Consolidated Financial Report

Greater New Orleans Educational Television Foundation and Subsidiaries

September 30, 2020

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Bourgeois Bennett
CERTIFIED PUBLIC ACCOUNTANTS | CONSULTANTS
A LIMITED LIABILITY COMPANY

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September 30, 2020

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Television Foundation and Subsidiaries

September 30, 2020 and June 30, 2020

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees,
Greater New Orleans Educational Television Foundation,
New Orleans, Louisiana.

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Greater New Orleans Educational Television Foundation (a non-profit organization) and Subsidiaries, which comprise the consolidated statement of financial position as of September 30, 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the three month period then ended, and the notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenances of internal control relevant to the preparation and fair presentation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audit contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risks assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated 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

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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 the evaluation of the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Greater New Orleans Educational Television Foundation and Subsidiaries as of September 30, 2020, and the consolidated changes in its net assets and its cash flows for the three month period then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited Greater New Orleans Educational Television Foundation and Subsidiaries' consolidated financial statements as of and for the year ended June 30, 2020, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated December 21, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Matters

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information (Schedules 1 through 4) is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer (Schedule 4), is presented for purposes of additional analysis and is required by Louisiana Revised Statute 24:513(A)(3), and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated February 9, 2021 on our consideration of Greater New Orleans Educational Television Foundation and Subsidiaries' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is 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 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 Greater New Orleans Educational Television Foundation and Subsidiaries' internal control over financial reporting and compliance.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana.
February 9, 2021.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Greater New Orleans Educational Television Foundation and Subsidiaries

September 30, 2020
(with comparative totals for June 30, 2020)

	September 2020	June 2020
Assets		
Cash and cash equivalents	$ 1,025,135	$ 1,353,566
Accounts receivable, net	243,822	381,487
Capital campaign pledges receivable, net	611,910	715,720
Prepaid expenses	194,809	41,019
Investments	1,969,926	1,908,883
Property and equipment, net of accumulated depreciation	14,074,498	14,244,989
Total assets	$18,120,100	$18,645,664
Liabilities		
Accounts payable and accrued expenses	$ 247,065	$ 296,061
Line of credit	699,245	802,245
Notes payable to bank	1,273,576	1,227,112
Deferred revenue	1,031,031	1,281,019
Total liabilities	3,250,917	3,606,437
Net Assets		
Without donor restrictions	13,283,841	13,349,998
With donor restrictions	1,585,342	1,689,229
Total net assets	14,869,183	15,039,227
Total liabilities and net assets	$18,120,100	$18,645,664

See notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF ACTIVITIES

Greater New Orleans Educational Television Foundation and Subsidiaries

For the three month period ended September 30, 2020
(with comparative totals for the year ended June 30, 2020)

	Without Donor Restrictions	With Donor Restrictions	Totals September 2020	Totals June 2020
Support and Revenues				
Support:				
Contributions	$ 587,069	$ -	$ 587,069	$ 1,964,140
Grants from the Corporation for Public Broadcasting	-	-	-	951,715
Other grants	5,000	-	5,000	657,321
Other support	189,134	-	189,134	73,276
In-kind support	134,541	-	134,541	570,566
State of Louisiana capital grant	-	-	-	250,000
Revenues:				
Miscellaneous sales, net	3,683	-	3,683	32,415
Contract and production services	172,138	-	172,138	1,621,175
Miscellaneous income	-	-	-	485,333
Investment income (loss), net	65,138	-	65,138	(73,791)
Total support and revenues	1,156,703	-	1,156,703	6,532,150
Net assets released from restrictions:				
Expiration of time and purpose restrictions	103,887	(103,887)	-	-
Total support and revenues	1,260,590	(103,887)	1,156,703	6,532,150
Expenses				
Program services	666,568	-	666,568	4,528,231
Management and general	437,309	-	437,309	1,786,125
Development	222,870	-	222,870	886,955
Total expenses	1,326,747	-	1,326,747	7,201,311
Decrease in Net Assets	(66,157)	(103,887)	(170,044)	(669,161)
Net Assets				
Beginning of year	13,349,998	1,689,229	15,039,227	15,708,388
End of year	$13,283,841	$1,585,342	$14,869,183	$15,039,227

See notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Greater New Orleans Educational Television Foundation and Subsidiaries

For the three month period ended September 30, 2020
(with comparative totals for the year ended June 30, 2020)

	Program Services		Supporting Services		Total Expenses	
	Broadcasting	Engineering	Management And General	Development	September 2020	June 2020
Advertising	$ 2,135	$ -	$ -	$ 200	$ 2,335	$ 6,250
Bad debt	1,149	-	-	-	1,149	6,754
Board of trustees' expenses	-	-	-	-	-	552
Building and grounds maintenance	-	-	14,566	-	14,566	82,412
Building rental	-	-	58,936	-	58,936	249,543
CPB planning grant	-	-	14,030	-	14,030	52,925
Direct mail solicitation	-	-	-	5,913	5,913	45,591
Employee travel and other personnel costs	6	1,077	-	-	1,083	122,800
Equipment rental and maintenance cost	4,077	6,823	18,085	2,604	31,589	220,616
Insurance	-	-	55,562	-	55,562	260,972
Interest	-	-	10,024	-	10,024	71,787
Membership premiums	-	-	-	27,048	27,048	67,161
Office supplies	576	919	5,118	475	7,088	29,083
Other expenses	8,057	394	17,520	22,441	48,412	189,862
Postage and shipping	46	-	1,369	11,874	13,289	61,156
Printing	29,755	-	-	8,497	38,252	162,771
Production costs	1,898	-	-	2,135	4,033	19,252
Professional services	10,190	59,329	37,951	38,506	145,976	633,350
Program rental fees	10,009	-	-	-	10,009	883,684
Salaries, payroll taxes, contract labor, and employee benefits	210,742	91,811	147,510	83,843	533,906	2,733,660
Taxes - miscellaneous	-	1,794	-	-	1,794	13,031
Telephone	1,604	3,289	8,074	1,527	14,494	71,730
Tower and transmission equipment rental	-	79,048	-	-	79,048	314,689
Utilities	-	37,718	-	-	37,718	152,223
	280,244	282,202	388,745	205,063	1,156,254	6,451,854
Depreciation and amortization	-	104,122	48,564	17,807	170,493	749,457
Total functional expenses	$ 280,244	$ 386,324	$ 437,309	$ 222,870	$1,326,747	$7,201,311

See notes to consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Greater New Orleans Educational Television Foundation and Subsidiaries

For the three month period ended September 30, 2020
(with comparative totals for the year ended June 30, 2020)

	September 2020	June 2020
Cash Flows From Operating Activities		
Decrease in net assets	$ (170,044)	$ (669,161)
Adjustments to reconcile decrease in net assets to net cash used in operating activities:		
Depreciation and amortization	170,493	749,457
Realized gain on sale of assets	-	(370,337)
Realized and unrealized loss (gain) on investments, net	(56,916)	169,178
(Increase) decrease in operating assets:		
Accounts receivable and unconditional promises to give	137,665	(187,942)
Prepaid expenses	(153,790)	75,578
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	(48,998)	(32,714)
Deferred revenue	(249,988)	(14,092)
Revenues restricted for the acquisition of property and equipment:		
Capital campaign contributions, net of unamortized discount	3,810	(28,844)
Net cash used in operating activities	(367,768)	(308,877)

	September 2020	June 2020
Cash Flows From Investing Activities		
Purchases of property and equipment	-	(18,508)
Proceeds from sales of property and equipment	-	807,452
Proceeds from sales and maturities of investments	-	253,912
Purchases of investments	(4,127)	(209,209)
Net cash provided by (used in) investing activities	(4,127)	833,647
Cash Flows From Financing Activities		
Collections of capital campaign support	100,000	121,168
Proceeds from notes payable	169,216	581,300
Payments on notes payable	(122,752)	(585,442)
Proceeds from line of credit	-	1,027,755
Payments on line of credit	(103,000)	(975,510)
Payments on capital lease obligation	-	(42,938)
Net cash provided by financing activities	43,464	126,333
Net Increase (Decrease) in Cash and Cash Equivalents	(328,431)	651,103
Cash and Cash Equivalents		
Beginning of year	1,353,566	702,463
End of year	$ 1,025,135	$ 1,353,566

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Greater New Orleans Educational Television Foundation and Subsidiaries

September 30, 2020 and June 30, 2020

Note 1 - NATURE OF ACTIVITIES

WYES-TV is a community-owned, nonprofit public television station serving metropolitan New Orleans, southeastern Louisiana, and Mississippi Gulf Coast regions. Affiliated with the Public Broadcasting Service, WYES-TV is licensed to the Greater New Orleans Educational Television Foundation and governed by a board of trustees comprised of civic-minded individuals and distinguished community leaders.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Organization and Income Taxes

The Greater New Orleans Educational Television Foundation (the "Foundation") is a nonprofit corporation organized under the laws of the State of Louisiana to provide educational television broadcast service to the New Orleans area. It is exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code, and qualifies as an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax under the authority of R.S. 47:121(5). Net operating profits from unrelated business income are subject to Federal income tax.

Accounting standards provide detailed guidance for financial statement recognition, measurement, and disclosure of uncertain tax positions recognized in an entity's financial statements. It requires an entity to recognize the financial statement impact of a tax position when it is more likely than not that the position will not be sustained upon examination. As of September 30, 2020 and June 30, 2020, management believes the Foundation and its Subsidiaries have no uncertain tax positions that qualify for either recognition or disclosure in the consolidated financial statements. Tax years ended June 30, 2018 and later remain subject to examination by taxing authorities.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Organization and Income Taxes (Continued)

Effective July 1, 1982, the Foundation incorporated a wholly-owned subsidiary, Yescom Enterprises, Inc. ("Yescom"). The purpose of this corporation is to engage primarily in providing remote production services to third parties on a for-profit basis. All revenues generated by Yescom are dedicated to the Foundation and are used to fulfill the Foundation's exempt purpose.

John Besh's My New Orleans, L.L.C. ("Besh"), wholly owned by the Foundation was founded in February 2010 to aid in the production of a television series. On October 12, 2015, Besh amended its articles of incorporation to change its corporate name to WYES Media Services, L.L.C. ("WYES Media Services").

Yescom and WYES Media Services are collectively the "Subsidiaries".

b. Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

c. Basis of Accounting

The consolidated financial statements of the Greater New Orleans Educational Television Foundation and Subsidiaries are prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

d. Basis of Presentation

Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and Subsidiaries and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Basis of Presentation (Continued)

Net Assets With Donor Restrictions- Net assets subject to donor-imposed stipulations that will be met either by action of the Foundation and/or the passage of time, or net assets subject to donor-imposed stipulations that are maintained in perpetuity by the Foundation.

e. Consolidation

The accompanying consolidated financial statements present the combined assets, liabilities, and net assets of the Foundation and its Subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

f. Cash and Cash Equivalents

The Foundation and its Subsidiaries consider investments in money market funds to be cash equivalents, except for money market funds maintained in investment brokerage accounts which are reported as investments (see Note 7).

g. Investments

Investments in marketable securities, including mutual funds (equity funds and bond funds) and other investments are carried at fair market value in the Consolidated Statement of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Consolidated Statement of Activities.

Unrealized gains and losses on investments are recorded as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or law. Interest earned on donor restricted investments is reported based on the existence or absence of donor-imposed restrictions. Realized gains and losses on the sales of securities are determined using the specific-identification method. A decline in the fair value of investments below cost that is deemed to be other than temporary, results in a charge to the change in net assets, and the establishment of a new cost basis for the investment.

h. Promises to Give

Contributions are recognized when the donor makes a promise to give that is, in substance, unconditional. Conditional promises to give are recognized when the conditions on which they depend are substantially met. As of September 30, 2020 and June 30, 2020, there were no conditional promises to give.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Contributions and Revenue Recognition

Contributions are recorded as support with or without donor restrictions depending on the existence and/or nature of any restrictions.

The Foundation reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Consolidated Statement of Activities as net assets released from restrictions.

j. Allowance for Uncollectible Accounts

The Foundation and its Subsidiaries provide for estimated uncollectible accounts receivable on a specific account basis as determined by management. Accounts receivable are comprised principally of balances due from third parties for remote production services and studio contract services. Management has recorded allowances of approximately $14,000 and $45,000 for accounts it deems unlikely to collect as of September 30, 2020 and June 30, 2020, respectively. The Foundation provides for estimated uncollectible capital pledges receivable based on management's analysis of specific promises made. Management believes all pledges are collectible, and there is no allowance for uncollectible capital campaign pledges receivable as of September 30, 2020 and June 30, 2020.

k. Property and Equipment

The Foundation and its Subsidiaries record all property and equipment acquisitions at cost except for those received through donation, which are recorded at estimated value as of the date of donation. Such donations are reported as support without donor restrictions. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as support with donor restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Foundation and its Subsidiaries report expirations of donor restrictions when the donated assets are placed in service as instructed by the donor. The Foundation and its Subsidiaries reclassify net assets with donor restrictions to net assets without donor restrictions at that time.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Property and Equipment (Continued)

Property and equipment acquired with funds received through grants or contributions which stipulate a time period for the asset to be maintained are reported as net assets with donor restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions for expiration of time restrictions as the assets are depreciated or the time period expires.

Repairs and maintenance are charged to expense as incurred. It is the Foundation's policy to capitalize major renewals, replacements, and betterments of $2,500 or more. Depreciation and amortization are determined using the straight-line method and are intended to write-off the cost of the property and equipment over their estimated useful lives which range from 3 to 39 years.

l. In-kind Support

On June 8, 1970, the Foundation exchanged operating frequencies with WVUE, a station owned and operated at that time by Screen Gems Broadcasting of Louisiana, Inc. Emmis Televisions Broadcasting, L.P. acquired the transmitter facilities and assumed the rights and obligations of the original exchange agreement. The exchange agreement required certain items of compensation to be paid to the Foundation. On November 30, 2003, the existing agreement was terminated by a new agreement under which the Foundation was paid a buyout payment of $3,500,000 (see Note 2m) and a new antenna and transmission line, owned by the Foundation, was constructed. The Foundation will continue to receive the substantially free lease on the transmittal facilities, which is $1 per year for 20 years through November 30, 2023 (see Note 14). The Foundation's policy is to record the current rental value as revenue and recognize a corresponding amount as an expense of fulfilling its exempt purposes. The current rental value is the amount that would be charged to a commercial customer as documented by Emmis Television Broadcasting, L.P. doing business as WVUE.

The Foundation records the value of the substantially free use of the land occupied by its studio and office building and recognizes a similar amount as expense.

Beginning in July of 2004, grant money was transferred to Louisiana Public Broadcasting (LPB) under a cooperative endeavor agreement. This grant money was used by LPB to purchase transmission equipment to be used by the Foundation. The use of the transmission equipment is at no cost to the Foundation, other than general maintenance, as long as the mission of public broadcasting does

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. In-kind Support (Continued)

not change. In return, the State of Louisiana owns and insures the equipment. The estimate of the annual in-kind contributions and rental expense is $53,257 and $213,029 for the three month period ended September 30, 2020 and the year ended June 30, 2020, respectively.

m. Deferred Revenue

The Foundation received $3,500,000 under an agreement with Emmis Televisions Broadcasting, L.P. for the exchange of operating frequencies with WVUE which covers a 20 year period ending in 2023 (see Note 21). This amount is being amortized on a straight line basis over the life of the agreement, which makes the Foundation responsible for the payment of the operating expenses of the transmittal facilities. Deferred revenue related to this agreement as of September 30, 2020 and June 30, 2020 was $554,167 and $597,917, respectively. Other deferred revenues totaled $476,864 and $683,102 as of September 30, 2020 and June 30, 2020 respectively.

n. Program Rental Fees

Costs incurred for the acquisition of programs are amortized on a straight-line basis over the period of time in which the Foundation has rights to broadcast the programs as specified in the lease agreements with the program distributors.

o. Unemployment Benefits

In lieu of unemployment tax contributions, the Foundation has elected under the Louisiana Employment Security Law to reimburse the State of Louisiana for benefits paid by the State and charged against the account of the Foundation. The Foundation recognizes this expense in the period for which the benefits are billed by the State. The Subsidiaries pay unemployment taxes based on statutory rates on wages paid.

p. Methods Used for Allocation of Expenses

Most of the expenses can be directly allocated to one of the programs or supporting functions. The financial statements also report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Personnel costs and related expenses are allocated based on time and level of effort. Building and occupancy related costs are allocated on an estimate of percentage of usage.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Recently Issued Accounting Standards

Leases

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-02, "*Leases*" (Topic 842). ASU No. 2016-02 requires that a lease liability and related right-of-use-asset representing the lessee's right to use or control the asset be recorded on the statement of financial position upon the commencement of all leases except for short-term leases. Leases will be classified as either finance leases or operating leases, which are substantially similar to the classification criteria for distinguishing between capital leases and operating in existing lease accounting guidance. As a result, the effect of leases in the Statement of Activities and the Statement of Cash Flows will be substantially unchanged from the existing lease accounting guidance. The ASU is effective for fiscal years beginning after December 15, 2021. Early adoption is permitted. The Foundation is currently evaluating the full effect that the adoption of this standard will have on the consolidated financial statements.

Revenue from Contracts with Customers

In May 2014, the FASB issued ASU No. 2014-09, "*Revenue from Contracts with Customers*" (Topic 606), which provides a single comprehensive model for entities to use in accounting for revenue from contracts with customers and supersedes most current revenue recognition models. Subsequent to the issuance of ASU No. 2014-09, FASB issued several additional ASUs which amended and clarified the guidance and deferred the effective date. The new revenue standard is now effective for annual reporting periods beginning after December 15, 2019, with certain early adoption provisions available. The Foundation is currently evaluating the full effect that the adoption of this standard will have on the consolidated financial statements.

r. Subsequent Events

Management evaluates events occurring subsequent to the date of the consolidated financial statements in determining the accounting for and disclosure of transactions and events that effect the consolidated financial statements. Subsequent events have been evaluated through February 9, 2021, which is the date the consolidated financial statements were available to be issued.

Note 3 - CONCENTRATION OF CREDIT RISK ARISING FROM CASH DEPOSITS IN EXCESS OF INSURED LIMITS

The Foundation and its Subsidiaries maintain cash balances at several local financial institutions where they are insured by the Federal Deposit Insurance Corporation up to $250,000 per institution. As of September 30, 2020, cash deposits in excess of the insured limits were approximately $480,000.

Note 4 - NET ASSETS WITH DONOR RESTRICTIONS

Contributions are restricted by donors for specific purposes or designated for subsequent periods. Cash and investments raised through the capital campaign are restricted for the acquisition of property and equipment. Restrictions on such funds are considered to expire when payment for the designated purpose is made. Endowment funds are held in perpetuity.

Net assets with donor restrictions as of September 30, 2020 and June 30, 2020 are restricted for the following purposes:

	September 2020	June 2020
Endowment	$ 947,884	$ 947,884
Capital campaign - property and equipment acquisition	637,458	741,345
Total net assets with donor restrictions	$1,585,342	$1,689,229

Note 5 - AVAILABILITY OF FINANCIAL ASSETS

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Foundation receives grants and contributions with donor restrictions. In addition, the Foundation generates revenue and receives support without donor restrictions. To help manage unanticipated liquidity needs, the Foundation has a line of credit in the amount of $1,000,000.

Note 5 - AVAILABILITY OF FINANCIAL ASSETS (Continued)

Contributions without donor restrictions, broadcasting revenue, fundraising events, facility rentals, and miscellaneous income are considered to be available to meet cash needs for general expenditures. General expenditures include program services, general and administrative, and fundraising expenses. Annual operations are defined as activities occurring during, and included in the budget for, the upcoming fiscal year.

The following table represents financial assets available for general expenditures within one year as of September 30, 2020:

Financial assets:	
Cash and cash equivalents	$ 1,025,135
Accounts receivable, net	243,822
Capital campaign pledges receivable, net	611,910
Investments	1,969,926
Total financial assets as of September 30, 2020	3,850,793
Less amounts unavailable for general expenditures within one year, due to:	
Donor imposed restrictions:	
Restricted by donors with purpose restriction	(1,585,342)
Financial assets available to meet cash needs for general expenditures within one year	$ 2,265,451

Note 6 - CAPITAL CAMPAIGN PLEDGES RECEIVABLE/FUNDS HELD FOR OTHERS

During the year ended June 30, 2012, the Foundation entered into Capital Campaign Phase II. The purpose of the campaign is to raise approximately $5,500,000 from private sources for the construction of an administration building that will house programming, educational outreach, local and national productions, volunteers, public information, membership and special events, and Foundation personnel. The balance of pledges receivable, which are all deemed collectible by management, totaled $611,910 and $715,720 as of September 30, 2020 and June 30, 2020, respectively. As of September 30, 2020, the Foundation has raised pledges totaling $6,003,351, exceeding the goal by approximately $503,000. The Foundation has discounted the value of future pledges receivables by using an effective interest rate of 5%.

Note 6 - CAPITAL CAMPAIGN PLEDGES RECEIVABLE/FUNDS HELD FOR OTHERS (Continued)

The details of pledges receivable as of September 30, 2020 and June 30, 2020 are as follows:

	September 2020	June 2020
Pledges receivable at beginning of year	$ 760,000	$881,168
New pledges made during the year	-	-
Less:		
Cash received	(100,000)	(121,168)
Pledges receivable at end of year	660,000	760,000
Unamortized discount	(48,090)	(44,280)
Totals	$ 611,910	$715,720
Amounts due in:		
Less than one year	$ 240,000	$280,000
One to five years	420,000	480,000
	$ 660,000	$760,000

Note 7 - INVESTMENTS

Investments are stated at fair market value as of September 30, 2020 and June 30, 2020 and consist of the following:

	September 30, 2020	
Description	Cost	Market Value
Equity mutual funds	$ 1,210,950	$ 1,165,488
Corporate bonds and U.S. Government Agency obligations	499,482	525,197
Bond mutual funds	212,825	210,821
Money market funds	68,420	68,420
Total investments	$ 1,991,677	$ 1,969,926

	June 30, 2020	
Description	Cost	Market Value
Equity mutual funds	$ 1,207,607	$ 1,109,838
Corporate bonds and U.S. Government Agency obligations	499,482	524,798
Bond mutual funds	210,672	204,458
Money market funds	69,789	69,789
Total investments	$ 1,987,550	$ 1,908,883

Investment return for the three month period ended September 30, 2020 is summarized as follows:

	Cost	Market Value	Excess of Cost Over Market Value
Balances as of September 30, 2020	$ 1,991,677	$ 1,969,926	$ (21,751)
Balances as of June 30, 2020	$ 1,987,550	$ 1,908,883	(78,667)
Decrease in unrealized depreciation			$ 56,916

Note 7 - INVESTMENTS (Continued)

Interest and dividend income, net	$ 8,222
Unrealized gain	56,916
Investment income, net	$ 65,138

Investment return for the year ended June 30, 2020 is summarized as follows:

	Cost	Market Value	Excess of Market Value Over Cost (Cost Over Market)
Balances as of June 30, 2020	$ 1,987,550	$ 1,908,883	$ (78,667)
Balances as of June 30, 2019	$ 2,077,594	$ 2,122,764	45,170
Increase in unrealized depreciation			$(123,837)

Interest and dividend income, net	$ 95,387
Unrealized loss	(123,837)
Realized loss, net	(45,341)
Investment loss, net	$(73,791)

Investment income is presented net of custodian fees of approximately $4,000 and $16,000 for the three month period ended September 30, 2020 and year ended June 30, 2020, respectively.

Note 8 - FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in the active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under the Financial Accounting Standards Board Accounting Standards Codification Topic 820, Fair Value Measurements are described as follows:

Note 8 - FAIR VALUE MEASUREMENTS (Continued)

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

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and/or
- 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 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.

- *Mutual funds (equity funds and bond funds)*: Valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded. These are included in Level 1 of the fair value hierarchy.
- *Money market funds*: Valued at quoted market prices, which represent the net asset value per unit. These are included in Level 1 of the fair value hierarchy.
- *Corporate bonds, and U.S. Government Agency obligations*: Valued at the closing price reported on the active market on which the individual securities are traded. These are included in Level 1 of the fair value hierarchy.

Note 8 - FAIR VALUE MEASUREMENTS (Continued)

The methodologies 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 the Foundation 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.

As of September 30, 2020 and June 30, 2020, assets measured at fair value on a recurring basis are comprised of and determined as follows:

		September 2020		
			Based on	
Description	Total Assets Measured at Fair Value	Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Equity mutual funds	$1,165,488	$1,165,488	$ -	$ -
Corporate bonds and U.S. Government Agency obligations	525,197	525,197	-	-
Bond mutual funds	210,821	210,821	-	-
Money market funds	68,420	68,420	-	-
Totals	$1,969,926	$1,969,926	$ -	$ -

		June 2020		
			Based on	
Description	Total Assets Measured at Fair Value	Quoted Prices In Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Equity securities	$ 1,109,838	$ 1,109,838	$ -	$ -
Corporate bonds and U.S. Government Agency obligations	524,798	524,798	-	-
Bond mutual funds	204,458	204,458	-	-
Money market funds	69,789	69,789	-	-
Totals	$1,908,883	$1,908,883	$ -	$ -

Note 8 - FAIR VALUE MEASUREMENTS (Continued)

As of September 30, 2020 and June 30, 2020, there were no assets measured at fair value on a non- recurring basis.

Note 9 - PROPERTY AND EQUIPMENT

As of September 30, 2020 and June 30, 2020, property and equipment and accumulated depreciation was as follows:

	September 2020	June 2020
Remote production equipment	$ 5,090,340	$ 5,090,340
Equipment	5,006,009	5,006,009
Leasehold improvements	14,821,456	14,821,456
Office equipment	362,939	362,939
Vehicles	36,404	36,404
	25,317,148	25,317,148
Less accumulated depreciation	(11,242,650)	(11,072,159)
Net property and equipment	$ 14,074,498	$ 14,244,989

Depreciation and amortization expense was $170,493 and $749,457 for the three month period ended September 30, 2020 and the year ended June 30, 2020, respectively.

Note 10 - BANK LINES OF CREDIT

The Foundation has a $1,000,000 line of credit with Hancock Whitney Bank. Interest is due monthly at LIBOR ICE - one month + 2.50% (2.65% and 2.66% as of September 30, 2020 and June 30, 2020, respectively). The line of credit expired on December 11, 2020 and was extended through December 11, 2021. The balance outstanding was $699,245 and $802,245 as of September 30, 2020 and June 30, 2020, respectively.

Note 11 - NOTES PAYABLE TO BANK

The Foundation is obligated on the following notes payable as of September 30, 2020 and June 30, 2020.

	September 2020	June 2020
Note payable to Iberia Bank. The note was converted from a line of credit to a term note in May 2019 and is due upon the lender's demand. If no demand is made, it is due on February 28, 2025. The note bears interest equal to the LIBOR ICE rate plus 1.75% (1.90% and 1.91% as of September 30, 2020 and June 30, 2020, respectively) and is secured by a negative pledge balance.	$ 548,639	$ 645,812
Note payable to Iberia Bank. The note was signed on April 13, 2020 as a part of the Payroll Protection Program in response to the COVID-19 pandemic and is due in full in April 2022 if the criteria for forgiveness are not met. The note bears a fixed interest rate of 1% and is unsecured. The note is expected to be forgiven in full.	164,800	164,800
Note payable to Iberia Bank. The note was signed on April 11, 2020 as a part of the Payroll Protection Program in response to the COVID-19 pandemic and is due in full in April 2022 if the criteria for forgiveness are not met. The note bears a fixed interest rate of 1% and is unsecured. The note is expected to be forgiven in full.	416,500	416,500
Note payable to First Insurance Financing. The note was signed on July 7, 2020 to finance the indemnity insurance and is due in 15 payments of $11,329. The note bears a fixed interest rate of 3.99% and is secured by a security interest in the insurance policy.	143,637	-
Totals	$ 1,273,576	$ 1,227,112

Note 11 - NOTES PAYABLE TO BANK (Continued)

Future principal payments to be made on these notes as of September 30, 2020 are as follows:

Year Ending June 30,	
2021	$ 970,461
2022	303,115
Total	$1,273,576

Note 12 - CAPITAL LEASE

The Foundation entered into a capital lease agreement for studio equipment. The lease term was for 24 months and commenced in July 2018. The lease called for 24 monthly payments of $3,578 beginning in July 2018. There is no interest under this agreement, which also included a provision for repairs and other expenses not capitalized.

As of June 30, 2020, the following is a schedule of capitalized cost and accumulated depreciation acquired through capital leases:

Capitalized costs	$ 75,385
Accumulated depreciation	(20,641)
Net book value	$ 54,744

Depreciation expense on equipment acquired through the capital lease totaled $10,769 for the year ended June 30, 2020.

The capital lease obligation was paid in full as of June 30, 2020.

Note 13 - ENDOWMENT

The Endowments. The Foundation's Endowment Fund consists of one fund established for support of operations and facility maintenance costs and includes donor-restricted endowment funds. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law. The Board of Trustees has interpreted the State Prudent Management Institutional Funds Act (SPMIFA) 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. As a result of this interpretation, the Foundation classifies the following amounts as restricted net assets in the accompanying consolidated financial statements:

- the original value of the gifts donated to the endowment held in perpetuity;
- the original value of subsequent gifts to the endowment held in perpetuity;
- when applicable, accumulations to the endowment, made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. There were no additional gifts during the years ended September 30, 2020 and June 30, 2020.

In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- the duration and preservation of the fund;
- the purposes of the Foundation and the donor-restricted endowment fund;
- general economic conditions;
- the possible effect of inflation and deflation;
- the expected total return from income and the appreciation of investments;
- other resources of the Foundation; and
- the investment policies of the Foundation.

Note 13 - ENDOWMENT (Continued)

Endowment net asset composition by type of fund as of September 30, 2020 and June 30, 2020 is as follows:

	30-Sep-20		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 947,884	$ 947,884

	June 30, 2020		
	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	$ -	$ 947,884	$ 947,884

Changes in endowment net assets for the three month period ended September 30, 2020 and the year ended June 30, 2020 are as follows:

	September 30, 2020		
	Without Donor Restrictions	With Donor Restrictions	Totals
Net assets, beginning of the year	$ -	$ 947,884	$ 947,884
Investment loss	(21,921)	-	(21,921)
Transfers from operations	21,921	-	21,921
Net assets, end of the year	$ -	$ 947,884	$ 947,884

	June 30, 2020		
	Without Donor Restrictions	With Donor Restrictions	Totals
Net assets, beginning of the year	$ -	$ 947,884	$ 947,884
Investment loss	(22,877)	-	(22,877)
Transfers from operations	22,877	-	22,877
Net assets, end of the year	$ -	$ 947,884	$ 947,884

Note 13 - ENDOWMENT (Continued)

Funds with Deficiencies. From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that either the donor or SPMIFA requires the Foundation to retain as a fund of perpetual duration. These deficiencies can result from unfavorable market fluctuations and when continued appropriations for certain programs that were deemed prudent by the Board of Trustees occur in concurrence with the unfavorable market fluctuations. There were no such deficiencies as of September 30, 2020 and June 30, 2020.

Return Objectives and Risk Parameters. Endowment assets include donor restricted funds that the Foundation must hold in perpetuity. Under the investment policy, as approved by the Board of Trustees, gifts held in perpetuity to the Foundation are invested in a combination of fixed income and equity investments placed with an investment advisor who has been provided with specific guidelines for the portfolio composition within certain percentage ranges. Such guidelines prohibit investments considered at high risk such as derivatives, commodities, futures, options, purchases on margins, and short sales. The finance committee receives reports from the investment advisor and periodically reviews the investment guidelines.

Strategies Employed for Achieving Objectives. To satisfy its long-term rate of return objectives, management believes that asset allocation is the major determinant of investment performance and relies on a long-term asset allocation plan, consistent with the Foundation's investment objectives and performance goals. The Foundation targets a diversified asset allocation that is divided between equities (range between 65% and 85% with a target of 75%) and fixed income (range between 15% and 35% with a target of 25%).

Spending Policy and How Investment Objectives Relate to the Spending Policy. The Foundation adopted a policy of appropriating for distribution for operational spending, no more than 5% annually of the total endowment fund, including earnings. Earnings that exceed the allowed annual distribution shall remain in the fund to offset potential market losses so as to preserve the original corpus of the donor-restricted endowment funds.

Note 14 - IN-KIND SUPPORT - RENTAL VALUE OF LEASED FACILITIES AND OTHER

The television station, transmission tower, and land are leased through November 30, 2023, at $1 per year. The fair market rental value as established by WVUE for the tower, antenna, and land occupied by the Foundation was valued at approximately $25,791 and $101,660 for the three month period ended September 30, 2020 and for the year ended June 30, 2020, respectively.

Note 14 - IN-KIND SUPPORT - RENTAL VALUE OF LEASED FACILITIES AND OTHER (Continued)

The fair value of transmission equipment owned by LPB and leased to the Foundation for no rent was $53,257 and $213,029 for the three month period ended September 30, 2020 and for the year ended June 30, 2020, respectively.

The television studio and office building are located on land leased through January 31, 2035 at $1 per year. An independent appraisal performed in April 2016 established a fair annual rental value for the land at $200,000. Rental value of $50,000 and $200,000, for the three month period ended September 30, 2020 and for the year ended June 30, 2020, respectively, was recorded.

The Foundation recorded the value of certain in-kind goods and services received of $5,493 and $55,877 for the three month period ended September 30, 2020 and for the year ended June 30, 2020, respectively.

The fair rental values of the above described properties have been recorded as support and expenses for the three month period ended September 30, 2020 and for the year ended June 30, 2020 as follows:

	September 2020	June 2020
Support		
Transmitter in-kind rent:		
Tower and facility	$ 25,791	$ 101,660
Transmission equipment	53,257	213,029
Studio and office building in-kind rent	50,000	200,000
Other goods and services	5,493	55,877
Total support	$ 134,541	$ 570,566
Expenditures		
Tower rental	$ 25,791	$ 101,660
Transmission equipment	53,257	213,029
Land rental	50,000	200,000
Donated goods and services	5,493	55,877
Total expenditures	$ 134,541	$ 570,566

Note 14 - IN-KIND SUPPORT - RENTAL VALUE OF LEASED FACILITIES AND OTHER (Continued)

Numerous volunteers have donated significant amounts of time to the Foundation's fund-raising campaigns and programs. No amounts have been reflected in the consolidated financial statements because they did not meet the criteria for recognition under FASB ASC No. 958, *Not-for-Profit Entities*.

Note 15 - COMMITMENTS AND CONTINGENCIES

The television studio and office building are located on land leased from the City of New Orleans for $1 per year for a 50 year period ending January 31, 2035.

The Foundation began outsourcing some of their accounting responsibilities to National Educational Telecommunications Association (NETA) in July 2013. The professional fees under this agreement totaled approximately $33,500 and $101,900 for the three month period ended September 30, 2020 and for the year ended June 30, 2020, respectively. This agreement was extended through June 30, 2022 with total fees of approximately $80,000 per year.

YESCOM leased a facility to store its trucks under an operating lease through July 2019 for $4,500 per month. The Foundation has not extended the lease and is currently paying month to month. As a result of the sale of the HDI mobile unit, the expense was reduced to $2,500 in November 2019. Rent expense was $7,500 and $38,000 for the three month period ended September 30, 2020 and for the year ended June 30, 2020, respectively.

Note 16 - UNRELATED BUSINESS INCOME

Revenues from certain projects are considered unrelated business income of a nonprofit organization by the Internal Revenue Service. Any net operating profits derived from such projects are subject to Federal unrelated business income tax.

The Foundation derives revenue from the rental of the remote production vehicle and rental of the studio facility (see Note 17). This income is reported as unrelated business income in the Foundation's Exempt Organization Business Income Tax Return ("Form 990T"). There was no net taxable income for either the three month period ended September 30, 2020 or the year ended June 30, 2020. There is no amount due or receivable as of September 30, 2020 and June 30, 2020.

The Foundation has a net operating loss of approximately $1,397,000 that can be carried forward indefinitely.

Note 17 - SUBSIDIARY OPERATIONS AND INCOME TAXES

Yescom, the Foundation's wholly-owned subsidiary, derives income by providing remote production services with a remote production vehicle, production services at the Foundation's facility, and other services to third parties. This income is reported in Yescom's U.S. Corporation Income Tax Returns.

Yescom's operations resulted in a net loss of approximately $90,000 for the three month period ended September 30, 2020. Yescom has a net operating loss of approximately $501,000 which will be carried forward indefinitely. For both the three month period ended September 30, 2020 and the year ended June 30, 2020, respectively, there were no income taxes paid.

Note 18 - BROADCAST HOURS

Broadcast hours of the television station were 2,190 and 8,760 (unaudited) on each of the three channels for a total of 6,570 and 26,280 hours for the three month period ended September 30, 2020 and the year ended June 30, 2020, respectively.

Note 19 - RETIREMENT PLAN

The Foundation has a retirement program whereby its employees participate in the TIAA Retirement Annuity Program, a Tax-Sheltered Annuity. Subsequent to Board approval, the Foundation provided a 2.33 to 1 discretionary matching contribution for elective employee contributions up to 3% of qualified earnings for the three month period ended September 30, 2020 and the year ended June 30, 2020. During the three month period ended September 30, 2020 and the year ended June 30, 2020, 22 and 21 employees, respectively, participated in the program. Retirement expenses under this plan totaled $8,386 and $63,901 for the three month period ended September 30, 2020 and the year ended June 30, 2020, respectively.

Note 20 - SUPPLEMENTAL CASH FLOWS INFORMATION

Cash payments of interest (for notes payable and short term financing arrangements) during the three month period ended September 30, 2020 and the year ended June 30, 2020, were approximately $13,000 and $72,000, respectively.

No cash payments of income taxes were made during the three month period ended September 30, 2020 or the year ended June 30, 2020.

Note 21 - RISKS AND UNCERTAINTIES

In general, investment securities are exposed to various risks, such as interest rate, currency, and credit and market volatility. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in risk in the near term would materially affect the fair market value of investments held by the Foundation.

Note 22 - RELATED PARTY TRANSACTIONS

The Foundation rents equipment and purchases other production services from M3 Systems, which is partly owned by the president of Yescom. Rentals and services purchased from M3 totaled approximately $1,700 and $15,000 for the three month period ended September 30, 2020 and the year ended June 30, 2020, respectively.

Note 23 - CORONAVIRUS

The recent global outbreak of the Coronavirus (COVID-19) has raised concerns regarding operations and the financial markets have recently experienced significant volatility. While the Foundation has been impacted by COVID-19 during the three month period ended September 30, 2020, the long term impact on the Foundation's operations and its investments is uncertain at this time.

SUPPLEMENTAL INFORMATION

CONSOLIDATING STATEMENT OF FINANCIAL POSITION

Greater New Orleans Educational Television Foundation and Subsidiaries

September 30, 2020

	Foundation	Yescom	WYES Media Services	Eliminations	Totals
Assets					
Cash and cash equivalents	$ 445,056	$ 190,522	$ 389,557	$ -	$ 1,025,135
Accounts receivable, net	120,396	16,105	107,321	-	243,822
Capital campaign pledges receivable, net	611,910	-	-	-	611,910
Prepaid expenses	194,809	-	-	-	194,809
Investments	1,969,926	-	-	-	1,969,926
Property and equipment, net of accumulated depreciation	14,074,498	-	-	-	14,074,498
Investment in Yescom (subsidiary)	10,000	-	-	(10,000)	-
Due to subsidiaries, net	-	-	562,204	(562,204)	-
Total assets	$17,426,595	$ 206,627	$1,059,082	$(572,204)	$18,120,100
Liabilities					
Accounts payable and accrued expenses	$ 222,828	$ 20,621	$ 3,616	$ -	$ 247,065
Line of credit	699,245	-	-	-	699,245
Notes payable to bank	1,108,776	164,800	-	-	1,273,576
Deferred revenue	601,031	-	430,000	-	1,031,031
Due from parent, net	308,758	253,446	-	(562,204)	-
Total liabilities	2,940,638	438,867	433,616	(562,204)	3,250,917
Net Assets					
Common stock	-	10,000	-	(10,000)	-
Net assets (deficit):					
Without donor restrictions	12,900,615	(242,240)	625,466	-	13,283,841
With donor restrictions	1,585,342	-	-	-	1,585,342
Total net assets (deficit) and common stock	14,485,957	(232,240)	625,466	(10,000)	14,869,183
Total liabilities, net assets (deficit) and common stock	$17,426,595	$ 206,627	$1,059,082	$(572,204)	$18,120,100

CONSOLIDATING STATEMENT OF ACTIVITIES

Greater New Orleans Educational Television Foundation and Subsidiaries

For the three month period ended September 30, 2020

	Foundation	Yescom	WYES Media Services	Eliminations	Totals
Changes in Unrestricted Net Assets					
Support and revenues:					
Support:					
Contributions	$ 587,069	$ -	$ -	$ -	$ 587,069
Other grants	5,000	-	-	-	5,000
Other support	189,134	-	-	-	189,134
In-kind support	134,541	-	-	-	134,541
Revenues:					
Miscellaneous sales, net	15,156	-	-	(11,473)	3,683
Contract and production services	147,770	24,368	-	-	172,138
Investment income	65,138	-	-	-	65,138
Total unrestricted support and revenues	1,143,808	24,368	-	(11,473)	1,156,703
Net assets released from restrictions	103,887	-	-	-	103,887
Total unrestricted support and revenues	1,247,695	24,368	-	(11,473)	1,260,590
Expenses:					
Program services	593,407	49,808	23,353	-	666,568
Management and general	372,714	64,595	-	-	437,309
Development	234,343	-	-	(11,473)	222,870
Total expenses	1,200,464	114,403	23,353	(11,473)	1,326,747
Increase (decrease) in unrestricted net assets	47,231	(90,035)	(23,353)	-	(66,157)
Changes in Restricted Net Assets					
Net assets released from restrictions	(103,887)	-	-	-	(103,887)
Decrease in restricted net assets	(103,887)	-	-	-	(103,887)
Decrease in Net Assets	(56,656)	(90,035)	(23,353)	-	(170,044)
Net Assets (Deficit)					
Beginning of year	14,542,613	(152,205)	648,819	-	15,039,227
End of year	$ 14,485,957	$ (242,240)	$ 625,466	$ -	$ 14,869,183

CONSOLIDATED SCHEDULE OF SUPPORT AND REVENUES

Greater New Orleans Educational Television Foundation and Subsidiaries

For the three month period ended September 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Totals
Support and Revenues			
Support:			
Contributions:			
Membership and general	$ 272,802		$ 272,802
Local business support	18,000		18,000
Major gifts	71,879		71,879
Program and production underwriting	180,638		180,638
Support from commercial station - transmitter	43,750		43,750
Total contributions	587,069		587,069
Other grants:			
Grants - foundations and agencies	5,000		5,000
Other support:			
Special events (donations)	189,134		189,134
In-kind support:			
Rent:			
Transmission equipment	53,257		53,257
Transmitter	25,791		25,791
Land	50,000		50,000
Goods and services	5,493		5,493
Total in-kind support	134,541		134,541
Total support	915,744		915,744

	Without Donor Restrictions	With Donor Restrictions	Totals
Support and Revenues (Continued)			
Total support (carried forward)	915,744		915,744
Revenues:			
Miscellaneous sales, net	3,683		3,683
Contract and production services:			
Contract services	2,720		2,720
Production services	21,648		21,648
Studio rental	133,606		133,606
Tower rental	14,164		14,164
Total contract and production services	172,138		172,138
Investment income:			
Interest income, net of custodian fees	8,222		8,222
Net unrealized gain on investments	56,916		56,916
Investment income, net	65,138		65,138
Total revenues	240,959		240,959
Total support and revenues	$1,156,703	$ -	$1,156,703

SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER

Greater New Orleans Educational Television Foundation and Subsidiaries

For the three month period ended September 30, 2020

Agency Head Name: Allan Pizzato, President

Purpose	
Salary	$ 41,731
Benefits - insurance	2,435
Benefits - retirement	1,252
Benefits - other	3,654
Car allowance	0
Vehicle provided	0
Per diem	0
Reimbursements	0
Travel	0
Registration fees	0
Conference travel	0
Continuing professional education fees	0
Housing	0
Unvouchered expenses	0
Special meals	0
	$ 49,072

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS

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

To the Board of Trustees,
Greater New Orleans Educational Television Foundation,
New Orleans, Louisiana.

We have audited, in accordance with 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 consolidated financial statements of Greater New Orleans Educational Television Foundation and Subsidiaries (the "Foundation and Subsidiaries") as of and for the three month period ended September 30, 2020, and the related notes to the consolidated financial statements and have issued our report thereon dated February 9, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Foundation and Subsidiaries' internal control over financial reporting ("internal control") to determine audit procedures that are appropriate in the circumstances for the propose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation and Subsidiaries' internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation and Subsidiaries' 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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Foundation and Subsidiaries' consolidated financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or 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.

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Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph of this section and was not designed to identify all deficiencies in internal control that might be a material weakness or significant deficiency. 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 Greater New Orleans Educational Television Foundation and Subsidiaries' consolidated financial statements are free of 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 consolidated 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 Foundation'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 Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

New Orleans, Louisiana.
February 9, 2021.

SCHEDULE OF FINDINGS AND RESPONSES

Greater New Orleans Educational Television Foundation and Subsidiaries

For the three month period ended September 30, 2020

Section I - Summary of Auditor's Report

a) Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

• Material weakness(es) identified?	____ Yes _X_ No
• Significant deficiency(ies) identified that are not considered to be a material weakness?	____ Yes _X_ None reported
Noncompliance material to consolidated financial statements noted?	____ Yes _X_ No

b) Federal Awards

The Foundation did not expend more $750,000 in Federal awards during the three month period ended September 30, 2020 and, therefore, is exempt from the audit requirements under *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.*

Section II - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

No internal control over financial reporting findings material to the consolidated financial statements were reported during the audit for the three month period ended September 30, 2020.

Section II - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements (Continued)

Compliance and Other Matters

No compliance findings material to the consolidated financial statements were reported during the audit for the three month period ended September 30, 2020.

Section III - Internal Control and Compliance Material to Federal Awards

Not applicable.

REPORTS BY MANAGEMENT

SCHEDULE OF PRIOR YEAR FINDINGS AND RESPONSES

Greater New Orleans Educational Television Foundation and Subsidiaries

For the three month period ended September 30, 2020

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

No internal control over financial reporting findings material to the consolidated financial statements were reported during the audit for the year ended June 30, 2020.

Compliance and Other Matters

No compliance findings material to the consolidated financial statements were noted during the audit for the year ended June 30, 2020.

Section II - Internal Control and Compliance Material to Federal Awards

The Foundation did not expend more $750,000 in Federal awards during the year ended June 30, 2020 and, therefore, is exempt from the audit requirements under *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.*

Section III - Management Letter

A management letter was not issued in connection with the audit for the year ended June 30, 2020.

<u>MANAGEMENT'S CORRECTIVE ACTION PLAN</u>

Greater New Orleans Educational
Television Foundation and Subsidiaries

For the three month period ended September 30, 2020

Section I - Internal Control Over Financial Reporting and Compliance and Other Matters Material to the Financial Statements

Internal Control Over Financial Reporting

No internal control over financial reporting findings material to the consolidated financial statements were reported during the audit for the three month period ended September 30, 2020.

Compliance and Other Matters

No compliance findings material to the consolidated financial statements were noted during the audit for the three month period ended September 30, 2020.

Section II - Internal Control and Compliance Material to Federal Awards

The Foundation did not expend more $750,000 in Federal awards during for the three month period ended September 30, 2020 and, therefore, is exempt from the audit requirements under *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.*

Section III - Management Letter

A management letter was not issued in connection with the audit for the three month period ended September 30, 2020.