FROSTBURG STATE UNIVERSITY
WFWM RADIO
FINANCIAL REPORT
JUNE 30, 2025

TURNBULL, HOOVER & KAHL, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

FROSTBURG STATE UNIVERSITY
WFWM RADIO

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WFWM Radio
Frostburg State University
Frostburg, Maryland

Independent Accountants' Review Report

We have reviewed the accompanying financial statements of Frostburg State University WFWM Radio (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025 , and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of entity management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Managements' 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.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Frostburg State University WFWM Radio and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Turnbull Hoover, & Kahl P.A.

Oakland, Maryland
January 23, 2026

FROSTBURG STATE UNIVERSITY
WFWM RADIO
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2025

ASSETS	
Current Assets:	
Cash	$ 5,104
Due from Frostburg State University Foundation	83,358
Prepaid expenses	6,133
Total Current Assets	94,595
Non-Current Assets:	
Buildings and improvements	3,330,765
Equipment	54,925
Total	3,385,690
Less: accumulated depreciation	(935,087)
Net Non-Current Assets	2,450,603
Total Assets	$ 2,545,198
LIABILITIES AND NET ASSETS	
Current Liabilities:	
Accrued workers' compensation, current portion	$ 397
Accrued leave	30,663
Total Current Liabilities	31,060
Non-Current Liabilities:	
Due to Frostburg State University	3,276,023
Accrued workers' compensation, noncurrent portion	2,248
Total Non-Current Liabilities	3,278,271
Total Liabilities	3,309,331
Net Asset Without Donor Restrictions	(764,133)
Total Liabilities and Net Assets	$ 2,545,198

The Notes to the Financial Statements are an integral part of this statement.
See Independent Accountants' Review Report

FROSTBURG STATE UNIVERSITY
WFWM RADIO
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2025

CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS:

Operating Revenues:	
Student fees	$ 5,276
Advertising	6,000
Sponsorships	21,500
Event admission/registration	4,100
Total Operating Revenues	36,876
Operating Expenses:	
Program services	180,778
Support services	319,143
Total Operating Expenses	499,921
Change in Net Assets from Operating Activities	(463,045)
Nonoperating Revenues:	
University support	270,723
Gifts and donations	37,802
Non-Profit Organization private revenues	33,717
Total Nonoperating Revenues	342,242
Change in Net Assets	(120,803)
Net Assets - Beginning of Year	(643,330)
Net Assets - End of Year	$ (764,133)

The Notes to the Financial Statements are an integral part of this statement.
See Independent Accountants' Review Report

FROSTBURG STATE UNIVERSITY
WFWM RADIO
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2025

	PROGRAM SERVICES			SUPPORT SERVICES			
FUNCTIONAL EXPENSES	Programming and Production	Broadcasting	Total Program Services	Management and General	Fundraising & Membership Development	Total Support Services	**Total Expenses**
Salaries, wages, benefits	$ -	$ -	$ -	$ 267,968	$ -	$ 267,968	$ 267,968
Occupancy	14,345	-	14,345	23,619	-	23,619	37,964
Printing	-	-	-	660	135	795	795
Professional services	28,000	-	28,000	23,975	-	23,975	51,975
Office expense	-	10	10	2,122	664	2,786	2,796
Membership & subscriptions	36,124	-	36,124	-	-	-	36,124
Depreciation	-	85,454	85,454	-	-	-	85,454
Equipment	-	16,845	16,845	-	-	-	16,845
TOTALS	$ 78,469	$ 102,309	$ 180,778	$ 318,344	$ 799	$ 319,143	$ 499,921

The Notes to the Financial Statements are an integral part of this statement.
See Independent Accountants' Review Report

FROSTBURG STATE UNIVERSITY
WFWM RADIO
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED JUNE 30, 2025

Cash Flows Used In Operating Activities	
Change in Net Assets from Operating Activities	$ (463,045)
Adjustments to reconcile change in net assets to net cash used in operating activates:	
Depreciation	85,454
Decrease in prepaid expenses	63
Decrease in accounts payable and accrued liabilities	(12,163)
Increase in accrued workers' compensation	864
Increase in accrued leave	6,328
Net Cash Used in Operating Activities	(382,499)
Cash Flows Provided by Noncapital Financing Activities	
University support	270,723
Gifts and donations	37,802
Non-Profit Organization-private revenues	33,717
Increase in due to Frostburg State University	36,961
Increase in due from Frostburg State University Foundation	7,521
Net Cash Provided by Noncapital Financing Activities	386,724
Net Change in Cash	4,225
Cash and Cash Equivalents - Beginning of the Year	879
Cash and Cash Equivalents - End of the Year	$ 5,104

The Notes to the Financial Statements are an integral part of this statement.
See Independent Accountants' Review Report

Note 1: Summary of Operating Entity & Significant Accounting Policies

Organization and Purpose

The WFWM Radio Station (WFWM) is owned and operated by Frostburg State University (the University). The University is a constituent institution of the University System of Maryland (the System) which is a component unit of the State of Maryland (the State).

WFWM is a noncommercial, educational FM radio station operating as a public service by Frostburg State University on an assigned frequency of 91.9 MHz.

WFWM is governed by the University Advancement Division, the University's Executive Committee, and the System's Board of Regents. Additionally, WFWM has an advisory council that makes non-binding recommendations to station management.

Reporting Entity

The financial statements of WFWM include all funds and organizations attributable to WFWM included in the legal entity encompassed by the University. In addition, the Frostburg State University Foundation, Inc. (a nonprofit organization) receives and disburses funds on behalf of WFWM. This activity has been included in the financial statements of WFWM.

Complete financial statements of the System and its affiliated foundations may be requested from the System's Office of the Comptroller at 3300 Metzerott Road, Adelphi, MD 20783.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred regardless of when cash is received or disbursed.

Description of Program Services

The following program services are included in the accompanying financial statements:

Funds Without Donor Restriction:

- Programming and Production: All expenses relating to the repairs and maintenance of the radio station and radio station programming subscriptions for radio station aired programs.
- Broadcasting: The expenses related to the rental of broadcasting equipment and radio tower land and the yearly depreciation of the equipment and percentage of the building that the radio station uses on the Frostburg State University campus.

Note 1: Summary of Operating Entity & Significant Accounting Policies (continued)

Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB); WFWM is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. A description of the two classes of net assets is as follows:

> Net assets without donor restrictions – This class represents those net assets whose use is not restricted by the donor even though their use may be limited in other respects.
>
> Net assets with donor restrictions – This class represents those net assets whose use is restricted by the donor for specific use for the contributed asset that is more specific than broad limits resulting from the nature of the organization, the environment in which it operates, and the purposes specified in its articles of incorporation. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

WFWM reports information regarding its financial position and activities according to the recommendations of FASB. The determination of net asset class is established by the existence or absence of legally enforceable restrictions from outside of WFWM and its board of directors. If no outside restrictions exist, then all net assets are recorded as without donor restrictions. As of June 30, 2025, all net assets are without donor restrictions.

Use of Estimates in the Preparation of Financial Statements

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

Operating and Nonoperating Revenues and Expenses

Operating revenues and expenses are generally associated with those activities that relate directly to the core activities of instruction, research and public service that form the essence of the System's mission. Nonoperating revenues and expenses represent amounts that recur regularly but are not included in operating revenues and expenses.

Cash

Cash and cash equivalents include cash deposits with the State Treasurer's Office, demand deposits with financial institutions, as well as highly liquid investments that are both readily convertible to known amounts of cash and are so near to their maturity that they present an insignificant risk of changes in value because of changes in interest rates. Only investments with an original maturity of three months or less satisfy the criteria for cash equivalents.

Note 1: Summary of Operating Entity & Significant Accounting Policies (continued)

Prepaid Expenses:

Payments made to vendors for services that will benefit periods beyond June 30, 2025 are recorded as prepaid expenses. The account consists of prepaid land rent, programming fees, and membership dues.

Property and Equipment

Property, plant, and equipment are stated principally at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. Personal property with an original cost of more than $5,000 and outlays for real property in excess of $250,000 are considered capital assets in the University's financial statements. An allocation of real property and related depreciation has been made to WFWM based on the square footage of the building WFWM occupies in relation to the total square footage.

Generally, the cost of all capital assets other than land, certain inexhaustible improvements to land and collections of works of art are assigned to expense over the estimated useful life of the asset with no salvage value on the straight line method of depreciation. Maintenance and repairs are expensed as incurred. The range of useful lives used for the major categories of capital assets is:

Buildings and improvements	20 – 40 years
Equipment	3 – 15 years

Since WFWM is the property of Frostburg State University all assets would remain the property of the University if WFWM should cease to exist.

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. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services on the basis of benefits received in the consumption of resources.

Accrued Leave

WFWM allows employees to accumulate Annual Leave, Sick Leave, Personal Leave, and Holiday Leave.

Annual Leave

Exempt employees – Full-time exempt employees earn 22 days of annual leave per calendar year that shall accumulate on a bi-weekly basis from the beginning of employment. Beginning with the 21st year of University System of Maryland (USM) and/or State of Maryland employment annual leave shall be earned at the rate of 25 days per calendar year. A maximum of 55 workdays of annual leave may be carried into a new calendar year by all full-time exempt 11 employees in the bargaining unit. Annual Leave Balance: Employees shall be compensated for any amount of accrued annual leave at the time of separation of employment due to retirement, resignation, or discharge.

Note 1: Summary of Operating Entity & Significant Accounting Policies (continued)

Accrued Leave (continued)

Sick Leave

A full-time employee shall earn sick leave at the rate of 15 workdays per year. Employees who are appointed at least 50 percent time shall earn sick leave on a pro rata basis. Sick leave is accumulated and carried forward from year to year without limit. Employees are not compensated for any amount of accrued sick leave at the time of separation of employment due to retirement, resignation, or discharge.

Personal Leave

Full-time employees shall receive three days (not to exceed 24 hours) of personal leave in each calendar year. Personal leave must be used by the end of the first pay period that ends in the new calendar year. Any personal leave that is unused as of that time shall be forfeited by the employee and shall be contributed to the USM Leave Reserve Fund in accordance with the then current USM Policy on Leave Reserve Fund. No employee shall be paid for unused personal leave.

Holiday Leave

Any holidays that are earned but not yet used are accrued. Holiday leave hours are paid out at time of separation of employment due to retirement, resignation, or discharge.

Note 2: Cash

At June 30, 2025, cash and cash equivalents consisted of the following:

Cash on deposit with the State of Maryland Treasurer is $5,104.

The Annotated Code of Maryland requires the System to maintain its cash balances, except for assets associated with endowment funds or proceeds of System financing arrangements, on deposit with the State Treasurer. The State Treasurer maintains these and other State funds on a pooled basis in accordance with the Annotated Code of Maryland. The cash balance of $5,104 represents cash held by the University on behalf of WFWM.

At June 30, 2025, there were no restricted cash for WFWM, which would include endowment funds, un-invested cash, and unspent proceeds of debt.

Note 3: Other Postemployment Benefits

Former System employees who are receiving retirement benefits may participate in the State health care insurance plans. These plans, which provide insurance coverage for medical, dental and hospital costs, are funded currently by the payment of premiums to the carriers and, under State policy, are jointly contributory. When an employee retires, payments to the plan are then funded by the State.

Two WFWM employees are expected to be eligible for these benefits upon retirement. WFWM's payment to the State for retirees' health insurance was $21,294 for the year ended June 30, 2025.

Note 4: Retirement and Pension Plans

Employees at WFWM are employees of the University and thus follow the University System's retirement program. Most System employees participate in the State's Retirement and Pension System (the State System), which is an agent, multiple-employer, public employee retirement system. While the State Systems is an agent, multiple-employer, public employee retirement system, The University System of Maryland accounts for the plan as a cost-sharing, multiple-employer, public employee retirement system, as a separate valuation is not performed for the University System of Maryland, and the only obligation to the plan is its required annual contributions. The State System prepares a Comprehensive Annual Financial Report, which can be obtained from the State Retirement and Pension Systems at 120 East Baltimore Street, Baltimore, Maryland 21202.

Certain employees participate in an optional program with the Teachers' Insurance and Annuity Association – College Retirement Equities Fund (TIAA-CREF).

State System

Plan Description

The State System is a defined benefit plan with unfounded accrued actuarial liabilities. The State System, which is administered in accordance with Article 73B of the Annotated Code of Maryland, is managed by a Board of Trustees, and is included in the State of Maryland financial reporting entity. Article 73B is the authority under which benefit provisions and contributions are established and amended.

Participants in the State System may receive retirement benefits after satisfying age and length of service requirements. Retirement benefits under each of the State System's plans are based on the length of service and the average of the highest three consecutive year's compensation. Retirement benefits are paid on a monthly basis.

All four State Systems' plans provide retirement, death and disability benefits in accordance with State statutes.

Funding Policy

The System's required contributions are based upon actuarial valuations. Effective July 1, 1980, in accordance with the law governing the State System, all benefits of the State System are funded in advance. The aggregate entry age normal cost method is the actuarial cost method used. Both the System and covered employees are required by State statute to contribute to the State System. The contribution from the employees is seven percent for participants in the State System's retirement plans (with a five percent limit on the annual cost of living allowance and seven percent for those who elect a limit on the cost of living allowance commensurate with the Consumer Price Index); and three percent for participants in the State System's pension plans. Contributions are deducted from participant's salary and wage payments and are remitted to the State System on a regular, periodic basis.

Note 4: Retirement and Pension Plans (continued)

Funding Policy (continued)

WFWM made its required contribution during the year ended June 30, 2025, in the amount of $29,783 and employee contributions in the amount of $9,118 were made.

TIAA-CREF

Some employees participate in the optional TIAA-CREF programs, which are defined contribution money purchase plans funded currently each year. In defined contribution plans, benefits depend solely on amounts contributed plus investment earnings. Qualified employees are eligible to participate from the date of employment. State legislation provides that the System contributes seven and a quarter percent of covered employees' total salaries each month and that the employee may elect to contribute five percent of total annual salary or five percent of total annual salary in excess of the Social Security wage base. The System's contribution along with that of the employee is immediately and fully vested. WFWM's contribution for the year ended June 30, 2025 was $0. Employees did elect to make additional contributions to the TIAA-CREF program in the amount of $310 for the year ended June 30, 2025.

Note 5: Risk Management

The System participates in State-wide self-insurance programs for many forms of risk loss, including general liability, property and casualty, workers' compensation, environmental and anti-trust liabilities, as well as certain employee health benefit programs.

The System remits 'premiums' to the State of Maryland, to cover costs of claims servicing and claims payments. The premiums are based on a percentage of annual payroll or are based on average loss experience, and providing for catastrophic losses.

The System records a liability when it is probable that a loss has been incurred and the amount of that loss can be reasonably estimated. Liabilities recorded include a provision for claims incurred but not reported. Because actual claims liabilities depend on such complex factors such as inflation, changes in social doctrines, and damage awards, actual claims could differ from estimates. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors. Liabilities for incurred workers' compensation losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using a four percent discount rate. The provision for workers' compensation is based upon a separately determined actuarial valuation for the fiscal year ended June 30, 2025. As of June 30, 2025, WFWM has recorded $2,645 in liabilities associated with workers' compensation.

Note 6: Federal and State Income Tax Status

WFWM is part of Frostburg State University's accounting system. It is exempt from Federal and Maryland income taxes under Section 115 of the Internal Revenue Code, and therefore, has made no provision for federal income taxes in the accompanying financial statements. WFWM also has no qualified unrelated business income. Management has reviewed the University's tax positions for all open years (current and prior years) and has determined that no provision for income taxes is required in the University's financial statements, in accordance with financial and accounting disclosure requirements for recognition and measurement of tax positions taken or expected to be taken on a U.S. income tax return.

Note 7: Availability and Liquidity

The following represents WFWM's financial assets at June 30, 2025:

Financial assets at year end:	
Cash and cash equivalents	$ 5,104
Due from Frostburg State University Foundation	83,358
Financial assets available for general use over the next twelve months	$ 88,462

WFWM is substantially supported by donations from listeners and funding from Frostburg State University. To meet cash flow needs, funds are used from WFWM's fund at Frostburg State University Foundation and from funding from Frostburg State University.

Note 8: Concentrations

WFWM is largely dependent on its revenues from the University. For year ended June 30, 2025, WFWM received 73 percent of its total revenue from the University.

Note 9: Operating Lease

WFWM currently leases a parcel of land located at Dan's Rock, Maryland where the Station's radio towers and building are located. On October 1, 2008, a new lease agreement was signed with SBA Properties, Inc. allowing an option to extend the current lease for four additional five-year terms. The lease is currently in its fifth year of its third five-year term. The lease has been renewed for its fourth five-year term. The lease required minimum monthly $600 installments due on the first of each month. The initial lease will be increased annually by 105 percent of the rate in effect for the prior year. Rent expense for the year ended June 30, 2025 was $15,530.

Future minimum rental payments required under the above operating lease as of June 30, 2025 are as follows:

2026	$ 16,502
2027	17,328
2028	18,194
Total minimum lease payments	$ 52,024

Note 10: Date of Management's Review

WFWM Radio has evaluated, for possible financial statement disclosure, subsequent events through January 23, 2026, the date which the financial statements were available to be issued, and has determined there were no such events.