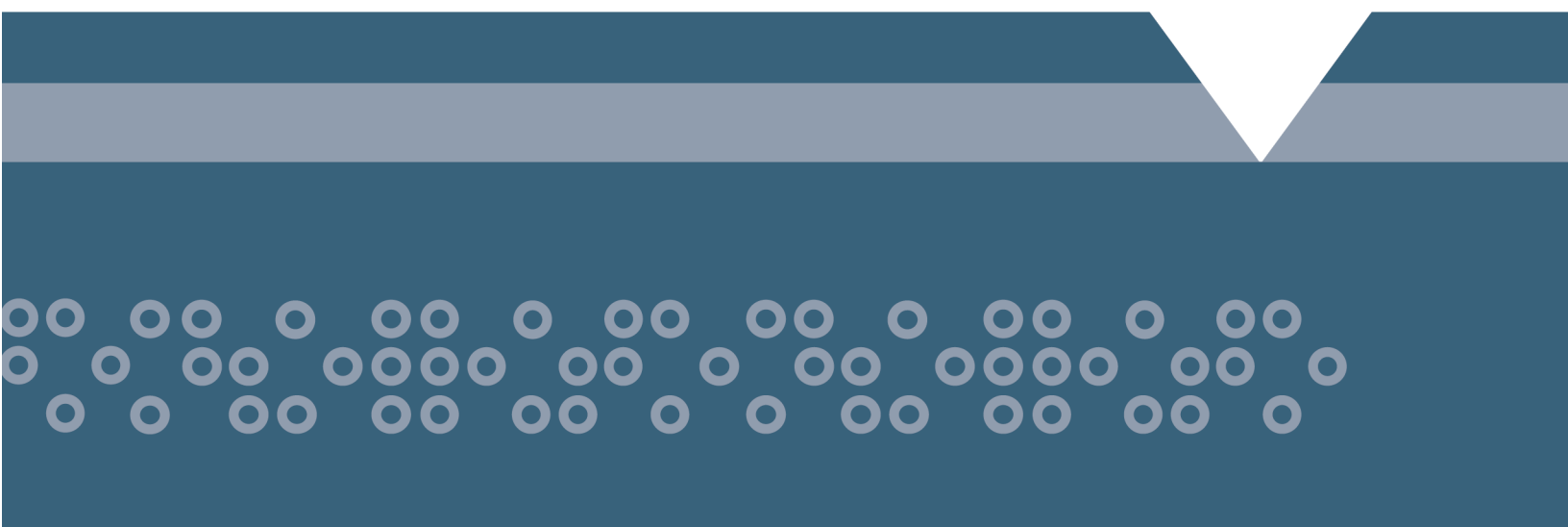


**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM and KSCL-FM Radio Stations  
Louisiana State University in Shreveport  
State of Louisiana**

June 30, 2024



CERTIFIED PUBLIC  
ACCOUNTANTS

**KDAQ-FM, KLSA-FM, KBSA-FM,  
KLDN-FM, KTYK-FM, AND KSCL-FM RADIO STATIONS  
LOUISIANA STATE UNIVERSITY IN SHREVEPORT  
STATE OF LOUISIANA**

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## KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, AND KSCL-FM RADIO STATIONS

JUNE 30, 2024

### MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Red River Radio Network's (the Network) financial performance provides an overview of the Network's financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the Network's financial statements.

#### Financial Highlights

The Network's net assets decreased by \$371,769 or 55% of the beginning value of the network's net assets, during the year ended June 30, 2024.

#### Using the Annual Report

This annual report consists of Management's Discussion and Analysis, the basic financial statements, and notes to the financial statements. Management's Discussion & Analysis provides a narrative of the Network's financial performance and activities for the year ended June 30, 2024. The basic financial statements provide readers with a broad view of the Network's finances, in a manner similar to a private-sector business. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

The basic financial statements consist of three statements:

- The Statement of Financial Position presents information on all of the Network's assets and liabilities, with the difference between the two reported as net assets. Over time, increases and decreases in net assets may serve as a useful indicator of whether the financial position of the Network is improving or deteriorating.
- The Statement of Activities presents information showing how the Network's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Certain revenues and expenses are reported in this statement that will result in cash flows in future periods.
- The Statement of Cash Flows presents information showing how the Network's cash changed during the most recent fiscal year. It shows the sources and uses of cash.

## Financial Analysis of the Network as a Whole

A summary of net assets is presented below:

	2024	2023	% Change
Current and other assets	\$ 5,100	\$ 627	713%
Capital assets, net of depreciation	<u>862,175</u>	<u>937,820</u>	(8%)
Total assets	867,275	938,447	(8%)
Current liabilities	497,424	201,236	147%
Noncurrent liabilities	<u>67,345</u>	<u>62,936</u>	7%
Total liabilities	564,769	264,172	114%
Net assets without donor restrictions	<u>302,506</u>	<u>674,275</u>	(55%)
Total net assets	<u>\$ 302,506</u>	<u>\$ 674,275</u>	(55%)

Capital assets represent the Network's long-term investment in capital assets, net of accumulated depreciation, and are not available for current operations.

### Non-Current Liabilities

The Network's non-current liabilities consist of accrued compensated absences for annual and sick leave payable which increased by \$4,409 during the fiscal year, from \$62,936 at the beginning of the year to \$67,345 at the end of the year.

A summary of changes in net assets is presented below:

	2024	2023	% Change
Operating revenues (memberships, underwriting, lease agreements, non capital grants)	<u>\$ 759,062</u>	<u>\$ 893,847</u>	(15%)
Total revenues	759,062	893,847	(15%)
Operating expenses			
Depreciation	75,645	76,381	(1%)
Other	<u>1,055,186</u>	<u>978,310</u>	8%
Total expenses	1,130,831	1,054,691	7%
Change in net assets	<u>\$ (371,769)</u>	<u>\$ (160,844)</u>	(131%)

## **Other Currently Known Facts, Decisions, or Conditions**

The network has now been operating for over 39 years and indications are that audience numbers remain steady. We celebrate our 40<sup>th</sup> anniversary on December 20th of 2024. KDAQ originally went on the air on that date in 1984.

As of this date, all of our transmitter sites are operating normally. Over the last two years, we replaced our KDAQ transmitter with a brand new system from Nautel, a company that builds the best and most compatible HD transmitters available. We are in the process of raising funds to replace the transmitters in El Dorado, Alexandria and Lufkin, a cost that will be approximately \$300,000.

Within the last two years, we introduced our new Red River Radio app, a free app available for Apple and Android devices. This provides access to many more listeners. Also, the donation of KSCL from Centenary College was completed.

Locally produced shows or features now include 15 individual programming elements and our local content continues to grow our audience. Our social media coverage and online analytics are stronger than ever, with hundreds of people listening across the country on a weekly basis, in addition to our 150,000 regular radio listeners in our region.

We recently have been granted a FEMA/CPB grant to add back-up generators at Lufkin, El Dorado and Tyler. This has taken two years of work on this grant and approval came in October of 2024. Due to frequent power issues in the Lufkin area, in particular, we are looking at ways of stabilizing this and preventing future damage to the transmitter there.

As a department of the University, we do not have the same cash flow concerns that a private and separate non-profit might have, although our goal is to have a balanced budget each year. While we don't receive direct state appropriations, LSUS has previously, and continues, to provide financial support to the Network. Like other public radio stations across the country, we have seen a reduction in contributions mostly due to inflation concerns, but we fully expect to reverse that trend and are aggressively seeking individual, corporate, and grant funds to do so. Now that KSCL is up and running properly, we also expect this to serve as a new income stream to benefit the entire network.

## **Contacting the Network's Financial Management**

This financial report is designed to provide a general overview of the Network's accountability for the money it receives. If you have questions about this report or you need additional information, please contact the Red River Radio Network at Louisiana State University in Shreveport, One University Place, Shreveport, Louisiana.

**AUDITED FINANCIAL STATEMENTS**



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REGIONS TOWER  
333 TEXAS STREET, SUITE 1525 | SHREVEPORT, LOUISIANA 71101  
318.429.1525 (P) | 318.429.2124 (F)

Louisiana State University in Shreveport  
State of Louisiana  
Shreveport, Louisiana

### **Independent Auditor's Report**

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

##### ***Opinion***

We have audited the accompanying financial statements of KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, and KSCL-FM Radio Stations Louisiana State University in Shreveport, a public telecommunications entity operated by Louisiana State University in Shreveport, which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the year then ended (with summarized totals for 2023), and the related notes to the financial statements. The prior year summarized comparative information has been derived from the Network's 2023 financial statements and, in our report dated December 27, 2023, we expressed an unmodified opinion on those financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, and KSCL-FM Radio Stations Louisiana State University in Shreveport, as of June 30, 2024, and the changes in its net assets and its cash flows for the year 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) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, and KSCL-FM Radio Stations Louisiana State University in Shreveport 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 KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, and KSCL-FM Radio Stations Louisiana State University in Shreveport's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* 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, including omissions, 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 and *Government Auditing Standards*, 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 KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, and KSCL-FM Radio Stations Louisiana State University in Shreveport'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 KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, and KSCL-FM Radio Stations Louisiana State University in Shreveport'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.



### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The management's discussion and analysis on pages i-iii and Schedule of Compensation, Benefits, and Other Payments to Agency Head on page 17 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 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 and *Government Auditing Standards*. In our opinion, the information on page 17 is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Report on Summarized Comparative Information**

We have previously audited The Network's 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 27, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued our report dated December 20, 2024, on our consideration of the KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, and KSCL-FM Radio Stations Louisiana State University in Shreveport's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Radio Station's internal control over financial reporting and compliance.

*Heard, McElroy & Vestal, LLC*

Shreveport, Louisiana  
December 20, 2024

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

June 30, 2024

Statement A

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

**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

Statement of Activities  
For the Year Ended June 30, 2024  
(With Comparative Totals for 2023)

Statement B

	2024			2023
	Operating Funds			
	Without Donor Restrictions	With Donor Restrictions	Total	Total (Summarized)
<u>Revenues, gains, and other support:</u>				
Contributions	\$ 293,986	\$ 8,200	\$ 302,186	\$ 333,074
Underwriting	92,146	-	92,146	110,060
Corporation for Public Broadcasting:				
Community service grant-general	-	108,705	108,705	100,218
National program production and acquisition grant	-	38,833	38,833	35,561
RLAIF grant	-	27,646	27,646	25,199
Community Foundation support	-	59,500	59,500	66,500
Other private foundations grants	60,818	-	60,818	160,578
In-kind contributions	846	-	846	895
Advertising barter contributions	46,079	-	46,079	39,070
Lease agreements	22,303	-	22,303	22,692
Total revenues, gains and other support	516,178	242,884	759,062	893,847
<u>Net assets released from restrictions</u>	242,884	(242,884)	-	-
<u>Expenses:</u>				
Program services-				
Programming and production	194,996	-	194,996	193,515
Broadcasting	301,344	-	301,344	276,659
Program information and promotion	16,366	-	16,366	13,905
Total program expenses	512,706	-	512,706	484,079
Supporting services-				
Management and general	364,583	-	364,583	372,394
Fundraising and membership development	115,932	-	115,932	81,463
Underwriting and grant solicitation	61,965	-	61,965	40,374
Total supporting expenses	542,480	-	542,480	494,231
Total expenses	<u>\$ 1,055,186</u>	<u>\$ -</u>	<u>\$ 1,055,186</u>	<u>\$ 978,310</u>

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

**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

Statement of Activities  
For the Year Ended June 30, 2024  
(With Comparative Totals for 2023)

	2024			Statement B
	Operating Funds			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total (Summarized)
<u>Change in net assets before capital depreciation</u>	\$ (296,124)	-	\$ (296,124)	\$ (84,463)
<u>Capital Depreciation</u>	<u>(75,645)</u>	<u>-</u>	<u>(75,645)</u>	<u>(76,381)</u>
<u>Change in net assets after capital depreciation</u>	(371,769)	-	(371,769)	(160,844)
<u>Net assets, beginning of year</u>	<u>674,275</u>	<u>-</u>	<u>674,275</u>	<u>835,119</u>
<u>Net assets, end of year</u>	<u>\$ 302,506</u>	<u>\$ -</u>	<u>\$ 302,506</u>	<u>\$ 674,275</u>

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

**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

Statement of Cash Flows  
For the Year Ended June 30, 2024  
(With Comparative Totals for 2023)

	2024			Statement C
	Operating Funds			2023
	Without Donor Restrictions	With Donor Restrictions	Total	Total (Summarized)
<u>Cash flows from operating activities:</u>				
Change in net assets	\$ (371,769)	\$ -	\$ (371,769)	\$ (160,844)
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation expense	75,645	-	75,645	76,381
Increase in accrued sick and annual leave payable	4,409	-	4,409	6,306
Increase in accounts payable	291,715	4,473	296,188	145,387
Net cash provided by operating activities	-	4,473	4,473	67,230
<u>Cash flows from investing activities:</u>				
Purchase of fixed asset	-	-	-	(67,860)
Net cash (used) by investing activities	-	-	-	(67,860)
<u>Net increase (decrease) in cash and cash equivalents</u>	-	4,473	4,473	(630)
<u>Cash and cash equivalents at beginning of year</u>	-	627	627	1,257
<u>Cash and cash equivalents at end of year</u>	\$ -	\$ 5,100	\$ 5,100	\$ 627

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

## **KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

### Notes to the Financial Statements

June 30, 2024

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#### **1. Summary of Significant Accounting Policies**

The accompanying financial statements have been prepared on the accrual basis. The significant accounting policies that follow are provided to enhance the usefulness of the financial statements to the reader.

##### **A. Organization**

Louisiana State University in Shreveport is a publicly supported institution of higher education. The University is a political subdivision of the State of Louisiana and is under the management and supervision of a body corporate known as the Board of Supervisors of Louisiana State University and Agricultural and Mechanical College. The Board of Supervisors (the Board) is the governing body over all campuses under the organizational structure of the Louisiana State University (LSU) System. All members of the Board of Supervisors are appointed by the Governor. The Board of Supervisors is the legal holder of the licenses of all the stations in this network.

On September 14, 1981, the Board of Supervisors (the Board) approved establishment of a public radio station (network) to be housed at, and operated by, Louisiana State University in Shreveport (LSU-S). On October 29, 1982, the Federal Communication Commission (FCC) assigned it the call letters KDAQ-FM. The Corporation for Public Broadcasting (CPB) was contacted in an effort to gain an understanding of the requirements to becoming a CPB “supported” station. In 1985, the radio station attained this status.

In 1985, a second station was established on the Louisiana State University at Alexandria campus (LSU-A). This station was established to be operated by LSU-S as a simulcast of KDAQ-FM. On May 17, 1985, the FCC assigned it the call letters KLSA-FM.

In 1987, a third station was established in El Dorado, Arkansas, to be operated by LSU-S as a simulcast of KDAQ-FM. On June 4, 1987, the FCC assigned it the call letters KBSA-FM.

In 1991, a fourth station was established in Lufkin, Texas, to be operated by LSU-S as a simulcast of KDAQ-FM. On December 7, 1991, the FCC assigned it the call letters KLDN-FM.

In 1996, a translator was established in Grambling, Louisiana, to be operated by LSU-S as a simulcast of KDAQ-FM. The translator numbers K214CE were assigned by the FCC on March 10, 1996.

In 2018, a fifth station was established in Overton, Texas, to be operated by LSU-S as a simulcast of KDAQ-FM. On October 18, 2018, the FCC assigned it the call letters of KTYK-FM.

In 2024, a tower and transmitter located on the Centenary College campus was transferred to be operated by LSU-S as a simulcast of KSCL-FM. The assignment and assumption of FCC licenses was completed on February 14, 2024.

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## **KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

### **Notes to the Financial Statements**

June 30, 2024

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KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM Radio Stations (aka Red River Radio Network) are departmental budget units of LSU-S and are reported in the University's Annual Financial Statements in the same respect as a "public service department." The total departmental expenditures are reported in Analysis Schedule C-2A and C-2B of LSU-S's financial statements for the network.

#### **B. Fund Accounting**

To ensure observance of limitations and restrictions placed on the use of resources available to the network, the accounts of the network are maintained in accordance with the principles of fund accounting. This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purposes. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. Accordingly, all financial transactions have been recorded and reported by fund group.

The assets, liabilities, and net assets of the network are reported in two self-balancing operating funds, which include without donor restrictions and with donor restrictions. These funds represent resources available for support of the network operations.

#### **C. Contributions**

Contributions are recorded as revenue in the Statement of Activities when received. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. For the years ended June 30, 2024 and 2023, contributions amounted to \$302,186 and \$333,074, respectively.

The Network receives monetary support from both listener contributions as well as grants. Grants are received from the Corporation for Public Broadcasting "CPB." These funds continue to play an integral role in the operational aspects of the Network. For the years ended June 30, 2024 and 2023, monies received from CPB grants amounted to \$175,184 and \$160,978. The CPB is fully funded through an annual federal appropriation, which is subject to the annual budgetary approval process.

#### **D. Statement of Cash Flows**

Cash flows are presented using the indirect method. Cash equivalents include demand deposits.

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**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

Notes to the Financial Statements

June 30, 2024

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**E. Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis per footnote 12. Accordingly, certain costs have been allocated among program and supporting services benefited based on estimates of time and effort or other systematic bases.

**F. Indirect Administrative Support**

The network occupies without charge certain premises located in and owned by the state. Donated facilities from LSU-S consist of office and studio space together with related occupancy costs and are recorded as indirect administrative support from LSU-S. Occupancy cost allocated to the network for 2024 and 2023 was \$26,373 and \$26,373, respectively. Also included in indirect administrative support are costs associated with shared functions with LSU-S, such as accounting services, information technology, and campus police. For general services such as these, the indirect administrative support allocated to the network for 2024 and 2023 was \$197,071 and \$183,905, respectively. The total for indirect administrative support for 2024 and 2023 was \$223,444 and \$210,278, respectively. Computation for the above is reflected in Schedule B of the Corporation for Public Broadcasting Annual Financial Report. Due to the fact that the network is a departmental unit of LSU-S, the corresponding income and expense related to the contributed facilities is not reported on the face of the financial statement.

**G. Income Taxes**

The network is exempt from federal income tax, except on activities unrelated to its exempt purpose, under Internal Revenue Code Section 501(c)(3). It has not adopted any uncertain tax positions with respect to those amounts reported in its 2024 financial statements. Therefore, no provision for income taxes has been made in the financial statements. The network is required to review various tax positions it has taken with respect to its exempt status and determine whether in fact it continues to qualify as a tax-exempt entity. As a tax-exempt entity, the network must also assess whether it has any tax positions associated with unrelated business income subject to income tax. The network does not expect any of these tax positions to change significantly over the next twelve months.

**H. Property and Equipment**

Property and equipment are recorded at cost, or in the case of donated property, at their estimated fair value at the date of receipt. Depreciation is recognized by the University using the straight-line method over the estimated useful life of the asset. The University maintains a physical inventory of all moveable equipment with an acquisition value of \$5,000 or more.

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**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

Notes to the Financial Statements

June 30, 2024

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**I. Net Assets**

The Radio Station is required to report information regarding its financial position and activities according to two classes of net assets as follows:

*Without donor restrictions* – Net assets that are not subject to donor-imposed stipulations. Some net assets without donor restrictions may be designated by the Advisory Board for specific purposes.

*With donor restrictions* – Net assets subject to donor-imposed stipulations that may or will be met by actions of the Radio Station, and/or by the passage of time. Donor imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

At June 30, 2024, \$302,506 of the Radio Station's total net assets of \$302,506 were classified as without donor restrictions. There were no net assets classified as with donor restrictions.

**J. Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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.

**K. Advertising Costs**

The network expenses advertising costs as incurred. The Red River Public Radio Network recorded advertising expense of \$1,579 and \$1,308 during the years ended June 30, 2024 and 2023, respectively.

**2. Liquidity and Availability**

The Radio Station has \$5,100 of financial assets available within one year of the balance sheet date, consisting of cash of \$5,100. In order to meet its operating needs, the Radio Station also has available to it resources through its status as a departmental unit of LSU-S and through the accounting as explained in note 1.A. The Radio Station continues to have the financial support of the University.

**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

## Notes to the Financial Statements

June 30, 2024

As part of the Radio Station's liquidity management plan, meetings of the Community Advisory Board are conducted six times annually to review the financial needs of the Radio Station. The Radio Station strives to meet its financial goals by the end of each fiscal year. The Advisory Board conducts pledge drives, reviews the grant application process to ensure eligibility for future grants and adjusts programming as necessary based on revenue streams.

The Radio Station, with the assistance of the Community Advisory Board, has undertaken a more aggressive approach to fundraising and underwriting as well as seeking out additional funding sources.

**3. Property and Equipment**

A summary of property and equipment is as follows:

	Balance 6/30/2023	Additions	Deletions	Depreciation	Balance 6/30/2024
Transmission and antenna	\$ 468,613	\$ -	\$ -	\$ -	\$ 468,613
<u>Less-accumulated depreciation</u>	<u>(468,613)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(468,613)</u>
Total transmission and antenna	-	-	-	-	-
Satellite dish	39,450	-	-	-	39,450
<u>Less-accumulated depreciation</u>	<u>(39,450)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(39,450)</u>
Total satellite dish	-	-	-	-	-
Studio and other broadcast equipment	809,799	-	(1,728)	-	808,071
<u>Less-accumulated depreciation</u>	<u>(689,890)</u>	<u>-</u>	<u>-</u>	<u>(47,544)</u>	<u>(737,434)</u>
Total studio and other broadcast equipment	119,909	-	(1,728)	(47,544)	70,637
Building improvements	1,054,926	-	-	-	1,054,926
<u>Less-accumulated depreciation</u>	<u>(237,015)</u>	<u>-</u>	<u>-</u>	<u>(26,373)</u>	<u>(263,388)</u>
Total building improvements	<u>817,911</u>	<u>-</u>	<u>-</u>	<u>(26,373)</u>	<u>791,538</u>
Total property and equipment	<u>\$ 937,820</u>	<u>\$ -</u>	<u>\$ (1,728.00)</u>	<u>\$ (73,917)</u>	<u>\$ 862,175</u>

**4. Leases**

As a departmental budget unit of LSU-S, the radio station relies on LSUS to enter into lease agreements for the benefit of the network. The liability and associated assets for the leases have been recorded by LSU-S as part of their financial reporting. The University allocates the costs from the operating leases with noncancellable five-year terms and a clause providing for multiple 5-year extensions. During the years ended June 30, 2024 and 2023, there was \$82,918 and \$75,272,

**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By

Louisiana State University in Shreveport

## Notes to the Financial Statements

June 30, 2024

respectively, in rental expense. Future minimum lease payments due that are anticipated to be allocated to the network are as follows:

<u>Nature of Lease</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030 and Thereafter</u>	<u>Total</u>
Tower Rental	<u>\$ 65,895</u>	<u>\$ 68,917</u>	<u>\$ 72,079</u>	<u>\$ 75,388</u>	<u>\$ 78,850</u>	<u>\$ 988,059</u>	<u>\$ 1,349,188</u>

For the benefit of the network, LSU-S entered into an agreement in October 2014 to lease a portion of a tower and a storage building to a tenant for \$530, increasing annually by 3%. The initial lease for 5 years included 4 automatic extensions of 5 years each. Future minimum lease payments to be allocated to the network by the University under the lease agreement at June 30, 2024 are as follows:

<u>Nature of Lease</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030 and Thereafter</u>	<u>Total</u>
Tower & Storage Building	<u>\$ 19,180</u>	<u>\$ 8,804</u>	<u>\$ 9,068</u>	<u>\$ 9,340</u>	<u>\$ 9,620</u>	<u>\$ 104,973</u>	<u>\$ 160,985</u>

**5. Accrued Leave Payable**

Employees accrue and accumulate annual and sick leave in accordance with policies established by the LSU Board of Supervisors for unclassified personnel, and by the Department of Civil Service for classified personnel. Substantially all employees accumulate annual and sick leave without limitation.

Upon separation of employment, personnel, or their heirs, are compensated for accumulated annual leave not to exceed 300 hours.

In addition, personnel, or their heirs, are compensated for accumulated sick leave not to exceed 200 hours upon retirement or death. Upon retirement, any annual or sick leave not compensated for is used as credited service in either Louisiana Teacher's Retirement System or Louisiana State Employees' Retirement System.

The liability for unused annual and sick leave at June 30, 2024 and 2023, is estimated to be \$67,345 and \$62,936, respectively, as reflected in Statement A. This estimated liability for compensated absences is calculated on a maximum of 300 hours for each employee having accumulated annual leave, and on a maximum of 200 hours of accumulated sick leave for unclassified employees. The liability is not calculated on sick leave balances accumulated by classified employees, since lump sum payments for sick leave only are made to retiring unclassified employees. Accrued leave payable for the year ended June 30, 2024, increased by \$4,409.

## **KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
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Notes to the Financial Statements  
June 30, 2024

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### **6. Pension Plan**

Substantially all employees of the network are members of the Louisiana State Employees' Retirement System (LASERS) or the Louisiana Teachers' Retirement System (TRS), which is made available to them as employees of Louisiana State University in Shreveport. Both plans are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. TRS and LASERS provide retirement, disability, and survivors' benefits to plan members and beneficiaries. Benefits granted by the retirement system are guaranteed by the State of Louisiana by provisions of the Louisiana Constitution of 1974. Generally, all full-time employees are eligible to participate in the systems, with employee benefits vesting after 10 years of service. Article 10, Section 29 of the Constitution of 1974 assigns the authority to establish and amend benefit provisions to the State legislature. The Systems issue annual publicly available financial reports that include financial statements and required supplementary information for the Systems.

The contribution requirements of plan members and the radio station are established and may be amended by the State legislature. The legislature annually sets the required employer contribution rate equal to the actuarially required employer contribution as set forth in Louisiana Revised Statute (LSA-R.S.) 11:102. Employees contribute 8 percent (TRS) and 8 percent (LASERS) of covered salaries. The state is required to contribute 23.3 percent of covered salaries to TRS and 41.3 percent of covered salaries to LASERS. The radio station's employer contribution is funded by self-generated revenues. The radio station's employer contributions to TRS for the years ended June 30, 2024 and 2023, were \$70,893 and \$68,272, respectively. There were no LASERS contributions for the years ended June 30, 2024 or 2023.

### **7. Optional Retirement System**

LSA-R.S. 11:921 created an optional retirement plan for academic and administrative employees of public institutions of higher education. This program was designed to aid the radio station in recruiting employees who may not be expected to remain in the Teachers Retirement System (TRS) for ten or more years. The purpose of the optional retirement plan is to provide retirement and death benefits to the participants while affording the maximum portability of these benefits to the participants.

The optional retirement plan is a defined contribution plan that provides for full and immediate vesting of all contributions remitted to the participating companies on behalf of the participants. Eligible employees make an irrevocable election to participate in the optional retirement plan rather than the TRS and purchase retirement and death benefits through contracts provided by designated companies.

Contributions by the radio station are 26.4 percent of the covered payroll. The participant's contribution, less any monthly fee required to cover the cost of administration and maintenance of the optional retirement plan, is remitted to the designated company or companies. Upon receipt of the employer's contribution, the TRS pays over to the appropriate company or companies, on behalf of the participant, an amount equal to the employer's portion of the normal cost contribution, determined actuarially. The TRS retains the balance of the employer contribution for application to the unfunded accrued liability of the system. Employer contributions to the optional retirement plan totaled \$10,603 and \$10,427 for the years ended June 30, 2024 and 2023, respectively.

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**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM RADIO STATIONS**

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**Notes to the Financial Statements**

June 30, 2024

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**8. Changes in Grant Advances with Donor Restrictions**

Balance, beginning of year	\$ -
Additions-contributions and grants	242,884
Deductions-contributions and grants recognized as revenue or support	<u>(242,884)</u>
Balance, end of year	<u>\$ -</u>

**9. Prior Year Financial Statements**

The financial information shown for 2023 in the accompanying financial statements is included to provide a basis for comparison with 2024 and presents summarized totals only.

**10. The Community Advisory Board for the Louisiana State University in Shreveport Public Radio Stations Fund**

On September 26, 1996, the Community Foundation of North Louisiana (Foundation), a nonprofit corporation of Shreveport, Louisiana with its principal office located at 401 Edwards Street, Shreveport, Louisiana 71101, in coordination with the Community Advisory Board (CAB) for the Louisiana State University in Shreveport Public Radio Stations, established the Community Advisory Board for the Louisiana State University in Shreveport Public Radio Stations Fund (Fund).

The Fund is to be used for the support of the purposes of CAB. The Fund is the property of the Foundation, and all distributions from the Fund must be approved by the Board of Directors. Distributions from the Fund to LSU in Shreveport for support of the radio stations are recognized as revenues in Statement B in the year the funds are actually received by LSU in Shreveport.

As of June 30, 2024, the Fund had a balance of \$162,582.

**11. In-Kind Contributions and Advertising Barter Transactions**

During the year ended June 30, 2024, the network received \$846 in contributions of in-kind goods and services. These gifts consisted of donated advertising, internet services and various other supplies. In addition, the network also recognized \$46,079 in advertising barter transactions. In-kind and advertising barter transactions for the year ended June 30, 2023, totaled \$895 and \$39,070, respectively.

**12. Functional Expense Reporting**

Certain categories of expenses are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Expenses are allocated based on estimates of time and effort or other reasonable bases.

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**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

**Notes to the Financial Statements**

June 30, 2024

	Program Expenses			Supporting Services			Total
	Programming and Production	Broadcasting	Program Information and Promotion	Management and General	Fundraising and Membership Development	Underwriting and Grant Solicitation	
Salaries and wages	\$ 3,693	\$ 76,031	\$ 7,826	\$ 124,900	\$ 78,043	\$ 52,029	\$ 342,522
Travel	194	51	-	34	3	-	282
Operating services	35,442	103,135	4,575	135,632	19,234	5,323	303,341
Supplies	2,735	5,583	237	4,758	1,011	276	14,600
Professional services	2,747	29,908	1,423	26,132	5,851	1,656	67,717
Licensing fees	148,895	83,936	2,190	65,693	11,298	2,548	314,560
Other charges	1,290	2,700	115	7,434	492	133	12,164
	<u>\$ 194,996</u>	<u>\$ 301,344</u>	<u>\$ 16,366</u>	<u>\$ 364,583</u>	<u>\$ 115,932</u>	<u>\$ 61,965</u>	<u>\$ 1,055,186</u>

**13. Related Party Transaction**

Included in accounts payable is \$448,329, which represents amounts paid by LSU-S on behalf of the Radio Station.

**14. Subsequent Events**

In accordance with FASB Accounting Standards Codification Topic 740, "Subsequent Events," the Network evaluated events and transactions that occurred after the statement of financial position date but before the financial statements were made available for issuance for potential recognition or disclosure in the financial statements. The Network evaluated events through December 20, 2024, the date the financial statements were available for issue.

## **SUPPLEMENTARY INFORMATION**

**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

Schedule of Compensation, Benefits, and Other Payments to Agency Head  
For the Year Ended June 30, 2024

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Agency Head: Kermit Poling

Salary	\$	77,344
Benefits - retirement		18,021
Benefits - health insurance		12,557



## **OTHER REPORTS**



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REGIONS TOWER  
333 TEXAS STREET, SUITE 1525 | SHREVEPORT, LOUISIANA 71101  
318.429.1525 (P) | 318.429.2124 (F)

December 20, 2024

Louisiana State University in Shreveport  
State of Louisiana  
Shreveport, Louisiana

**Independent Auditor's Report on Internal Control over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial Statements Performed  
in Accordance with *Government Auditing Standards***

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Radio Stations KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, and KSCL-FM Louisiana State University in Shreveport, a public telecommunications entity operated by Louisiana State University in Shreveport, which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 20, 2024.

**Internal Control over Financial Reporting**

In planning and performing our audit, we considered the Radio Stations KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, and KSCL-FM Louisiana State University in Shreveport's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Network's internal control. Accordingly, we do not express an opinion on the effectiveness of the Network's internal control.

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Heard, McElroy & Vestal, LLC*

Shreveport, Louisiana

**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, AND KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2024

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**A. Summary of Audit Results**

1. The auditor's report expresses an unmodified opinion on the financial statements of KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM Radio Stations Louisiana State University in Shreveport.
2. No material weaknesses or significant deficiencies relating to the audit of the financial statements are reported.
3. No instances of noncompliance material to the financial statements of KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, KSCL-FM Radio Stations Louisiana State University in Shreveport were disclosed during the audit.
4. The KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, and KSCL-FM Radio Stations Louisiana State University in Shreveport were not subject to a federal single audit.

**B. Findings - Financial Statement Audit**

None

**C. Findings and Questioned Costs - Major Federal Award Programs**

Not applicable

**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, AND KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

Schedule of Prior Year Findings  
For the Year Ended June 30, 2024

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No matters were reported in the prior year.

**KDAQ-FM, KLSA-FM, KBSA-FM, KLDN-FM, KTYK-FM, AND KSCL-FM RADIO STATIONS**

A Public Telecommunications Entity Operated By  
Louisiana State University in Shreveport

Management's Corrective Action Plan  
For Current Year Findings  
For the Year Ended June 30, 2024

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No matters were reported.