

*Impactful interactions for success*

**BRADLEY UNIVERSITY WCBU-FM  
(COMPONENT OF BRADLEY UNIVERSITY)**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEARS ENDED MAY 31, 2015 AND 2014**

Wealth Advisory

Outsourcing

Audit, Tax, and Consulting



**BRADLEY UNIVERSITY WCBU-FM  
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## INDEPENDENT AUDITORS' REPORT

Board of Trustees  
Bradley University  
Peoria, Illinois

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Bradley University (Component of Bradley University), which comprise the statements of financial position as of May 31, 2015 and 2014, 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 WCBU-FM as of May 31, 2015 and 2014, and the changes in its net assets (deficit) and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

**Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information on pages 16 through 19 is presented for purposes of additional analysis and is 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 audit 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.



**CliftonLarsonAllen LLP**

Peoria, Illinois  
December 1, 2015

**BRADLEY UNIVERSITY WCBU-FM  
STATEMENTS OF FINANCIAL POSITION  
MAY 31, 2015 AND 2014**

	2015	2014
<b>ASSETS</b>		
Accounts Receivable:		
Other Receivables	\$ -	\$ 47,194
Receivable From Bradley University	50,785	9,250
Total Accounts Receivable	50,785	56,444
Investments	413,482	408,877
Equipment, Net	50,468	68,839
Total Assets	\$ 514,735	\$ 534,160
<b>LIABILITIES AND NET ASSETS (DEFICIT)</b>		
Liabilities:		
Accrued Expenses	\$ -	\$ 240
Deferred Revenue	146,636	100,646
Payable To Bradley University	515,022	486,357
Total Liabilities	661,658	587,243
Net Assets (Deficit):		
Unrestricted	(524,727)	(414,073)
Temporarily Restricted	32,385	25,877
Permanently Restricted	345,419	335,113
Total Net Assets (Deficit)	(146,923)	(53,083)
Total Liabilities and Net Assets (Deficit)	\$ 514,735	\$ 534,160

See accompanying Notes to Financial Statements.

**BRADLEY UNIVERSITY WCBU-FM  
STATEMENTS OF ACTIVITIES  
YEARS ENDED MAY 31, 2015 AND 2014**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals	
				2015	2014
<b>REVENUES AND OTHER SUPPORT</b>					
Contributions	\$ 542,826	\$ -	\$ 10,306	\$ 553,132	\$ 533,305
Government Grants	195,628	-	-	195,628	135,798
University Support	364,815	-	-	364,815	381,897
Other Income	49,525	6,508	-	56,033	98,172
Total Revenues and Other Support	1,152,794	6,508	10,306	1,169,608	1,149,172
<b>EXPENSES</b>					
Program Services:					
Programming and Production	573,068	-	-	573,068	625,855
Broadcasting	140,790	-	-	140,790	143,643
Information and Promotion	36,177	-	-	36,177	36,228
Supporting Services:					
Fundraising and Membership	294,745	-	-	294,745	329,543
Management and General	212,967	-	-	212,967	207,365
Total Expenses	1,257,747	-	-	1,257,747	1,342,634
<b>CHANGE IN NET ASSETS (DEFICIT) FROM OPERATIONS</b>	(104,953)	6,508	10,306	(88,139)	(193,462)
<b>NET UNREALIZED GAIN (LOSS) ON INVESTMENTS</b>	(5,701)	-	-	(5,701)	23,923
<b>TOTAL CHANGE IN NET ASSETS (DEFICIT)</b>	(110,654)	6,508	10,306	(93,840)	(169,539)
Net Assets (Deficit) - Beginning of Year	(414,073)	25,877	335,113	(53,083)	116,456
<b>NET ASSETS (DEFICIT) - END OF YEAR</b>	<u>\$ (524,727)</u>	<u>\$ 32,385</u>	<u>\$ 345,419</u>	<u>\$ (146,923)</u>	<u>\$ (53,083)</u>

See accompanying Notes to Financial Statements.

**BRADLEY UNIVERSITY WCBU-FM  
STATEMENT OF ACTIVITIES  
YEAR ENDED MAY 31, 2014**

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2014
<b>REVENUES AND OTHER SUPPORT</b>				
Contributions	\$ 507,521	\$ -	\$ 25,784	\$ 533,305
Government Grants	135,798	-	-	135,798
University Support	381,897	-	-	381,897
Other Income	92,319	5,853	-	98,172
Total Revenues and Other Support	1,117,535	5,853	25,784	1,149,172
<b>EXPENSES</b>				
Program Services:				
Programming and Production	625,855	-	-	625,855
Broadcasting	143,643	-	-	143,643
Information and Promotion	36,228	-	-	36,228
Supporting Services:				
Fundraising and Membership	329,543	-	-	329,543
Management and General	207,365	-	-	207,365
Total Expenses	1,342,634	-	-	1,342,634
<b>CHANGE IN NET ASSETS (DEFICIT) FROM OPERATIONS</b>	(225,099)	5,853	25,784	(193,462)
<b>NET UNREALIZED GAIN ON INVESTMENTS</b>	23,923	-	-	23,923
<b>TOTAL CHANGE IN NET ASSETS (DEFICIT)</b>	(201,176)	5,853	25,784	(169,539)
Net Assets (Deficit) - Beginning of Year	(212,897)	20,024	309,329	116,456
<b>NET ASSETS (DEFICIT) - END OF YEAR</b>	\$ (414,073)	\$ 25,877	\$ 335,113	\$ (53,083)

See accompanying Notes to Financial Statements.

**BRADLEY UNIVERSITY WCBU-FM  
STATEMENTS OF CASH FLOWS  
YEARS ENDED MAY 31, 2015 AND 2014**

	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets (Deficit)	\$ (93,840)	\$ (169,539)
Adjustments to Reconcile Change in Net Assets (Deficit) to Net Cash Provided by Operating Activities:		
Depreciation	27,932	30,223
Net Unrealized Loss (Gain) on Investments	5,701	(23,923)
Contributions Restricted for Long-Term Investment	(10,306)	(25,784)
Effects of Changes in Operating Assets and Liabilities:		
Accounts Receivable	5,659	(23,151)
Accrued Expense	(240)	(37,087)
Deferred Revenue	45,990	22,762
Payable to Bradley University	28,665	233,487
Net Cash Provided by Operating Activities	9,561	6,988
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Equipment	(9,561)	(6,988)
Purchase of Investments	(10,306)	(25,784)
Net Cash Used by Investing Activities	(19,867)	(32,772)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Contributions Restricted for Long-Term Investment	10,306	25,784
<b>NET CHANGE IN CASH</b>	-	-
Cash - Beginning of Year	-	-
<b>CASH - END OF YEAR</b>	\$ -	\$ -

See accompanying Notes to Financial Statements.



**BRADLEY UNIVERSITY WCBU-FM  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2015 AND 2014**

**NOTE 1 DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Operations**

WCBU-FM, a component of Bradley University (University), is a public broadcasting radio station operated by the University in Peoria, Illinois. As part of the University's Information Resources and Technology Division, WCBU-FM's activities are interrelated with the University and operate under its centralized administrative and budgetary controls.

**Basis of Presentation**

Assets and liabilities related to the operations of WCBU-FM are commingled with other University assets and liabilities but have been segregated in the accompanying statements to present the financial position of WCBU-FM.

The costs incurred in support of WCBU-FM programs and activities have been summarized on a functional basis in the accompanying statements. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

WCBU-FM prepares its financial statements in accordance with generally accepted accounting principles, which require classification of net assets and revenues, expenses, gains, and losses based on the absence or existence of donor-imposed restrictions into three categories: unrestricted net assets which have no donor-imposed restrictions, temporarily restricted net assets which have donor-imposed restrictions that will expire in the future, and permanently restricted net assets which have donor-imposed restrictions that do not expire.

The financial statements of WCBU-FM have been prepared on the accrual basis of accounting.

**Cash**

The University performs and records all cash transactions and retains all cash on behalf of WCBU-FM. The receivable or payable from Bradley University presented on the statement of financial position generally represents cash for the purpose of supporting WCBU-FM operations.

**Revenue Recognition**

Contributions and pledges are recognized as revenue in the statement of activities when received. Grant revenue is recognized when earned. Grant money received but not earned is reflected in the statement of financial position as deferred revenue.

**BRADLEY UNIVERSITY WCBU-FM  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2015 AND 2014**

**NOTE 1 DESCRIPTION OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Donated Services**

Donated professional services are reflected both as contribution revenue and the applicable expense at estimated fair market values.

**Equipment**

Equipment is stated at acquisition cost less accumulated depreciation. Donated equipment is recorded at estimated fair value at date of receipt as both contribution revenue and as either equipment or equipment expense based upon WCBU-FM's capitalization policy. For this presentation, depreciation is determined using the straight-line method over the estimated useful lives of the equipment of WCBU-FM, generally five to ten years. WCBU-FM has adopted a policy of capitalizing assets with a value of \$1,000 or greater.

**Impairment of Long-Lived Assets**

WCBU-FM reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of carrying amount or the fair value less costs to sell.

**Income Taxes**

The University is exempt from income taxes under Section 501(c)(3) of the U.S. Internal Revenue Code and, accordingly, no provision for such taxes has been made in the financial statements of WCBU-FM.

**Use of Estimates in the Preparation of Financial Statements**

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

**Subsequent Events**

WCBU-FM evaluated subsequent events through December 1, 2015, the date the financial statements were available to be issued.

**BRADLEY UNIVERSITY WCBU-FM  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2015 AND 2014**

**NOTE 2 UNIVERSITY SUPPORT**

Certain of the operating costs of the University are incurred for the benefit of WCBU-FM. The allocation of these costs and estimates of the University facilities and general administrative costs are reflected as unrestricted revenue and operating expenses. University support is comprised of the following for the years ended May 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Direct Operating Support	\$ 170,606	\$ 172,873
Indirect Administrative Support:		
Institutional	161,129	176,591
Physical Plant Operations	26,221	25,622
Other	<u>6,859</u>	<u>6,811</u>
Total Indirect Administrative Support	<u>194,209</u>	<u>209,024</u>
Total	<u>\$ 364,815</u>	<u>\$ 381,897</u>

The above amounts for institutional support and physical plant operations are allocations of University costs. Such allocations are based upon direct expenses and square footage of WCBU-FM compared to those of the University.

**NOTE 3 INVESTMENTS**

Investments in equity securities with readily determinable fair values and all investments in debt securities are presented at fair value. The net realized and unrealized gain or loss in the fair value of investments is reflected in the statements of activities.

A summary of the fair values of investments at May 31, 2015 and 2014 follows:

	<u>2015</u>	<u>2014</u>
Equities and Equity Mutual Funds	\$ 245,856	\$ 245,245
Fixed Income Securities	52,554	56,016
Alternative Investments	<u>115,072</u>	<u>107,616</u>
Total	<u>\$ 413,482</u>	<u>\$ 408,877</u>

Investment income of \$15,127 and \$13,901 is reported in other income in the statements of activities for the years ended May 31, 2015 and 2014, respectively. Additionally, unrealized net gain (loss) on investments of \$(5,701) and \$23,923 for the years ended May 31, 2015 and 2014, respectively, is reported as a nonoperating activity in the statements of activities.

**BRADLEY UNIVERSITY WCBU-FM  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2015 AND 2014**

**NOTE 3 INVESTMENTS (CONTINUED)**

**Endowments**

WCBU-FM endowments consist of 3 funds established to support a variety of purposes at WCBU-FM. Its endowments consist of donor-restricted endowment funds. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. An individual endowment fund is considered to be underwater if the fund is permanently restricted and the fair market value has decreased below its historical dollar value. WCBU-FM has no individual endowment funds that are considered to be “underwater” at May 31, 2015 or 2014.

**Interpretation of Relevant Law**

WCBU-FM has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. Consequently, WCBU-FM classifies permanently restricted net assets as:

- The original value of gifts donated to the permanent endowment, and
- The original value of subsequent gifts to the permanent endowment.

The remaining portion of the donor-restricted endowment fund not classified as permanently restricted is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the WCBU-FM’s Board. In accordance with UPMIFA, WCBU-FM considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purpose of WCBU-FM and the donor-restricted endowment fund
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 WCBU-FM
7. The investment policies of WCBU-FM

**Return Objectives and Risk Parameters**

WCBU-FM has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the programs supported by the endowments. The endowment assets are invested in a manner that is intended to produce long-term investment gain with a tolerance for managed risk.

**BRADLEY UNIVERSITY WCBU-FM  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2015 AND 2014**

**NOTE 3 INVESTMENTS (CONTINUED)**

**Endowments (Continued)**

Spending Policy

WCBU-FM has a policy of appropriating for distribution each year up to 5% of the endowment fund's average appreciated value over a moving three-year average.

In establishing this policy, WCBU-FM considered the long-term expected returns on its endowment investments. Accordingly, over the long term, WCBU-FM expects the current spending policy will allow its endowment to retain or enhance the original fair value of the gift.

Strategies Employed for Achieving Objectives

WCBU-FM relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends).

2015 endowment net asset composition by type of fund as of May 31, 2015:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor Restricted Endowment Funds	\$ -	\$ 29,962	\$ 345,419	\$ 375,381
Board Designated Endowment Funds	88,886	-	-	88,886
Total Funds	<u>\$ 88,886</u>	<u>\$ 29,962</u>	<u>\$ 345,419</u>	<u>\$ 464,267</u>

Changes in endowment net assets for the year ended May 31, 2015:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Net Asset - Beginning of Year	\$ 97,504	\$ 23,454	\$ 335,113	\$ 456,071
Investment Return:				
Investment Income	8,619	6,508	-	15,127
Net Investment Loss	(5,701)	-	-	(5,701)
Total	<u>2,918</u>	<u>6,508</u>	<u>-</u>	<u>9,426</u>
Contributions	-	-	10,306	10,306
Appropriation of Endowment Assets for Expenditure	<u>(11,536)</u>	<u>-</u>	<u>-</u>	<u>(11,536)</u>
Net Assets - End of Year	<u>\$ 88,886</u>	<u>\$ 29,962</u>	<u>\$ 345,419</u>	<u>\$ 464,267</u>

**BRADLEY UNIVERSITY WCBU-FM  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2015 AND 2014**

**NOTE 3 INVESTMENTS (CONTINUED)**

**Endowments (Continued)**

2014 endowment net asset composition by type of fund as of May 31, 2014:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Donor Restricted Endowment Funds	\$ -	\$ 23,454	\$ 335,113	\$ 358,567
Board Designated Endowment Funds	97,504	-	-	97,504
Total Funds	<u>\$ 97,504</u>	<u>\$ 23,454</u>	<u>\$ 335,113</u>	<u>\$ 456,071</u>

Changes in endowment net assets for the year ended May 31, 2014:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Net Asset - Beginning of Year	\$ 65,533	\$ 17,601	\$ 309,329	\$ 392,463
Investment Return:				
Investment Income	8,048	5,853	-	13,901
Net Investment Gain	23,923	-	-	23,923
Total	<u>31,971</u>	<u>5,853</u>	<u>-</u>	<u>37,824</u>
Contributions	-	-	25,784	25,784
Appropriation of Endowment Assets for Expenditure	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Assets - End of Year	<u>\$ 97,504</u>	<u>\$ 23,454</u>	<u>\$ 335,113</u>	<u>\$ 456,071</u>

**NOTE 4 FAIR VALUE MEASUREMENTS**

Generally accepted accounting principles establish a framework for measuring fair value. That framework 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 are described below:

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

**BRADLEY UNIVERSITY WCBU-FM  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2015 AND 2014**

**NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)**

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's 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 for assets measured at fair value. There have been no changes in the methodologies used at May 31, 2015 and 2014.

*Equities and equity mutual funds:* Valued at the closing price reported on the active market on which the individual securities are traded, or based on quoted prices for similar assets in active markets.

*Fixed income securities:* Valued at the closing price reported on the active market on which the individual securities are traded for those classified in Level 1. Those classified in Level 2 are valued at the most recent price of the equivalent quoted yield for such securities, or those of comparable maturity, quality, and type.

*Alternative investments:* Valued based on information provided by the manager of the various funds, developed utilizing net asset value, prices or quotes of similar assets or liabilities, or other discounted cash flow models.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while WCBU-FM believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**BRADLEY UNIVERSITY WCBU-FM  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2015 AND 2014**

**NOTE 4 FAIR VALUE MEASUREMENTS (CONTINUED)**

The following tables set forth by level, within the fair value hierarchy, WCBU-FM's assets at fair value as of May 31, 2015 and 2014:

	Assets at Fair Value as of May 31, 2015			
	Level 1	Level 2	Level 3	Total
Equities and Equity				
Mutual Funds	\$ 227,923	\$ 17,933	\$ -	\$ 245,856
Fixed Income Securities	35,525	17,029	-	52,554
Alternative Investments:				
Venture Capital	-	-	45,960	45,960
Hedge Funds	-	-	45,983	45,983
Opportunistic Funds	-	-	23,129	23,129
Total Assets at Fair Value	<u>\$ 263,448</u>	<u>\$ 34,962</u>	<u>\$ 115,072</u>	<u>\$ 413,482</u>

	Assets at Fair Value as of May 31, 2014			
	Level 1	Level 2	Level 3	Total
Equities and Equity				
Mutual Funds	\$ 227,570	\$ 17,675	\$ -	\$ 245,245
Fixed Income Securities	36,334	19,682	-	56,016
Alternative Investments:				
Venture Capital	-	-	42,853	42,853
Hedge Funds	-	-	42,379	42,379
Opportunistic Funds	-	-	22,384	22,384
Total Assets at Fair Value	<u>\$ 263,904</u>	<u>\$ 37,357</u>	<u>\$ 107,616</u>	<u>\$ 408,877</u>

The following tables set forth a summary of changes in fair value of WCBU-FM's Level 3 assets for the years ended May 31, 2015 and 2014:

	Level 3 Assets Year Ended May 31, 2015	Level 3 Assets Year Ended May 31, 2014
Balance - Beginning of Year	\$ 107,616	\$ 87,063
Realized Gains	2,290	3,325
Unrealized Gains	704	3,839
Purchases, Sales, and Settlements (Net)	4,462	13,389
Balance - End of Year	<u>\$ 115,072</u>	<u>\$ 107,616</u>



**BRADLEY UNIVERSITY WCBU-FM  
NOTES TO FINANCIAL STATEMENTS  
MAY 31, 2015 AND 2014**

**NOTE 5 EQUIPMENT, NET**

	<u>2015</u>	<u>2014</u>
Equipment	\$ 660,140	\$ 706,724
Less Accumulated Depreciation	609,672	637,885
Total	<u>\$ 50,468</u>	<u>\$ 68,839</u>

**NOTE 6 IN-KIND CONTRIBUTIONS**

WCBU-FM received donated items related to fundraising activities in the amount of \$3,380 and \$3,863 for the years ended May 31, 2015 and 2014, respectively.

**NOTE 7 NET ASSETS**

Permanently restricted net assets consist of the following investment in perpetuity, the income from which is available to support:

	<u>2015</u>	<u>2014</u>
WCBU-FM Programming and Operations	<u>\$ 345,419</u>	<u>\$ 335,113</u>

Temporarily restricted net assets are restricted for the following purpose:

	<u>2015</u>	<u>2014</u>
Equipment Acquisition, Maintenance, and Programming	<u>\$ 32,385</u>	<u>\$ 25,877</u>

**BRADLEY UNIVERSITY**  
**DETAIL OF EXPENSES**  
**YEAR ENDED MAY 31, 2015**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Program Services			Total
	Programming and Production	Broadcasting	Information and Promotion	
Salaries, Payroll Taxes, and Employee Benefits	\$ 212,386	\$ 82,503	\$ 24,115	\$ 319,004
Student Wages	3,591	1,395	408	5,394
Production	256,853	-	-	256,853
Engineering	-	17,953	-	17,953
Program Information	-	-	273	273
Fundraising	-	-	-	-
General and Administrative	-	-	-	-
Postage	1,799	699	204	2,702
Telephone	283	110	32	425
Bank Card	1,424	553	162	2,139
Legal and Accounting Services	219	85	25	329
Institutional Support	53,668	20,848	6,094	80,610
Plant Operations	8,734	3,393	992	13,119
Occupancy	2,285	887	259	3,431
Depreciation	9,303	3,614	1,056	13,973
Supplies	7,360	2,859	836	11,055
Travel and Entertainment	3,232	1,255	367	4,854
Equipment	1,683	655	190	2,528
Gift-In-Kind	-	-	-	-
Trade Outs	10,248	3,981	1,164	15,393
	<u>10,248</u>	<u>3,981</u>	<u>1,164</u>	<u>15,393</u>
Total	<u>\$ 573,068</u>	<u>\$ 140,790</u>	<u>\$ 36,177</u>	<u>\$ 750,035</u>

Supporting Services			
<u>Fundraising and Membership</u>	<u>Management and General</u>	<u>Total</u>	<u>Total</u>
\$ 189,086	\$ 129,561	\$ 318,647	\$ 637,651
3,197	2,190	5,387	10,781
-	-	-	256,853
-	-	-	17,953
-	-	-	273
9,841	-	9,841	9,841
-	20,068	20,068	20,068
1,602	1,098	2,700	5,402
252	173	425	850
1,267	868	2,135	4,274
195	134	329	658
47,780	32,739	80,519	161,129
7,775	5,328	13,103	26,222
2,034	1,394	3,428	6,859
8,283	5,676	13,959	27,932
6,552	4,490	11,042	22,097
2,877	1,971	4,848	9,702
1,501	1,026	2,527	5,055
3,380	-	3,380	3,380
9,123	6,251	15,374	30,767
<u>\$ 294,745</u>	<u>\$ 212,967</u>	<u>\$ 507,712</u>	<u>\$ 1,257,747</u>

**BRADLEY UNIVERSITY**  
**DETAIL OF EXPENSES**  
**YEAR ENDED MAY 31, 2014**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Program Services			Total
	Programming and Production	Broadcasting	Information and Promotion	
Salaries, Payroll Taxes, and Employee Benefits	\$ 215,009	\$ 82,355	\$ 23,352	\$ 320,716
Student Wages	2,644	1,013	287	3,944
Production	294,714	-	-	294,714
Engineering	-	16,807	-	16,807
Program Information	-	-	264	264
Fundraising	-	-	-	-
General and Administrative	-	-	-	-
Postage	4,055	1,553	440	6,048
Telephone	1,376	527	149	2,052
Bank Card	1,242	476	135	1,853
Legal and Accounting Services	27	10	3	40
Institutional Support	60,441	23,151	6,564	90,156
Plant Operations	8,769	3,359	952	13,080
Occupancy	2,331	893	254	3,478
Depreciation	10,345	3,961	1,124	15,430
Supplies	8,666	3,319	941	12,926
Travel and Entertainment	4,071	1,559	442	6,072
Gift-In-Kind	-	-	-	-
Trade Outs	12,165	4,660	1,321	18,146
	<u>12,165</u>	<u>4,660</u>	<u>1,321</u>	<u>18,146</u>
Total	<u>\$ 625,855</u>	<u>\$ 143,643</u>	<u>\$ 36,228</u>	<u>\$ 805,726</u>

Supporting Services			
Fundraising and Membership	Management and General	Total	Total
\$ 183,759	\$ 123,722	\$ 307,481	\$ 628,197
2,260	1,522	3,782	7,726
-	-	-	294,714
-	-	-	16,807
-	-	-	264
42,667	-	42,667	42,667
-	16,817	16,817	16,817
3,466	2,334	5,800	11,848
1,176	792	1,968	4,020
1,062	715	1,777	3,630
24	15	39	79
51,655	34,780	86,435	176,591
7,496	5,046	12,542	25,622
1,992	1,341	3,333	6,811
8,841	5,952	14,793	30,223
7,406	4,986	12,392	25,318
3,479	2,343	5,822	11,894
3,863	-	3,863	3,863
10,397	7,000	17,397	35,543
<u>\$ 329,543</u>	<u>\$ 207,365</u>	<u>\$ 536,908</u>	<u>\$ 1,342,634</u>