
**Foundation for Excellence in
Louisiana Public Broadcasting**

Financial Statements

June 30, 2018

Foundation for Excellence in Louisiana Public Broadcasting
Table of Contents

Independent Auditor’s Report..... 1

Financial Statements

 Statements of Financial Position..... 3

 Statements of Activities and Changes in Net Assets 4

 Statements of Functional Expenses 5

 Statements of Cash Flows..... 6

Notes to Financial Statements 7

Supplementary Information

 Schedule of Compensation, Benefits, and Other Payments to Executive Director..... 20

Reports Required by *Government Auditing Standards*

 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* 21

 Summary of Auditor’s Results and Schedule of Findings 23

 Summary Schedule of Prior Year Findings 24

Supplementary Information as Required by the Louisiana Division of Administration

 Annual Fiscal Report 25

Independent Auditor's Report

To the Board of Directors
Foundation for Excellence in Louisiana Public Broadcasting
Baton Rouge, Louisiana

We have audited the accompanying financial statements of the Foundation for Excellence in Louisiana Public Broadcasting (a nonprofit organization), a component unit of Louisiana Educational Television Authority, which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these 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 financial audits 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation for Excellence in Louisiana Public Broadcasting, as of June 30, 2018, 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.

Report on Summarized Comparative Information

We have previously audited the Foundation for Excellence in Louisiana Public Broadcasting's 2017 financial statements, and our report dated August 29, 2017, and we expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Foundation for Excellence in Louisiana Public Broadcasting. The accompanying schedule compensation, benefits, and other payments to Executive Director at page 20 and annual fiscal report at page 25 is presented for purposes of additional analysis and are not a required part of the financial statements.

The schedule of compensation, benefits, and other payments to executive director and annual fiscal report is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying schedule is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 4, 2018, on our consideration of the Foundation for Excellence in Louisiana Public Broadcasting'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 the 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 Foundation for Excellence in Louisiana Public Broadcasting's internal control over financial reporting and compliance.



Covington, Louisiana
September 4, 2018

Financial Statements

Foundation for Excellence in Louisiana Public Broadcasting
Statements of Financial Position
June 30, 2018 and 2017

	2018	2017
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 1,793,712	\$ 3,087,635
Investments	33,224,612	30,620,694
Endowment investments	4,530,628	4,175,548
Accounts receivable	672,164	128,674
Grants and contributions receivable	-	45,000
Interest receivable	1,208	1,208
Due from related party	271,214	153,924
Cost of programs not yet broadcast	165,098	162,391
	<u>\$ 40,658,636</u>	<u>\$ 38,375,074</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 315,465	\$ 39,825
Due to related party	194,754	400,185
Deferred revenues	184,354	133,030
	<u>694,573</u>	<u>573,040</u>
Net Assets		
Temporarily restricted	-	73,840
Unrestricted:		
Board designated endowment	4,530,628	4,175,548
Board designated reserve	35,433,435	33,552,646
	<u>39,964,063</u>	<u>37,728,194</u>
	<u>39,964,063</u>	<u>37,802,034</u>
	<u>\$ 40,658,636</u>	<u>\$ 38,375,074</u>

See accompanying notes to financial statements.

Foundation for Excellence in Louisiana Public Broadcasting
Statements of Activities and Changes in Net Assets
For the Years Ended June 30, 2018 and 2017

	2018			2017		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues, Gains, and Other Support						
Grants and contributions	\$ 3,530,332	\$ -	\$ 3,530,332	\$ 2,160,244	\$ 61,009	\$ 2,221,253
Membership support provided by Friends of Louisiana Public Broadcasting	1,283,157	-	1,283,157	1,210,681	12,831	1,223,512
Underwriting contributions	304,246	-	304,246	370,886	-	370,886
Projects, productions, educational services	963,643	-	963,643	1,013,677	-	1,013,677
Royalties	81,182	-	81,182	88,266	-	88,266
Leases	193,140	-	193,140	83,076	-	83,076
Other revenues	20,394	-	20,394	10,018	-	10,018
Investment returns	2,452,531	-	2,452,531	3,614,005	-	3,614,005
Endowment investment returns	334,435	-	334,435	492,819	-	492,819
Net assets released from restrictions	73,840	(73,840)	-	23,000	(23,000)	-
	<u>9,236,900</u>	<u>(73,840)</u>	<u>9,163,060</u>	<u>9,066,672</u>	<u>50,840</u>	<u>9,117,512</u>
Expenses						
Program services						
Programming and production	2,968,941	-	2,968,941	3,397,545	-	3,397,545
Broadcasting	395,666	-	395,666	429,810	-	429,810
Program information	93,343	-	93,343	67,334	-	67,334
	<u>3,457,950</u>	<u>-</u>	<u>3,457,950</u>	<u>3,894,689</u>	<u>-</u>	<u>3,894,689</u>
Supporting services						
Management and general	682,807	-	682,807	708,783	-	708,783
	<u>4,140,757</u>	<u>-</u>	<u>4,140,757</u>	<u>4,603,472</u>	<u>-</u>	<u>4,603,472</u>
Other Expenses						
Financial support to Louisiana Educational Television Authority	2,860,274	-	2,860,274	750,000	-	750,000
	<u>7,001,031</u>	<u>-</u>	<u>7,001,031</u>	<u>5,353,472</u>	<u>-</u>	<u>5,353,472</u>
Increase in net assets	<u>2,235,869</u>	<u>(73,840)</u>	<u>2,162,029</u>	<u>3,713,200</u>	<u>50,840</u>	<u>3,764,040</u>
Net assets, beginning of year	<u>37,728,194</u>	<u>73,840</u>	<u>37,802,034</u>	<u>34,014,994</u>	<u>23,000</u>	<u>34,037,994</u>
Net assets, end of year	<u>\$ 39,964,063</u>	<u>\$ -</u>	<u>\$ 39,964,063</u>	<u>\$ 37,728,194</u>	<u>\$ 73,840</u>	<u>\$ 37,802,034</u>

See accompanying notes to financial statements.

Foundation for Excellence in Louisiana Public Broadcasting
Statements of Functional Expenses
For the Years Ended June 30, 2018 and 2017

	2018					
	Program Services				Supporting	
	Programming and Production	Broadcasting	Program Information	Total Program Services	Management and General	Total Expenses
Operating services and supplies	\$ 2,273,729	\$ 391,503	\$ 45,173	\$ 2,710,405	\$ 301,156	\$ 3,011,561
Rentals of property and equipment	349,409	-	-	349,409	63,444	412,853
Professional services	163,221	-	48,170	211,391	88,488	299,879
Personnel	150,947	-	-	150,947	223,891	374,838
Travel	31,635	4,163	-	35,798	5,828	41,626
	<u>\$ 2,968,941</u>	<u>\$ 395,666</u>	<u>\$ 93,343</u>	<u>\$ 3,457,950</u>	<u>\$ 682,807</u>	<u>\$ 4,140,757</u>
	2017					
	Program Services				Supporting	
	Programming and Production	Broadcasting	Program Information	Total Program Services	Management and General	Total Expenses
Operating supplies and services	\$ 2,479,974	\$ 427,015	\$ 49,271	\$ 2,956,260	\$ 328,473	\$ 3,284,733
Rentals of property and equipment	418,471	-	-	418,471	63,206	481,677
Professional services	322,170	-	18,063	340,233	89,300	429,533
Personnel	155,690	-	-	155,690	223,891	379,581
Travel	21,240	2,795	-	24,035	3,913	27,948
	<u>\$ 3,397,545</u>	<u>\$ 429,810</u>	<u>\$ 67,334</u>	<u>\$ 3,894,689</u>	<u>\$ 708,783</u>	<u>\$ 4,603,472</u>

See accompanying notes to financial statements.

Foundation for Excellence in Louisiana Public Broadcasting
Statements of Cash Flows
For the Years Ended June 30, 2018 and 2017

	2018	2017
Cash Flows From Operating Activities		
Increase (decrease) in net assets	\$ 2,162,029	\$ 3,764,040
Adjustments to reconcile the increase (decrease) in net assets to cash provided by (used in) operating activities:		
Net realized and unrealized gains on investments	(1,496,475)	(2,632,864)
Net realized and unrealized gains on endowment	(204,064)	(359,026)
(Increase) decrease in:		
Accounts receivable	(543,490)	(33,888)
Grants and contributions receivable	45,000	(45,000)
Due from related party	(117,290)	115,114
Cost of programs not yet broadcast	(2,707)	2,388
(Decrease) increase in:		
Accounts payable	275,640	33,201
Due to related party	(205,431)	385,235
Deferred revenues	51,324	86,171
Net cash provided by (used in) operating activities	<u>(35,464)</u>	<u>1,315,371</u>
Cash Flows From Investing Activities		
Purchases of marketable securities and investments	(7,890,789)	(4,742,894)
Proceeds from sales/maturities of investments	6,783,346	3,684,702
Purchases of endowment investments	(1,076,018)	(646,758)
Proceeds from sales/maturities of endowment investments	925,002	502,459
Net cash (used in) investing activities	<u>(1,258,459)</u>	<u>(1,202,491)</u>
Increase(decrease) in cash and cash equivalents	(1,293,923)	112,880
Cash and cash equivalents, beginning balance	<u>3,087,635</u>	<u>2,974,755</u>
Cash and cash equivalents, ending balance	<u>\$ 1,793,712</u>	<u>\$ 3,087,635</u>

See accompanying notes to financial statements.

Foundation for Excellence in Louisiana Public Broadcasting

Notes to Financial Statements

1. History and Summary of Significant Accounting Policies

Organization

The Foundation for Excellence in Louisiana Public Broadcasting (the "Foundation") was established August 7, 1992 as a nonprofit Louisiana Corporation. It was organized to direct all of its efforts to the support of the primary government, Louisiana Educational Television Authority ("LETA"). The Foundation provides for an endowment to support public television in the State of Louisiana and may serve as a "repository" for funds to be utilized for the promotion, development, enhancement and assistance of public television in Louisiana. Furthermore, the Foundation operates under the authority of its Board of Directors. A majority of the Directors are appointed by the non-LETA Directors and a minority of the Directors are nominated and appointed by LETA.

Financial Reporting Entity

Based upon an assessment by the Louisiana Division of Administration - Office of Statewide Reporting and Accounting Policy ("OSRAP"), the Foundation is included as a component unit of LETA. It has been determined that LETA is able to impose its will on the Foundation and the Foundation provides specific financial benefits to, and may impose specific financial burdens on, LETA. In addition, OSRAP has determined that exclusion of the Foundation from the financial reporting entity would render LETA's financial statements to be misleading or incomplete. Therefore, LETA's financial statements present the operations of the Foundation as a discretely presented component unit. The accompanying financial statements include only the operations of the Foundation.

Financial Statement Presentation

The financial statements have been prepared on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

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

- *Unrestricted net assets* - net assets that are not subject to donor-imposed stipulations are classified as unrestricted. These may be designated for specific purposes by action of the Board.
- *Temporarily restricted net assets* - support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. Donor restricted support that will be met either by action of the Foundation and/or the passage of time, are classified as an increase in temporarily restricted net assets. When restrictions are satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restriction.
- *Permanently restricted net assets* - net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation are classified as permanently restricted.

Restricted Net Assets

When both restricted and unrestricted net assets are available for use, it is the Foundation's policy to use the restricted resources first, then unrestricted resources as needed.

Foundation for Excellence in Louisiana Public Broadcasting

Notes to Financial Statements

Reclassifications

Certain reclassifications have been made to the 2017 financial statements to conform to the current year presentation.

Use of 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 disclosures of contingent assets and liabilities at the date of the financial statements and revenues and expenses reported during the period. Actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Human Resources

The Foundation has no employees. Employees of LETA, the primary government, perform services for the Foundation as needed. In return, the Foundation reimburses LETA for the services performed by those personnel as is reported by the Foundation as personnel expenses within the schedule of functional expenses.

Cash and Cash Equivalents

For financial statement purposes, cash includes demand deposits and cash equivalents include amounts in money market funds. All highly liquid investments with an original maturity of three months or less are considered cash equivalents.

Accounts Receivable

Accounts receivable consists primarily of amounts owed by customers for educational and underwriting services. Management periodically reviews the status of all accounts receivable balances for collectability. Each receivable balance is assessed based on management's knowledge of the customer, the Foundation's relationship with the customer, and the age of the receivable balance. As a result of these reviews, customer balances deemed to be uncollectible are charged to the allowance for doubtful accounts. Management has deemed all balances to be collectible at June 30, 2018 and June 30, 2017; therefore, no allowance for doubtful accounts has been recorded.

Cost of Programs Not Yet Broadcast

Costs incurred for programs not yet broadcast are reported as a deferred asset. Such costs relate to program rights purchased by the Foundation that will be broadcast subsequent to June 30. As the programs are broadcast, the costs incurred will be included in operating expenses. Program status is evaluated annually. Costs associated with programs not considered to have future benefit are adjusted to net realizable value.

Property and Equipment

Equipment is stated at cost less accumulated depreciation and is depreciated using the straight-line method over the estimated useful life. Expenditures for repairs and maintenance are charged to operating expense as incurred.

Foundation for Excellence in Louisiana Public Broadcasting

Notes to Financial Statements

Investments

Investments are carried at fair value. Purchases and sales of securities are recorded on trade dates, and realized gains and losses are determined on the basis of average cost of securities sold. Investment return includes interest, dividends, administrative fees, and realized and unrealized gains and losses, and is included in the statement of activities as increases or decreases in unrestricted net assets.

The Foundation invests in alternative investments consisting of managed futures, commodities, private equity, private real estate, and other non-traditional investments. These investments utilize a variety of instrument strategies incorporating marketable securities and, in some cases, derivative instruments, all of which are reported at fair value by the fund managers.

Distributions of alternative investments are recognized as income to the extent of the Foundation's share of undistributed income of such investments; distributions in excess of the amount recognized as income are recorded as a reduction of investment cost. Investments considered to be permanently impaired in value are written down to their estimated net realizable value and the write down is recorded as a realized loss on investments.

Grants and Contributions

The Foundation follows ASC Subtopic 958-605, *Revenue Recognition*, to recognize cash contributions from individuals and domestic organizations. These contributions, including unconditional promises, are recognized as revenue when the donor's unconditional commitment is received. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted.

When a temporary restriction expires, restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions with restrictions which are fulfilled in the time period in which the contribution is received are recorded as unrestricted contributions in the consolidated financial statements. Conditional promises to give are recognized only when the conditions on which they depend are substantially met.

Production Revenue and Expense

The Foundation uses the percentage-of-completion method of accounting for production revenue, whereby the cumulative production revenue earned equals the ratio of costs incurred to the estimated total costs at completion applied to the total committed revenues from outside sponsors. Production costs include charges by subcontractors plus all direct labor and other direct costs. Indirect and general and administrative expenses are charged to expense as incurred.

Cost estimates on programs are reviewed periodically as the work progresses and adjustments, if needed, are reflected in the period in which the estimates are revised.

Underwriting Contributions

Revenue from program underwriting is recorded on a pro rata basis for the period covered, and for production underwriting on an estimated percentage-of-completion basis.

Foundation for Excellence in Louisiana Public Broadcasting

Notes to Financial Statements

Lease Revenue

The Foundation entered into contracts with Nextel Spectrum Acquisition Corporation (Sprint Nextel) and Clearwire Corporation (Clearwire), in accordance with Federal Communications Commission (FCC) rules, to lease excess capacity on its EBS frequencies. Under the terms of the contracts, the Foundation remains the licensee on the EBS frequencies and has responsibility for compliance with all educational and other requirements imposed by the FCC. The Foundation receives monthly lease payments and anniversary payments which are reported as lease revenues on the statement of activities in the fiscal year the payment is due.

Advertising Costs

Advertising costs are expensed as incurred and allocated among the programs and supporting services benefited within the operating services and supplies line item on the statement of functional expenses. Advertising expense was \$49,711 and \$50,442 for the years ended June 30, 2018 and 2017, respectively.

Income Taxes

The Foundation has been recognized by the Internal Revenue Service as an organization exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in these financial statements. With few exceptions, the Foundation is no longer subject to federal or state examinations by tax authorities for the year before 2015.

The Foundation follows the provisions of the *Accounting for Uncertainty in Income Taxes* topic of the FASB Codification, which clarifies the accounting and recognition for income tax positions taken or expected to be taken in the Foundation's information tax returns. Accounting principles generally accepted in the United States of America provide accounting and disclosure guidance about positions taken by an entity in its tax returns that might be uncertain. Under this guidance, the Foundation may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. There were no unrecognized tax benefits or obligations identified or recorded for the years ended June 30, 2018 and 2017.

New Pronouncements

- In August 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, which provides more relevant information about available resources - and the changes in those resources - to donors, grantors, creditors and other users. The most significant aspects of the ASU are as follows:
 - (1) The ASU replaces the current presentation of three classes of net assets (unrestricted, temporarily restricted, and permanently restricted) with two classes of net assets – net assets with donor restrictions and net assets without donor restrictions.
 - (2) The ASU expands the disclosures about the nature and amount of any donor restrictions, board designations of net assets without donor restrictions as well as any underwater endowment funds.
 - (3) The ASU requires expenses to be presented by nature and function, as well as an analysis of the allocation of these expenses.

Foundation for Excellence in Louisiana Public Broadcasting

Notes to Financial Statements

- (4) The ASU requires specific quantitative and qualitative disclosures to improve the ability of financial statement users to assess the entity's available financial resources and the methods by which it manages liquidity and liquidity risk.

ASU 2016-14 is to be applied retrospectively, and is effective for years beginning after December 15, 2017, with early adoption permitted. The Foundation will be evaluating the impact this standard will have on its financial statements and related disclosures.

- On June 21, 2018, FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, to clarify and improve the scope and the accounting guidance for contributions received and contributions made. The amendments in this update will assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) within the scope of Topic 958, *Not-for-Profit Entities*, or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. The amendments in the update should be applied on a modified prospective basis. Retrospective application is permitted. The Foundation has not yet evaluated the impact this standard will have on its financial statements and related disclosures, including the selection of a transition method

2. Investments

Investments are carried at fair value and are comprised of the following at June 30:

	2018	2017
Government and agency securities	\$ 558,182	\$ 480,251
Corporate fixed income securities	302,734	237,109
Common and preferred stocks	6,019,005	5,430,166
Mutual funds	16,491,339	15,747,143
Alternative investments	8,861,684	7,837,026
Pooled investments held by the Baton Rouge Area Foundation on behalf of the Foundation	991,668	888,999
	<u>\$ 33,224,612</u>	<u>\$ 30,620,694</u>

The following schedule summarizes investment returns including interest and administrative fees, and its classification in the financial statements for the years ended June 30:

	2018	2017
Net realized and unrealized gain on investments	\$ 1,496,475	\$ 3,221,255
Interest and dividend income	1,068,942	503,403
Investment fees	(112,886)	(110,653)
	<u>\$ 2,452,531</u>	<u>\$ 3,614,005</u>

Foundation for Excellence in Louisiana Public Broadcasting

Notes to Financial Statements

Custodial Credit Risk

The risk that in the event of the failure of the counterparty to a transaction the Foundation will not be able to recover the value of investments that are in the possession of an outside party. At June 30, 2018 and 2017, the Foundation's investments in common and preferred stocks and alternative investments are uninsured on the performance of the custodian and are exposed to custodial credit risk because they are held by the counterparty, but not in the Foundation's name. The Foundation's investments in mutual funds, money market funds, and external investment pools are not susceptible to custodial credit risk because its existence is not evidenced by securities that exist in physical or book entry form.

Interest Rate Risk

For an investment, interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Investments held for longer periods are generally subject to increased risk of value fluctuations due to interest rate changes. At June 30, 2018, the Foundation invested \$558,182 in government and government agency securities and \$302,734 in corporate fixed income securities which mature in one to five years. At June 30, 2017, the Foundation invested \$480,251 in government and government agency securities and \$237,109 in corporate fixed income securities which mature in one to five years.

Concentration of Credit Risk

The risk of loss that may occur due to the amount of investment in a single issuer. The Foundation's investment policy establishes a target asset mix which is meant to diversify the portfolio and pose a lower risk that a concentration may exist.

Credit Risk

The credit risk of investment is the risk that the issuer or counterparty will not meet its obligations. Credit risk is measured by the credit quality ratings of investments in debt securities as described by nationally recognized statistical rating organizations (rating agencies) such as Standard & Poor's (S&P) and Moody's. The Foundation limits its investment in bonds to those classified as investment grade by S&P (EBB or better) and Moody's (Baa or better). Investments in commercial paper must have a rating of not less than AI by S&P and PI by Moody's.

3. Board Designated Endowment

The Foundation's Board of Directors has designated 12% of total investments as a general endowment fund to support the mission of the Foundation. Since the endowment resulted from an internal designation and is not donor-restricted, it is classified and reported as unrestricted net assets.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while maintaining the purchasing power of the endowment assets. To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

Foundation for Excellence in Louisiana Public Broadcasting

Notes to Financial Statements

Accordingly, over the long term, the Foundation expects the current spending policies to allow its endowment to grow annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

The following schedule summarizes the changes in the endowment net assets for the years ended June 30:

	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 4,175,548	\$ 3,672,223
Net purchases / sales of investments	151,016	144,299
Net realized and unrealized gains on investments	<u>204,064</u>	<u>359,026</u>
Ending balance	<u>\$ 4,530,628</u>	<u>\$ 4,175,548</u>

The board designated endowment was comprised of the following investments at June 30:

	<u>2018</u>	<u>2017</u>
Government and agency securities	\$ 76,115	\$ 65,489
Corporate fixed income securities	41,282	32,333
Common and preferred stocks	820,773	740,477
Mutual funds	2,248,819	2,147,337
Alternative investments	1,208,411	1,068,685
Pooled investments held by the Baton Rouge Area Foundation on behalf of the Foundation	<u>135,228</u>	<u>121,227</u>
	<u>\$ 4,530,628</u>	<u>\$ 4,175,548</u>

The following schedule summarizes endowment investment return(loss), including interest and administrative fees, and its classification in the financial statements for the years ended June 30:

	<u>2018</u>	<u>2017</u>
Net realized and unrealized gains on investments	\$ 204,064	\$ 439,262
Interest and dividend income	145,765	68,646
Investment fees	<u>(15,394)</u>	<u>(15,089)</u>
	<u>\$ 334,435</u>	<u>\$ 492,819</u>

The investments note disclosure for custodial credit risk, interest rate risk, credit risk, and concentration of credit risk at Note 2 also applies to the portion of investments held as an endowment.

Foundation for Excellence in Louisiana Public Broadcasting

Notes to Financial Statements

4. Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*, defines fair value and establishes a framework for measuring fair value for assets and liabilities that are measured at fair value on a recurring basis. The Foundation has categorized its applicable financial instruments into a required fair value hierarchy. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value which are as follows:

- Level 1 – Inputs based on quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly, such as quoted prices for similar assets or liabilities in active markets.
- Level 3 – Unobservable inputs for the asset or liability, including the reporting entity's own assumptions in determining the fair value measurement.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The investments in the BRAF pool represent various specific investments and various pools of funds held by BRAF for the benefit of the Foundation and other non-profit organizations. These funds are measured on a recurring basis through estimates and assumptions made by the Baton Rouge Area Foundation. All of the Foundation's pooled investments held by the Baton Rouge Area Foundation are considered level 2 investments.

Foundation for Excellence in Louisiana Public Broadcasting

Notes to Financial Statements

The following table sets forth by level the Foundation's assets at fair value at June 30, 2018:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash equivalents				
Money market funds	\$ 346,254	\$ -	\$ -	\$ 346,254
Investments				
Government and agency securities	-	558,182	-	558,182
Corporate debt securities	-	302,734	-	302,734
Common and preferred stocks	6,019,005	-	-	6,019,005
Mutual funds	16,491,339	-	-	16,491,339
Alternative investments	-	-	8,861,684	8,861,684
Pooled investments held by				
Baton Rouge Area Foundation	-	991,668	-	991,668
	<u>22,510,344</u>	<u>1,852,584</u>	<u>8,861,684</u>	<u>33,224,612</u>
Investments - endowment				
Government and agency securities	-	76,115	-	76,115
Corporate debt securities	-	41,282	-	41,282
Common and preferred stocks	820,773	-	-	820,773
Mutual funds	2,248,819	-	-	2,248,819
Alternative investments	-	-	1,208,411	1,208,411
Pooled investments held by				
Baton Rouge Area Foundation	-	135,228	-	135,228
	<u>3,069,592</u>	<u>252,625</u>	<u>1,208,411</u>	<u>4,530,628</u>
	<u>\$ 25,926,190</u>	<u>\$ 2,105,209</u>	<u>\$ 10,070,095</u>	<u>\$ 38,101,494</u>

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used by the fund managers in determining the value at June 30, 2018.

Balance at June 30, 2017	\$ 8,905,711
Purchases	1,472,777
Transfers in(out)	(243,934)
Net realized/unrealized gain(loss)	(64,459)
Balance at June 30, 2018	<u>\$ 10,070,095</u>

Foundation for Excellence in Louisiana Public Broadcasting

Notes to Financial Statements

The following table sets forth by level the Foundation's assets at fair value at June 30, 2017:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash equivalents				
Money market funds	\$ 1,934,972	\$ -	\$ -	\$ 1,934,972
Investments				
Government and agency securities	-	480,251	-	480,251
Corporate debt securities	-	237,109	-	237,109
Common and preferred stocks	5,430,166	-	-	5,430,166
Mutual funds	15,747,143	-	-	15,747,143
Alternative investments	-	-	7,837,026	7,837,026
Pooled investments held by				
Baton Rouge Area Foundation	-	888,999	-	888,999
	<u>21,177,309</u>	<u>1,606,359</u>	<u>7,837,026</u>	<u>30,620,694</u>
Investments - endowment				
Government and agency securities	-	65,489	-	65,489
Corporate debt securities	-	32,333	-	32,333
Common and preferred stocks	740,477	-	-	740,477
Mutual funds	2,147,337	-	-	2,147,337
Alternative investments	-	-	1,068,685	1,068,685
Pooled investments held by				
Baton Rouge Area Foundation	-	121,227	-	121,227
	<u>2,887,814</u>	<u>219,049</u>	<u>1,068,685</u>	<u>4,175,548</u>
	<u>\$ 26,000,095</u>	<u>\$ 1,825,408</u>	<u>\$ 8,905,711</u>	<u>\$ 36,731,214</u>

The following is a reconciliation of Level 3 investments for which significant unobservable inputs were used by the fund managers in determining the value at June 30, 2017.

Balance at June 30, 2016	\$ 7,102,889
Purchases	1,805,519
Sales and maturities	(1,818)
Transfers in(out)	(261,021)
Net realized/unrealized gain(loss)	<u>260,142</u>
Balance at June 30, 2017	<u>\$ 8,905,711</u>

Foundation for Excellence in Louisiana Public Broadcasting

Notes to Financial Statements

5. Board Designated Reserve

The following is an overview of the board designated reserves.

	Balance at June 30, 2017	Net Change	Balance at June 30, 2018
Operating reserves	\$ 8,347,269	467,940	\$ 8,815,209
Capital expenditures	452,015	25,391	477,406
Educational activities	3,478,304	195,038	3,673,342
Louisiana productions	4,173,635	233,970	4,407,605
Digital services and programs	1,391,487	78,053	1,469,540
Long range development	1,391,487	78,053	1,469,540
Emergency fund	14,318,449	802,344	15,120,793
	<u>\$ 33,552,646</u>	<u>\$ 1,880,789</u>	<u>\$ 35,433,435</u>

6. Property and Equipment

Property and equipment consist of the following:

	Balance at June 30, 2017	Additions	Deletions	Balance at June 30, 2018
Computer equipment	\$ 69,938	\$ -	\$ -	\$ 69,938
Accumulated depreciation	(69,938)	-	-	(69,938)
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

7. Related Party Transactions

An agreement was entered into between the Foundation and the related party Friends of Louisiana Public Broadcasting. Under the terms of this agreement, Friends of Louisiana Public Broadcasting transfers funds in excess of calculated amounts to the Foundation to be used to pay for approved expenses. For the year ended June 30, 2018, Friends of Louisiana Public Broadcasting transferred \$1,283,157 to the Foundation with \$271,214 of that amount reported as a related party receivable. For the year ended June 30, 2017, Friends of Louisiana Public Broadcasting transferred \$1,223,513 to the Foundation with \$12,831 reported as temporarily restricted net assets and \$151,003 of that amount reported as a related party receivable.

Foundation for Excellence in Louisiana Public Broadcasting

Notes to Financial Statements

The Foundation was organized to support LETA, the primary government. For the year ended June 30, 2018, the Foundation provided financial support to LETA totaling \$2,860,274, with \$194,754 of that amount reported as a related party payable. For the year ended June 30, 2017, Foundation provided financial support to LETA totaling \$750,000, with \$9,161 of that amount recorded as a related party payable. At June 30, 2017, the Foundation had a payable due to LETA totaling \$391,024 for funds transferred from LETA's capital outlay to the Foundation to fund the replacement of the fire suppression system at the LETA Telecommunications Center.

Employees of LETA perform services for the Foundation as needed. In return, the Foundation reimburses LETA for the services performed by those personnel. For the year ended June 30, 2018, the Foundation reimbursed LETA \$374,838 for personnel expenses. For the year ended June 30, 2017, the Foundation reimbursed LETA \$379,581 for personnel expenses.

The Foundation rents office space from LETA on a monthly basis. For each of the years ended June 30, 2018 and 2017, rental expense was \$8,292. In addition, the Foundation reimburses LETA for the use of LETA's production, programming, and broadcasting equipment. For the year ended June 30, 2018, equipment rental expense was \$343,794. For the year ended June 30, 2017, equipment rental expense was \$405,493. These expenses are included in the rentals of property and equipment line item on the statement of functional expenses and allocated among the program and support services benefited.

Due to LETA's cash flows and timing of receipts, the Foundation paid some of LETA's bills for operating supplies and services in order for the bills to be paid in a timely manner. The Foundation reported these payments totaling \$2,921 for the year ended June 30, 2017 as a related party receivable.

8. Concentrations

In the normal course of operations, the Foundation maintains cash deposits with major financial institutions which, from time to time, may exceed federally insured limits. Management periodically assesses the financial condition of the institutions and believes the risk of incurring material losses related to this credit risk is remote.

Included in receivables are amounts due from various entities for such items as underwriting agreements, educational services, and production services. Payment of these accounts is dependent upon the various entities' ability to fund their projects and programs.

The Foundation received revenue totaling \$1,823,879 from the Corporation for Public Broadcasting and \$1,283,157 from the related party, Friends for Louisiana Public Broadcasting for the year ended June 30, 2018.

9. Commitments

As part of the broadcast spectrum incentive auction, the Federal Communications Commission (the "FCC") is authorized to repack the television band by assigning television stations to new channels. Nearly 1,000 stations will be moved to new channels including the Foundation. As part of the move to new channels, the Foundation must update existing broadcasting equipment located in Alexandria and Shreveport.

Foundation for Excellence in Louisiana Public Broadcasting

Notes to Financial Statements

The Spectrum Act (the "Act") provides \$1.75 billion to be expended for reimbursement payments to involuntarily repacked broadcasters. The Spectrum Act requires that the FCC "reimburse costs reasonably incurred by" broadcast television licensees that are reassigned to new channels that incur costs related to continuing to carry the signals of broadcast stations moving to a new channel.

The FCC will reimburse broadcasters by providing initial allocations of funds based on their estimated costs and the amount of funds available followed by one or more additional allocations, to the extent necessary, prior to the end of the three-year reimbursement period. Subject to fund availability constraints, the FCC will issue broadcasters initial allocations equivalent to up to 90% of their estimated costs eligible for reimbursement. Funding received is not susceptible to an audit under Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); however, the FCC conducts audits of fund recipients.

The Foundation was committed to construction and engineering contracts during 2018. The significant commitments are as follows:

	<u>Estimated Cost</u>	<u>Costs Incurred to Date</u>	<u>Reimbursement Requested</u>
Television Repack Project - KLTS	\$ 3,590,789	\$ 842,947	\$ 828,607
Television Repack Project - KLPA	<u>3,100,250</u>	<u>1,145,211</u>	<u>874,596</u>
	<u>\$ 6,691,039</u>	<u>\$ 1,988,158</u>	<u>\$ 1,703,203</u>

10. Contingency

The Foundation participates in a number of federal and state programs. These programs require that the Foundation comply with certain requirements of laws, regulations, contracts, and agreements applicable to the programs in which it participates. All funds expended in connection with government grants and contracts are subject to audit by government agencies. While the ultimate liability, if any, from such audits of government and contracts by government agencies is presently not determinable, should not, in the opinion of management, have a material effect on the financial position or results of operations. Accordingly, no provision for any such liability that may result has been made in the accompanying financial statements.

11. Subsequent Events

The Foundation evaluated subsequent events through September 4, 2018, which is the date the financial statements were available to be issued.

Supplementary Information

Foundation for Excellence in Louisiana Public Broadcasting
Schedule of Compensation, Benefits, and Other Payments to Executive Director
For the Year Ended June 30, 2018

Agency Head: Dr. William Arceneaux
Position: Contracted Director

Purpose	Amount
Compensation	<u>\$ 24,000</u>

*Reports Required by
Government Auditing Standards*

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 Directors
Foundation for Excellence in Louisiana Public Broadcasting
Baton Rouge, Louisiana

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 the Foundation for Excellence in Louisiana Public Broadcasting (the “Foundation”), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Foundation’s basic financial statements and have issued our report thereon dated September 4, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation’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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation’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 a 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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 Foundation'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 Standard*.

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.



Covington, Louisiana
September 4, 2018

**Foundation for Excellence in Louisiana Public Broadcasting
Summary of Auditor's Results and Schedule of Findings
For the Year Ended June 30, 2018**

A. Summary of Auditor's Reports

a. Financial Statements

Type of auditor's report issued: Unmodified

b. Internal control over financial reporting:

Material weaknesses identified _____ yes ✓ no

Significant deficiencies identified not
considered to be material weaknesses _____ yes ✓ none noted

c. Noncompliance material to financial
statements noted

_____ yes ✓ no

B. Findings in Accordance with *Government Auditing Standards*

None noted.

A management letter was issued for the year ended June 30, 2018.

Foundation for Excellence in Louisiana Public Broadcasting
Summary Schedule of Prior Year Findings
For the Year Ended June 30, 2018

A. Findings in Accordance with *Government Auditing Standards*

None noted.

Annual Fiscal Report

Foundation for Excellence in Louisiana Public Broadcasting
Annual Fiscal Report
For the Year Ended June 30, 2018

The following annual fiscal report to the Office of the Governor, Division of Administration, Office of Statewide Reporting and Accounting Policy presents the financial position of the Foundation for Excellence in Louisiana Public Broadcasting as of June 30, 2018, and the results of its operations (including cash flows) for the year then ended. The information is presented in the format requested by the Office of Statewide Reporting and Accounting Policy for consolidation into the Louisiana Comprehensive Annual Financial Report.

**ANNUAL FISCAL REPORT (AFR)
FOR 2018**

AGENCY: 20-11A - Foundation for Excellence in Louisiana Public Broadcasting

PREPARED BY: Kimberly Ducote

PHONE NUMBER: 225-767-4269

EMAIL ADDRESS: kducote@lpb.org

SUBMITTAL DATE: 09/04/2018 03:14 PM

STATEMENT OF NET POSITION

ASSETS

CURRENT ASSETS:

CASH AND CASH EQUIVALENTS	1,793,712.00
RESTRICTED CASH AND CASH EQUIVALENTS	0.00
INVESTMENTS	33,224,612.00
RESTRICTED INVESTMENTS	0.00
DERIVATIVE INSTRUMENTS	0.00
RECEIVABLES (NET)	944,586.00
PLEDGES RECEIVABLE (NET)	0.00
LEASES RECEIVABLE (NET)	0.00
AMOUNTS DUE FROM PRIMARY GOVERNMENT	0.00
DUE FROM FEDERAL GOVERNMENT	0.00
INVENTORIES	0.00
PREPAYMENTS	0.00
NOTES RECEIVABLE	0.00
OTHER CURRENT ASSETS	165,098.00
TOTAL CURRENT ASSETS	\$36,128,008.00

NONCURRENT ASSETS:

RESTRICTED ASSETS:

CASH	0.00
INVESTMENTS	4,530,628.00
RECEIVABLES (NET)	0.00
NOTES RECEIVABLE	0.00
OTHER	0.00
INVESTMENTS	0.00
RECEIVABLES (NET)	0.00
NOTES RECEIVABLE	0.00
PLEDGES RECEIVABLE (NET)	0.00
LEASES RECEIVABLE (NET)	0.00
CAPITAL ASSETS (NET OF DEPRECIATION & AMORTIZATION)	
LAND	0.00
BUILDINGS AND IMPROVEMENTS	0.00
MACHINERY AND EQUIPMENT	0.00
INFRASTRUCTURE	0.00
INTANGIBLE ASSETS	0.00
CONSTRUCTION IN PROGRESS	0.00
OTHER NONCURRENT ASSETS	0.00
TOTAL NONCURRENT ASSETS	\$4,530,628.00
TOTAL ASSETS	\$40,658,636.00

DEFERRED OUTFLOWS OF RESOURCES

ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVES	0.00
DEFERRED AMOUNTS ON DEBT REFUNDING	0.00
ADJUSTMENT OF CAPITAL LEASE OBLIGATIONS	0.00
GRANTS PAID PRIOR TO MEETING TIME REQUIREMENTS	0.00
INTRA-ENTITY TRANSFER OF FUTURE REVENUES (TRANSFEREE)	0.00
LOSSES FROM SALE-LEASEBACK TRANSACTIONS	0.00
DIRECT LOAN ORIGINATION COSTS FOR MORTGAGE LOANS HELD FOR SALE	0.00
FEES PAID TO PERMANENT INVESTORS PRIOR TO SALE OF MORTGAGE LOANS	0.00
OPEB-RELATED DEFERRED OUTFLOWS OF RESOURCES	0.00
PENSION-RELATED DEFERRED OUTFLOWS OF RESOURCES	0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2018**

AGENCY: 20-11A - Foundation for Excellence in Louisiana Public Broadcasting

PREPARED BY: Kimberly Ducote

PHONE NUMBER: 225-767-4269

EMAIL ADDRESS: kducote@lpb.org

SUBMITTAL DATE: 09/04/2018 03:14 PM

TOTAL DEFERRED OUTFLOWS OF RESOURCES **\$0.00**

TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES **\$40,658,636.00**

LIABILITIES

CURRENT LIABILITIES:

ACCOUNTS PAYABLE AND ACCRUALS	510,219.00
ACCRUED INTEREST	0.00
DERIVATIVE INSTRUMENTS	0.00
AMOUNTS DUE TO PRIMARY GOVERNMENT	0.00
DUE TO FEDERAL GOVERNMENT	0.00
AMOUNTS HELD IN CUSTODY FOR OTHERS	0.00
UNEARNED REVENUES	184,354.00
OTHER CURRENT LIABILITIES	0.00

CURRENT PORTION OF LONG-TERM LIABILITIES:

CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	0.00
CAPITAL LEASE OBLIGATIONS	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
OTHER LONG-TERM LIABILITIES	0.00

TOTAL CURRENT LIABILITIES **\$694,573.00**

NONCURRENT PORTION OF LONG-TERM LIABILITIES:

CONTRACTS PAYABLE	0.00
COMPENSATED ABSENCES PAYABLE	0.00
CAPITAL LEASE OBLIGATIONS	0.00
ESTIMATED LIABILITY FOR CLAIMS	0.00
NOTES PAYABLE	0.00
BONDS PAYABLE	0.00
TOTAL OPEB LIABILITY	0.00
NET PENSION LIABILITY	0.00
POLLUTION REMEDIATION OBLIGATIONS	0.00
OTHER LONG-TERM LIABILITIES	0.00

UNEARNED REVENUE 0.00

TOTAL LONG-TERM LIABILITIES **\$0.00**

TOTAL LIABILITIES **\$694,573.00**

DEFERRED INFLOWS OF RESOURCES

ACCUMULATED INCREASE IN FAIR VALUE OF HEDGING DERIVATIVES	0.00
DEFERRED AMOUNTS ON DEBT REFUNDING	0.00
ADJUSTMENT OF CAPITAL LEASE OBLIGATIONS	0.00
GRANTS RECEIVED PRIOR TO MEETING TIME REQUIREMENTS	0.00
SALES/INTRA-ENTITY TRANSFER OF FUTURE REVENUES (TRANSFEROR)	0.00
GAINS FROM SALE-LEASEBACK TRANSACTIONS	0.00
SPLIT INTEREST AGREEMENTS	0.00
POINTS RECEIVED ON LOAN ORIGINATION	0.00
LOAN ORIGINATION FEES RECEIVED FOR MORTGAGE LOANS HELD FOR SALE	0.00
OPEB-RELATED DEFERRED INFLOWS OF RESOURCES	0.00
PENSION-RELATED DEFERRED INFLOWS OF RESOURCES	0.00
TOTAL DEFERRED INFLOWS OF RESOURCES	\$0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2018**

AGENCY: 20-11A - Foundation for Excellence in Louisiana Public Broadcasting

PREPARED BY: Kimberly Ducote

PHONE NUMBER: 225-767-4269

EMAIL ADDRESS: kducote@lpb.org

SUBMITTAL DATE: 09/04/2018 03:14 PM

NET POSITION:

NET INVESTMENT IN CAPITAL ASSETS	0.00
RESTRICTED FOR:	
CAPITAL PROJECTS	0.00
DEBT SERVICE	0.00
NONEXPENDABLE	0.00
EXPENDABLE	0.00
OTHER PURPOSES	0.00
UNRESTRICTED	\$39,964,063.00
TOTAL NET POSITION	\$39,964,063.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2018**

AGENCY: 20-11A - Foundation for Excellence in Louisiana Public Broadcasting

PREPARED BY: Kimberly Ducote

PHONE NUMBER: 225-767-4269

EMAIL ADDRESS: kducote@lpb.org

SUBMITTAL DATE: 09/04/2018 03:14 PM

STATEMENT OF ACTIVITIES

PROGRAM REVENUES

EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE
7,001,031.00	1,267,889.00	4,813,489.00	0.00	\$(919,653.00)

GENERAL REVENUES

PAYMENTS FROM PRIMARY GOVERNMENT	0.00
OTHER	3,081,682.00
ADDITIONS TO PERMANENT ENDOWMENTS	0.00
CHANGE IN NET POSITION	\$2,162,029.00
NET POSITION - BEGINNING	\$37,802,034.00
NET POSITION - RESTATEMENT	0.00
NET POSITION - ENDING	\$39,964,063.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2018**

AGENCY: 20-11A - Foundation for Excellence in Louisiana Public Broadcasting

PREPARED BY: Kimberly Ducote

PHONE NUMBER: 225-767-4269

EMAIL ADDRESS: kducote@lpb.org

SUBMITTAL DATE: 09/04/2018 03:14 PM

DUES AND TRANSFERS

Account Type		Amount
Amounts due from Primary		
Government	Intercompany (Fund)	
		Total
		\$0.00

Account Type		Amount
Amounts due to Primary		
Government	Intercompany (Fund)	
		Total
		\$0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2018**

AGENCY: 20-11A - Foundation for Excellence in Louisiana Public Broadcasting

PREPARED BY: Kimberly Ducote

PHONE NUMBER: 225-767-4269

EMAIL ADDRESS: kducote@lpb.org

SUBMITTAL DATE: 09/04/2018 03:14 PM

SCHEDULE OF BONDS PAYABLE

Series Issue	Date of Issue	Original Issue Amount	Principal Outstanding PFY	Issue (Redeemed)	Principal Outstanding CFY	Interest Outstanding CFY
		0.00	0.00	0.00	\$ 0.00	0.00
		Totals	\$0.00	\$0.00	\$0.00	\$0.00

Series - Unamortized Premiums:

Series Issue	Date of Issue	Principal Outstanding PFY	Issue (Redeemed)	Principal Outstanding CFY
		0.00	0.00	\$ 0.00
		Totals	\$0.00	\$0.00

Series - Unamortized Discounts:

Series Issue	Date of Issue	Principal Outstanding PFY	Issue (Redeemed)	Principal Outstanding CFY
		0.00	0.00	\$ 0.00
		Totals	\$0.00	\$0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2018**

AGENCY: 20-11A - Foundation for Excellence in Louisiana Public Broadcasting

PREPARED BY: Kimberly Ducote

PHONE NUMBER: 225-767-4269

EMAIL ADDRESS: kducote@lpb.org

SUBMITTAL DATE: 09/04/2018 03:14 PM

SCHEDULE OF BONDS PAYABLE AMORTIZATION

Fiscal Year Ending:	Principal	Interest
2019	0.00	0.00
2020	0.00	0.00
2021	0.00	0.00
2022	0.00	0.00
2023	0.00	0.00
2024	0.00	0.00
2025	0.00	0.00
2026	0.00	0.00
2027	0.00	0.00
2028	0.00	0.00
2029	0.00	0.00
2030	0.00	0.00
2031	0.00	0.00
2032	0.00	0.00
2033	0.00	0.00
2034	0.00	0.00
2035	0.00	0.00
2036	0.00	0.00
2037	0.00	0.00
2038	0.00	0.00
2039	0.00	0.00
2040	0.00	0.00
2041	0.00	0.00
2042	0.00	0.00
2043	0.00	0.00
2044	0.00	0.00
2045	0.00	0.00
2046	0.00	0.00
2047	0.00	0.00
2048	0.00	0.00
2049	0.00	0.00
2050	0.00	0.00
2051	0.00	0.00
2052	0.00	0.00
2053	0.00	0.00
Premiums and Discounts	\$0.00	
Total	\$0.00	\$0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2018**

AGENCY: 20-11A - Foundation for Excellence in Louisiana Public Broadcasting

PREPARED BY: Kimberly Ducote

PHONE NUMBER: 225-767-4269

EMAIL ADDRESS: kducote@lpb.org

SUBMITTAL DATE: 09/04/2018 03:14 PM

Other Postemployment Benefits (OPEB)

If your agency has active or retired employees who are members of the OGB Health Plan, please provide the following information:

Benefit payments made subsequent to the measurement date of the OGB Actuarial Valuation Report until the employer's fiscal year end. (Benefit payments are defined as the employer payments for retirees' health and life insurance premiums). For agencies with a 6/30 year end this covers the current fiscal year. For calendar year end agencies, it covers the period 6/30 to 12/31 for the current year being reported.	0.00
For calendar year-end agencies only: Benefit payments or employer payments for health and life insurance premiums made for the next year's valuation reporting period (7/1/17 - 6/30/18).	0.00

**ANNUAL FISCAL REPORT (AFR)
FOR 2018**

AGENCY: 20-11A - Foundation for Excellence in Louisiana Public Broadcasting

PREPARED BY: Kimberly Ducote

PHONE NUMBER: 225-767-4269

EMAIL ADDRESS: kducote@lpb.org

SUBMITTAL DATE: 09/04/2018 03:14 PM

FUND BALANCE/NET POSITION RESTATEMENT

Account Name/Description	Restatement Amount
Total	\$0.00