>\$ 934,575</u>	<u>\$ 1,569,032</u>

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



**KALW-FM RADIO**  
**(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)**

**STATEMENTS OF CASH FLOWS**  
**For the years ended June 30, 2016 and 2015**

	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	<u>\$ (418,567)</u>	<u>\$ (391,538)</u>
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Depreciation	6,744	4,635
Changes in assets and liabilities:		
Accounts receivable	(5,710)	5,341
Grants receivable	316,024	(27,945)
Interest receivable	8	992
Accounts payable and accrued expenses	(42,717)	72,567
Deferred revenue	<u>-</u>	<u>(1,568)</u>
Total adjustments	<u>274,349</u>	<u>54,022</u>
Net cash used by operating activities	<u>(144,218)</u>	<u>(337,516)</u>
Net decrease in cash and cash equivalents	(144,218)	(337,516)
Cash and cash equivalents, beginning of year	<u>846,293</u>	<u>1,183,809</u>
Cash and cash equivalents, end of year	<u>\$ 702,075</u>	<u>\$ 846,293</u>

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

**KALW-FM RADIO**  
**(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)**

**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2016 and 2015**

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NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization - KALW-FM Radio (the Station) is a noncommercial public broadcasting radio station owned and operated by the San Francisco Unified School District. As a result, it is subject to the laws and regulations of the State of California and the policies of the San Francisco Board of Education.

Reporting Entity and Financial Statement Model - The Station is not an entity legally distinct from the San Francisco Unified School District. KALW is governed by the School District, which holds the FCC broadcast license and provides the in-kind use of School District facilities as well as other administrative assistance. Substantially all supportive revenue is raised by the Station and is provided by the general public and the Corporation for Public Broadcasting.

Because the majority of funding comes from the general public and the Corporation for Public Broadcasting and not the School District, the Station has adopted the Financial Accounting Standards Board nonprofit model as described in ASC 958-205.

Method of Accounting - The financial statements of the Station are prepared using the accrual basis of accounting, which reflects revenue when earned and expenses as incurred.

Basis of Presentation - Resources are classified for accounting and reporting purposes into three classes of net assets, according to externally imposed restrictions:

*Unrestricted net assets* - Net assets that are not subject to any donor-imposed restrictions. This class also includes restricted gifts whose donor-imposed restrictions were met during the fiscal year.

*Temporarily restricted net assets* - Net assets resulting (a) from contributions and other inflows of assets whose use by the Station is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Station pursuant to those stipulations, (b) from other asset enhancements and diminishment that are subject to the same kind of stipulations, and (c) from reclassification from (or to) other classes of net assets as a consequence of donor-imposed stipulations, their expiration by passage of time, or their fulfillment and removal by actions of the Station pursuant to those stipulations.

*Permanently restricted net assets* - Net assets resulting (a) from contributions and other inflows of assets whose use by the Station is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Station, (b) from other asset enhancements and diminishment that are subject to the same kinds of stipulations, and (c) from reclassification from (or to) other classes of net assets as a consequence of donor-imposed stipulations.

There were no permanently restricted net assets as of June 30, 2016 and 2015.

**KALW-FM RADIO**  
**(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)**

**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2016 and 2015**

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NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents - Cash is defined as cash in demand deposit accounts as well as cash on hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and investments so near their maturity that the risk of changes in value due to changes in interest rates is negligible. These are generally investments with maturity dates within three months of the acquisition date.

A portion of the cash balances of the Station are included in a commingled account held by the Treasurer of the City and County of San Francisco to the credit of the San Francisco Unified School District.

Equipment and Leasehold Improvements - The Station records equipment and leasehold improvements at cost of acquisition, or, if donated, the fair market value at the date of donation. Depreciation is recognized using the straight-line method over the estimated useful life of each asset, which is five or ten years. The Station capitalizes all equipment and leasehold improvements with a cost in excess of the capitalization threshold of \$1,000.

Contributions - Contributions are recognized when the donor makes a promise to give to the Station that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes - The Station is exempt from federal and state taxes under the exemption granted to the San Francisco Unified School District.

Accounts Receivable - It is the practice of the Station to expense uncollectibles only after exhausting all efforts to collect the amounts due. There is no allowance for doubtful accounts and, based on subsequent collections, management believes all amounts will be collected in full.

Multi-Employer Retirement Plans- In September 2011, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2011-09, *Compensation - Retirement Benefits - Multi-employer Plans (Subtopic 715-80) - Disclosures about an Employer's Participation in a Multi-employer Plan*, which is effective for fiscal years ending after December 15, 2012. However, because the Station does not participate in the multi-employer plans through the SFUSD, no disclosures are required in these financial statements.

**KALW-FM RADIO**

(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)

**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2016 and 2015**

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NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting Standards Update, ASU No. 2013-06, Not-for-Profit (Topic 958); Services Received from Personnel of an Affiliate: For fiscal years beginning after June 15, 2014, nonprofit organizations must recognize all services received from personnel of an affiliate if the recipient nonprofit organization directly benefits from those services, and for which the affiliate does not charge the recipient organization. Under the Standard, applicable services are measured at the cost recognized by the affiliate for the personnel providing those services, unless measurement at cost will significantly overstate or understate the value of services received. In the opinion of management, the implementation of this new Standard did not materially impact these financial statements.

Accounting Standards, ASU 2014-09, Revenue from Contracts with Customers (Topic 606): In May 2014, the FASB issued new revenue recognition guidance, which applies to most contracts with customers. The core revenue recognition principle is that revenue should be recognized as the organization transfers goods or services to customers/clients in an amount reflecting the consideration it expects to receive. This new guidance is effective for the Station for annual reporting periods beginning after December 15, 2017. In the opinion of management, the implementation of this standard will not materially impact these financial statements.

Accounting Standards, ASU 2016-14, Presentation of Financial Statements of Not-for-Profit Entities (Topic 958): In August 2016, the FASB issued new financial statement presentation guidance, which applies to most nonprofit financial statements. The new guidance will impact net asset classes, the presentation of investment return, and other changes, and is effective for annual financial statements issued for fiscal years beginning after December 15, 2017. The new standard is not expected to have a material effect on the Station's financial position, results of operations, or cash flows.

Subsequent Events - Subsequent events have been evaluated through November 29, 2016, which is the date the financial statements were available to be issued.

NOTE 2 GRANTS RECEIVABLE

The Station has received long-term grant commitments, which were receivable at June 30, 2016 and 2015, as follows:

	<u>2016</u>	<u>2015</u>
Current portion	\$ 342,000	\$ 615,000
Long-term portion:		
2017	N/A	270,000
2018	224,807	-
Less: present value discount, 5%	<u>(10,791)</u>	<u>(12,960)</u>
	<u>214,016</u>	<u>257,040</u>
Total	<u>\$ 556,016</u>	<u>\$ 872,040</u>

In the opinion of management, all amounts are highly likely to be collected or were collected subsequent to year-end; therefore, no allowance for doubtful accounts has been recorded.

**KALW-FM RADIO**  
**(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)**

**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2016 and 2015**

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NOTE 3    EQUIPMENT AND LEASEHOLD IMPROVEMENTS

Equipment and leasehold improvements consisted of the following at June 30, 2016 and 2015:

<u>Equipment and leasehold improvements, at cost</u>	
Balance, June 30, 2014	\$ 397,049
Additions	<u>-</u>
Balance, June 30, 2015	397,049
Additions	<u>-</u>
Balance, June 30, 2016	<u>397,049</u>
<u>Accumulated depreciation</u>	
Balance, June 30, 2014	377,108
Depreciation expense	<u>4,635</u>
Balance, June 30, 2015	381,743
Depreciation expense	<u>6,744</u>
Balance, June 30, 2016	<u>388,487</u>
Equipment and leasehold improvements, net	<u>\$ 8,562</u>

As part of a broader renovation of Burton High School, where KALW is located, the Station's offices and studios are being renovated. Improvements to the space and structure are being funded by voter-approved school improvement bonds, but broadcast-specific upgrades are being funded by the Station itself. These upgrades include new studio consoles and furniture, a system to digitally interconnect audio production station-wide, and overdue updates to the Station's broadcast automation system. Expenses for these KALW-supported improvements in FY17 are estimated to total \$105,000.

**KALW-FM RADIO**  
**(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)**

**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2016 and 2015**

NOTE 4 TEMPORARILY RESTRICTED NET ASSETS

The Station is awarded grants which are received with donor stipulations that limit the use of the assets for specific purposes and/or for specific time periods. Temporarily restricted net assets at June 30, 2016 and 2015, were restricted to the following uses:

	2016	2015
News Production:		
Rosenberg Foundation	\$ 8,000	\$ 10,000
Association for Continuing Education	526,676	838,021
Hewlett Foundation	19,215	42,705
National Philanthropic Trust	-	830
California Arts Council	1,071	-
Templeton Religion Trust	179,015	-
Development consultant, Gerbode Foundation	1,000	9,000
Time-restricted:		
California Arts Council	2,929	-
Association for Continuing Education	36,131	34,019
	\$ 774,037	\$ 934,575

NOTE 5 IN-KIND CONTRIBUTIONS

Donated facilities include a transmitter and antenna site contributed by the City and County of San Francisco. This donation was recorded in both revenue and expense at estimated fair rental value. Donated facilities also include office, production and broadcasting space contributed by the San Francisco Unified School District. For the years ended June 30, 2016 and 2015, KALW-FM Radio recorded the value of the donated studio and office space as revenues and expense based upon the appraised value of the building and improvements to the San Francisco Unified School District. The value of the donated transmitter site was \$96,000 and the value of the office space was \$59,988, for a total value of donated facilities of \$155,988 for each year.

In accordance with the Corporation for Public Broadcasting *Financial Reporting Guidelines*, KALW-FM Radio records as revenues and expenditures the value of donated volunteer services only when they create or enhance a nonfinancial asset and: 1) would typically need to be purchased by the Station if they had not been donated, and 2) require specialized skills and are provided by individuals with those skills who ordinarily charge fees for the same type of service donated.

Indirect administrative support from the San Francisco Unified School District consisted of an allocation of financial, accounting and certain other costs that benefitted the Station. During the years ended June 30, 2016 and 2015, the value of indirect administrative support was \$123,161 and \$114,824, respectively.

**KALW-FM RADIO**  
**(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)**

**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2016 and 2015**

**NOTE 6 TEMPORARILY RESTRICTED NET ASSETS RELEASED FROM RESTRICTION**

The Station fulfilled the use and/or time restrictions for the following temporarily restricted items and they were released to unrestricted net assets during the years ended June 30, 2016 and 2015, as follows:

	2016	2015
News Production	\$ 354,768	\$ 403,862
Grants Manager	8,000	16,000
	\$ 362,768	\$ 419,862

**NOTE 7 EMPLOYEE RETIREMENT SYSTEMS**

All permanent employees of the Station are eligible to participate in the employee retirement systems offered by the San Francisco Unified School District. The types of plans offered vary based on the employee's status and the eligibility of each plan. The employer-funded portion of contributions made to the employee retirement systems on behalf of KALW employees was \$105,612 and \$120,063 for the years ended June 30, 2016 and 2015, respectively.

**NOTE 8 OPERATING LEASES**

In August 2014, the Station entered into an operating lease for a photocopier. The lease calls for 60 monthly payments of \$186. The Station also entered into an operating lease for a postage machine in April 2008. The lease is for a term of 63 months and calls for minimum monthly payments of \$461. The lease expense, including other month-to-month expenses, was \$4,968 and \$4,990 for the years ended June 30, 2016 and 2015, respectively.

Future estimated minimum non-cancellable lease payments for the current and subsequent years are as follows:

Year ending	
<u>June 30,</u>	
2017	\$ 2,230
2018	2,230
2019	2,230
2020	372
	\$ 7,062

**KALW-FM RADIO**  
**(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)**

**NOTES TO FINANCIAL STATEMENTS**  
**For the years ended June 30, 2016 and 2015**

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NOTE 9 JOINT COSTS

During the years ended June 30, 2016 and 2015, the costs of activities included \$23,731 and \$19,817, respectively, of joint costs that are not directly attributable to the program, fundraising, or management and general component of the activities. These joint costs were allocated as follows:

2016:	<u>Program</u>	<u>Fundraising</u>	<u>Total</u>
Quarterly Program Guide Publication	<u>\$ 21,358</u>	<u>\$ 2,373</u>	<u>\$ 23,731</u>
2015:			
Quarterly Program Guide Publication	<u>\$ 17,835</u>	<u>\$ 1,982</u>	<u>\$ 19,817</u>

NOTE 10 RISKS AND UNCERTAINTIES

The Station relies on a significant amount of funding received in the form of donations and grants from individuals and foundations to support its operations. The current global financial markets may have an impact on the level of funding provided by these funding sources. While it is impracticable to determine the impact of these events, management is taking steps to address potential changes in funding levels and reduce the Station's exposure to impact from these events.

NOTE 11 CONCENTRATIONS

The Station was the recipient of a grant commitment from one grantor that represents 99% of the grant receivable balance at June 30, 2016.



SUPPLEMENTARY INFORMATION

**KALW-FM RADIO****(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)****SCHEDULES OF FUNCTIONAL EXPENSES****For the year ended June 30, 2016**

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	Program Services	Management and General	Fundraising	Total
Salaries and employee benefits	\$ 510,034	\$ 242,214	\$ -	\$ 752,248
Membership fees	265,593	4,320	4,542	274,455
Office and other supplies	175,068	19,983	118,039	313,090
Donated transmitter site	96,000	-	-	96,000
Administrative support	-	123,161	-	123,161
Annual rental value	-	59,988	-	59,988
Contracted services	953,414	13,887	232,177	1,199,478
Telephone	20,459	14,211	-	34,670
Equipment repairs and maintenance	8,606	3,125	12,401	24,132
Depreciation expense	6,744	-	-	6,744
Travel and conferences	-	2,231	699	2,930
Insurance	-	1,595	-	1,595
Total expenses	<u>\$ 2,035,918</u>	<u>\$ 484,715</u>	<u>\$ 367,858</u>	<u>\$ 2,888,491</u>

**KALW-FM RADIO****(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)****SCHEDULES OF FUNCTIONAL EXPENSES (CONTINUED)  
For the year ended June 30, 2015**

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	Program Services	Management and General	Fundraising	Total
Salaries and employee benefits	\$ 472,305	\$ 235,951	\$ -	\$ 708,256
Membership fees	298,625	4,000	4,245	306,870
Office and other supplies	155,298	28,289	123,519	307,106
Donated transmitter site	96,000	-	-	96,000
Administrative support	-	114,824	-	114,824
Annual rental value	-	59,988	-	59,988
Contracted services	886,770	22,278	143,194	1,052,242
Telephone	21,134	19,746	-	40,880
Equipment repairs and maintenance	1,340	3,407	4,977	9,724
Depreciation expense	4,635	-	-	4,635
Travel and conferences	-	-	1,398	1,398
Insurance	1,595	-	-	1,595
Total expenses	<u>\$ 1,937,702</u>	<u>\$ 488,483</u>	<u>\$ 277,333</u>	<u>\$ 2,703,518</u>

**KALW-FM RADIO**  
**(A California Public Telecommunications Entity Operated by the San Francisco Unified School District)**

**SCHEDULE OF NONFEDERAL FINANCIAL SUPPORT**  
**For the year ended June 30, 2016**

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**SUMMARY OF NONFEDERAL FINANCIAL SUPPORT:**

Total Revenue (including in-kind contributions)	\$ 2,469,924
Less:	
Corporation for Public Broadcasting	193,727
Indirect Administrative Support	123,161
Premiums related to membership	49,475
In-Kind Contributions:	
San Francisco Unified School District: Studio and office facilities	59,988
City and County of San Francisco: Transmitter Site	<u>96,000</u>
Total Nonfederal Financial Support, as reported to CPB	<u>\$ 1,947,573</u>