

**NORTHERN NEW MEXICO
RADIO FOUNDATION**

Financial Statements

December 31, 2009 and 2008

(With Independent Auditors' Report Thereon)

NORTHERN NEW MEXICO RADIO FOUNDATION

Official Roster
Board of Directors
As of December 31, 2009

Randall Childress..... President
Joan Brooks Baker..... Vice-President
Robbie Dobyns..... Treasurer
Cheryl Davis..... Secretary
Janie Bingham..... Director
Nick Falcone..... Director
Randy Grissom..... Director
Jack Johnston..... Director
Martha Romero..... Director
Jonathan Sandmel.....Director

NORTHERN NEW MEXICO RADIO FOUNDATION

Financial Statements

December 31, 2009 and 2008

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Shelly Felt
CPA ♦ LLC

Independent Auditors' Report

Board of Directors
Northern New Mexico Radio Foundation
Santa Fe, New Mexico

We have audited the accompanying statements of financial position of Northern New Mexico Radio Foundation (NNMRF), a nonprofit organization, as of December 31, 2009 and 2008, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of NNMRF's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of NNMRF as of December 31, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedules of Functional Expenses on pages 15 and 16 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Shelly Felt, CPA, LLC

November 16, 2010
Santa Fe, New Mexico

NORTHERN NEW MEXICO RADIO FOUNDATION
Statements of Financial Position
December 31, 2009 and 2008

ASSETS

	2009	2008
CURRENT ASSETS		
Cash and cash equivalents	\$ 33,074	\$ 86,098
Accounts receivable, net	30,832	53,597
Government revenue receivable	4,263	-
Pledges receivable	3,073	-
Employee loan receivable	-	3,669
Other assets	3,013	5,325
Cash held for others	14,727	11,990
Total current assets	88,982	160,679
Property and equipment, net	82,693	104,872
Total assets	\$ 171,675	\$ 265,551

NORTHERN NEW MEXICO RADIO FOUNDATION
Statements of Financial Position (Continued)
December 31, 2009 and 2008

LIABILITIES AND NET ASSETS

	2009	2008
CURRENT LIABILITIES		
Accounts payable	\$ 7,647	\$ 19,737
Payroll and payroll taxes payable	11,356	18,633
Deferred revenue	40,379	46,999
Line of credit	16,723	-
Amounts held for others	14,727	11,990
Total current liabilities	90,832	97,359
Total liabilities	90,832	97,359
NET ASSETS		
Unrestricted	80,843	168,192
Temporarily restricted	-	-
Total net assets	80,843	168,192
Total liabilities and net assets	\$ 171,675	\$ 265,551

NORTHERN NEW MEXICO RADIO FOUNDATION
Statement of Activities
For the Year Ended December 31, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenues and support				
Contributions	\$ 283,958	\$ -	\$ -	\$ 283,958
Underwriting	152,897	-	-	152,897
Government revenue	56,826	-	-	56,826
Grants	23,000	-	-	23,000
Barter transactions	48,337	-	-	48,337
In-kind donations	28,600	-	-	28,600
Expense reimbursement	23,850	-	-	23,850
Administrative fees	5,658	-	-	5,658
Studio rental	1,050	-	-	1,050
Investment income (loss)	34	-	-	34
Special events	12,571	-	-	12,571
Royalty and licensing fees	163	-	-	163
	<u>636,944</u>	<u>-</u>	<u>-</u>	<u>636,944</u>
Total revenues and support				
Net assets released from restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues, support and reclassifications	636,944	-	-	636,944
Expenses				
Program expenses	536,077	-	-	536,077
Management & administrative	49,317	-	-	49,317
Fundraising expenses	138,899	-	-	138,899
Total expenses	<u>724,293</u>	<u>-</u>	<u>-</u>	<u>724,293</u>
Change in net assets	(87,349)	-	-	(87,349)
Net assets, beginning of year	<u>168,192</u>	<u>-</u>	<u>-</u>	<u>168,192</u>
Net assets, end of year	<u>\$ 80,843</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,843</u>

NORTHERN NEW MEXICO RADIO FOUNDATION
Statement of Activities
For the Year Ended December 31, 2008

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenues and support				
Contributions	\$ 271,702	\$ -	\$ -	\$ 271,702
Underwriting	165,524	-	-	165,524
Government revenue	113,866	-	-	113,866
Grants	55,000	-	-	55,000
Barter transactions	17,026	-	-	17,026
In-kind donations	32,310	-	-	32,310
Administrative fees	2,440	-	-	2,440
Studio rental	500	-	-	500
Investment income (loss)	(897)	-	-	(897)
Special events	36,354	-	-	36,354
Royalty and licensing fees	-	-	-	-
Total revenues and support	<u>693,825</u>	<u>-</u>	<u>-</u>	<u>693,825</u>
Net assets released from restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues, support and reclassifications	<u>693,825</u>	<u>-</u>	<u>-</u>	<u>693,825</u>
Expenses				
Program expenses	536,652	-	-	536,652
Management & administrative	80,283	-	-	80,283
Fundraising expenses	83,387	-	-	83,387
Total expenses	<u>700,322</u>	<u>-</u>	<u>-</u>	<u>700,322</u>
Change in net assets before frequency exchange	(6,497)	-	-	(6,497)
Frequency exchange gain	<u>29,081</u>	<u>-</u>	<u>-</u>	<u>29,081</u>
Change in net assets	22,584	-	-	22,584
Net assets, beginning of year	<u>145,608</u>	<u>-</u>	<u>-</u>	<u>145,608</u>
Net assets, end of year	<u>\$ 168,192</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 168,192</u>

NORTHERN NEW MEXICO RADIO FOUNDATION
Statements of Cash Flows
For the Years Ended December 31, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Change in net assets	\$ (87,349)	\$ 22,584
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	22,179	9,598
Contribution of securities	-	(4,964)
Net unrealized and realized (gain) loss on investments	-	1,442
Allowance for doubtful accounts	(5,000)	9,000
(Increase) decrease in:		
Accounts receivable	27,765	(35,724)
Pledges receivable	(3,073)	-
Grants receivable	-	-
Government revenue receivable	(4,263)	62,684
Employee receivable	3,669	(3,669)
Other assets	2,312	11,215
Increase (decrease) in:		
Accounts payable	(12,090)	17,181
Payroll & taxes payable	(7,277)	(2,108)
Employee payable	-	-
Deferred underwriting revenue	(6,620)	20,615
Deferred government revenue	-	(31,250)
Net cash provided by (used in) operating activities	<u>(69,747)</u>	<u>76,604</u>
Cash flows from investing activities:		
(Purchases) of property and equipment	-	(56,964)
(Purchase) of investments	-	-
Sale of investments	-	7,918
Net cash provided by (used in) investing activities	<u>-</u>	<u>(49,046)</u>
Cash flows from financing activities:		
Draws on line of credit	32,766	-
Paydown of line of credit	(16,043)	-
	<u>16,723</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(53,024)	27,558
Cash and cash equivalents, beginning of year	<u>86,098</u>	<u>58,540</u>
Cash and cash equivalents, end of year	<u><u>\$ 33,074</u></u>	<u><u>\$ 86,098</u></u>
Supplemental Disclosure		
Interest paid in cash	\$ 516	-

NORTHERN NEW MEXICO RADIO FOUNDATION

Notes to Financial Statements

A. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities: Northern New Mexico Radio Foundation (Organization) is a not-for-profit New Mexico corporation organized under the laws of the State of New Mexico in 1996. The purpose of the Organization is to manage and operate a public non-commercial radio station, KSFR (101.1 FM). KSFR serves the public interest by providing cultural, entertainment, and educational radio broadcast programs for the Santa Fe area community. The station's support comes primarily from individual contributions, underwriting contributions, foundation grants, and state and city grants.

In 2001, the Organization entered into a Management Agreement (the Agreement) with Santa Fe Community College (College) for the operation of KSFR (the Station). Pursuant to the Agreement, the Organization assumed responsibility for the management and operation of the Station, while the College remains the Federal Communication Commission (FCC) licensee of the Station.

Basis of Accounting: The financial statements of the Organization are prepared on the accrual basis of accounting in conformity with generally accepted accounting principles.

Basis of Presentation: In accordance with U.S. generally accepted accounting principles, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. The net assets of the Organization are classified and reported as follows:

Unrestricted Net Assets: The Organization reports assets whose use is not restricted by donors as unrestricted net assets. Contributions are available for unrestricted use unless specifically restricted by the donor. Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations or law.

Temporarily Restricted Net Assets: Temporarily restricted net assets include gifts, unconditional promises to give, trusts and remainder interests, income and gains which can be expended but for which restrictions have not yet been met. Such restrictions include restrictions where donors have specified the purpose for which the net assets are to be spent, or time limitations imposed by donors or implied by the nature of the gift (capital projects and unconditional promises to give to be paid in the future). Expirations of temporary restrictions on net assets, that is, the donor-imposed stipulated purpose has been accomplished and or the stipulated time period has elapsed, are reported as reclassifications between the applicable classes of net assets. Temporarily restricted grants and donations received and spent within the same year are recorded as unrestricted for purposes of the statement of activities.

NORTHERN NEW MEXICO RADIO FOUNDATION

Notes to Financial Statements

A. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Permanently Restricted Net Assets: Permanently restricted net assets are contributed with donor restrictions requiring that they be held in perpetuity with investment return available for operations. There were no permanently restricted net assets at December 31, 2009 and 2008.

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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents: The Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents. The Organization maintains cash deposits in bank checking and savings accounts which at times may exceed FDIC limits and cash deposits in money market accounts which at times may exceed SIPC limits.

Property and Equipment: Purchased property, equipment, and intangible assets are recorded at cost and donations of property and equipment are recorded as support at their estimated fair value at the date of donation. It is the policy of the Organization to capitalize expenditures for property and equipment in excess of \$1,000 when the useful life extends beyond one year. Donations of property, equipment and intangible assets are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

Certain property may be purchased with government grants, restrictive financing agreements, or under the terms of the Agreement of the College. If these assets were to be sold by the Organization or not used for their intended charitable purpose repayment may be required or the property may be required to be returned to the College upon cessation of the Agreement with the Organization.

Amortization and depreciation is calculated using the straight-line method over the estimated useful lives, from five to ten years.

Receivables: Receivables are stated at the amount that management expects to collect. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a valuation allowance. Allowances for uncollectible receivables are based on analysis and aging of receivables. Accounts receivable represent amounts due for underwriting and studio rentals. Pledges receivable represent amounts pledged by the public during periodic fundraising drives held by the Organization. Grants receivable represent unconditional pledges by corporations, private foundations or other

NORTHERN NEW MEXICO RADIO FOUNDATION

Notes to Financial Statements

A. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Receivables (continued): grantors. Government revenue receivables represent amounts collectible under broadcasting service agreements with government entities.

Revenue Recognition:

Contributions - Unrestricted contributions are recognized when cash or ownership of donated assets is unconditionally promised to the Organization. The Organization recognizes gifts of cash and other assets as temporarily restricted if they are received with donor stipulations of purpose or time.

Underwriting – Revenue for program underwriting is recorded on a pro-rata basis for the period covered.

Support from Governmental Agencies - The Organization recognizes revenue from governmental agencies as it is earned and is reported as unrestricted revenue.

Royalties and Licensing Fees - The Organization recognizes income for royalties and licensing fees from the use of its intellectual property. Revenue is recognized as earned based on contractual agreements or when its intellectual property is made available for use.

Barter transactions – The Organization records revenue and expense for barter transactions based on the estimated fair value of goods and services exchanged.

Contributed Materials and Services: The Organization receives in-kind donations of facilities, services and supplies. Contributions of facilities and supplies are recorded at their estimated fair values at the date of donation. Donated services that (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would otherwise be purchased by the Organization if not provided by donation, are recorded at their fair values in the period received. A substantial number of unpaid volunteers have made significant contributions of their time that did not meet the criteria for recognition.

Functional Allocation of Expenses: The costs of providing the various program services and other activities have been summarized on a functional basis in the statement of activities and changes in net assets. Accordingly, certain costs have been allocated among the program and supporting services on the basis of benefits received.

Advertising: The Organization follows the policy of charging the costs of advertising to expense as incurred.

NORTHERN NEW MEXICO RADIO FOUNDATION

Notes to Financial Statements

A. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Income Tax Status: The Organization has received recognition from the Internal Revenue Services that it qualifies as a non-profit Corporation under Section 501(c)(3) of the Internal Revenue Code. The Organization files required annual tax returns with the Internal Revenue Service and the New Mexico Attorney General. The Organization may be subject from time to time to taxation on unrelated business income, but, in the opinion of management, such tax, if any, is immaterial.

Reclassifications: Certain amounts in the prior year financial statements may have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

B. CASH AND CASH EQUIVALENTS

At December 31, 2009 and 2008, respectively, the Organization had on deposit \$33,074 and \$72,715 in checking and savings accounts. At December 31, 2009 and 2008, respectively, the Organization held \$0 and \$13,383 in a Merrill Lynch money market fund. The money market accounts are carried at cost plus accrued interest. These carrying values reasonably approximate fair market value.

Interest income on the checking and savings held by the Organization for the year ended December 31, 2009 was \$34 and for the year ended December 31, 2008 was \$322.

C. CUSTODIAL OBLIGATIONS

At December 31, 2009 and 2008, \$14,727 and \$11,990 in cash was held by the Organization in a bank account for the Youth Media Project. The Youth Media Project provides year-round training, radio production, and community outreach programs for youth. The fair market value of the amounts held for Youth Media Project is accounted for as a liability as of December 31, 2009 and 2008 (amount held for others).

D. RECEIVABLES

There were \$36,332 and \$63,597 in accounts receivable associated with underwriting revenue for the years ended December 31, 2009 and 2008, respectively. Management established a receivable allowance of \$5,500 and \$10,000 for estimated uncollectible accounts associated with these accounts as of December 31, 2009 and December 31, 2008, respectively. The net accounts receivable as of year-end were \$30,832 and \$53,597.

There were \$3,073 in pledges receivable as of December 31, 2009, with an estimated allowance of \$0. Management was not aware of any pledges receivable as of December 31, 2008.

NORTHERN NEW MEXICO RADIO FOUNDATION

Notes to Financial Statements

D. RECEIVABLES

There were \$4,263 and \$0 in government revenue receivables due for the years ended December 31, 2009 and 2008, respectively. Management did not establish an allowance for the government revenue receivable and the amount owed the organization was collected in full after year-end.

F. PROPERTY AND EQUIPMENT

Property and equipment are summarized as follows as of December 31:

	<u>12/31/2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2009</u>
Signal upgrade	\$ 86,056	\$ -	\$ -	\$ 86,056
Studio improvements and equipment	40,845	-	-	40,845
Subtotal	126,901	-	-	126,901
Accumulated depreciation	(22,029)	(22,179)	-	(44,208)
Property and equipment, net	<u>\$ 104,872</u>	<u>\$ (22,179)</u>	<u>\$ -</u>	<u>\$ 82,693</u>

Depreciation for the years ended December 31, 2009 and 2008 was \$22,179 and \$9,598.

G. RESTRICTED NET ASSETS

There were no temporarily restricted net assets as of December 31, 2009 and 2008.

There were no permanently restricted net assets as of December 31, 2009 and 2008

H. IN-KIND CONTRIBUTIONS

The Organization receives in-kind donations of facilities, services and supplies. These donations are reflected in the financial statements to the extent they meet the criteria for recognition.

The Organization leases broadcast tower space under a month-to-month operating lease with the College. No rent payment is due under the lease terms. However, \$16,000 per year is the fair value, which is recorded as an annual in-kind rental expense.

The Organization leases office and studio space under a month-to-month operating lease with the College. No rent payment is due under the lease terms. However, \$12,600 per year is the fair value, which is recorded as an annual in-kind rental expense.

NORTHERN NEW MEXICO RADIO FOUNDATION

Notes to Financial Statements

H. IN-KIND CONTRIBUTIONS – CONTINUED

During the year ended December 31, 2008, the Organization received \$3,710 as the estimated value of donated professional services in association with contact with the New Mexico state legislature concerning appropriations for the Organization.

I. COMMITMENTS AND CONTINGENCIES

In January 2002, the Organization entered into an Agreement with the College. The Organization agreed to manage and operate the Station. The College is the FCC license holder for the Station. The Agreement was extended, with some modifications, at the mutual agreement of both parties, in March 2006, through October 2009.

Under the terms of the Agreement, the Organization shall annually remit to the College, on a fiscal basis ending June 30th, a sum equal to ten percent (10%) of that portion of the Organization's gross fiscal year revenues that exceed \$200,000. By definition in the agreement, gross fiscal year revenues do not include donations, gifts, grants, pledges, awards or bequests. Annual revenues and underwriting fees received by the Organization have not yet exceeded \$200,000 in the current year or in prior years and thus, as of December 31, 2009, management believes that no amounts are payable to the College under this provision.

Amounts received and expended by the Organization under various governmental award programs are subject to audit by governmental agencies. In the opinion of management, audit adjustments, if any, will not have a significant effect on its financial position.

J. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2009, the son of the executive director was employed by the Organization on an hourly basis. The amount paid as salary during the year was \$15,318.

During the year ended December 31, 2008, two former members of the Board of Directors were hired as staff members by the Organization, one as Chief Operating Officer of Technology and the other as Chief Underwriting Officer. Both continued in their positions during the year ended December 31, 2009.

During the year ended December 31, 2008, a loan was made to an employee by the Organization in the amount of approximately \$3,700. The loan was outstanding as of December 31, 2008 and was satisfied during the year ended December 31, 2009. During the year ended December 31, 2008, a former member of the Board of Directors who also hosted a regular morning show was paid \$5,000 in nonemployee compensation.

NORTHERN NEW MEXICO RADIO FOUNDATION

Notes to Financial Statements

K. LINE OF CREDIT

In August 2009, the Organization entered into a line of credit agreement with a bank which permits the Organization to borrow up to \$25,000 at a variable interest rate based on the Wall Street Journal Prime rate. The interest rate is variable based on a Prime Rate and is set at a minimum of 7%. (The agreement was renewed in August 2010 with a minimum interest rate of 6% and expires in August 2011. See Note N, Subsequent Event, below.) The line of credit was entered into to satisfy a reserve requirement under the Agreement with the College. (See Note I, Commitments and Contingencies, above.) The balance on the line of credit as of December 31, 2009 and 2008 was \$16,223 and \$0.

L. GAIN ON FREQUENCY EXCHANGE

During February 2008, the Santa Fe Community College (SFCC), the licensee of KSFR, and Educational Media Foundation (EMF) entered into an asset purchase and exchange agreement. As part of the agreement, the broadcast signal of KSFR was changed to 101.1 from 90.7. As part of the agreement, KSFR was provided \$87,540 for plant improvements at a new broadcast tower site, promotional expenditures associated with the new frequency, reimbursement of engineering fees, and legal fees incurred in negotiating the agreement. The funds received by KSFR as part of this agreement were offset by \$58,459 in expenditures associated with the change in frequency. A portion of the funds were expended for signal improvements that were capitalized during the year ended December 31, 2008. The capitalized expenditures that resulted in increased broadcast coverage for KSFR are amortized over the remaining five years of the license.

M. GOING CONCERN

KSFR depends heavily on government awards, grants, individual contributions, and underwriting funds for its revenue. The ability of certain of its contributors and grantors and underwriters to continue giving amounts comparable with prior years may be dependent upon current and future overall economic conditions. While KSFR believes it has the resources to continue its programs, its ability to do so and the extent to which it continues to do so may be dependent upon such economic factors.

KSFR experienced an operating loss of approximately \$85,000 in 2009. The management of KSFR anticipates that it will narrow its loss for the year ending December 31, 2010. It has a business plan in place to raise funds and minimize costs sufficient to meet the continuing operating costs of its current programs. The Board of Directors is actively involved in fund-raising efforts.

N. SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 16, the date on which the financial statements were available to be issued. The line of credit with the local

NORTHERN NEW MEXICO RADIO FOUNDATION

Notes to Financial Statements

N. SUBSEQUENT EVENTS – CONTINUED

financial institution (See Footnote K, Line of Credit, above) was renewed effective August 2010 and expires August 2011.

NORTHERN NEW MEXICO RADIO FOUNDATION
Schedule of Functional Expenses
For the Year Ended December 31, 2009

	<u>Program</u>	<u>Management & Administration</u>	<u>Fundraising</u>	<u>Total</u>
Salaries & commissions	\$ 296,659	\$ 33,875	\$ 84,426	\$ 414,960
Payroll taxes	29,253	4,229	1,762	35,244
Employee benefits & expenses	6,075	878	366	7,319
Reimbursed expenses	-	-	9,048	9,048
Advertising	4,688	-	-	4,688
Advertising, barter	48,337	-	-	48,337
Bank & credit card charges	387	-	7,359	7,746
Broadcast supplies	924	-	-	924
Contractors	-	-	-	-
Depreciation	22,179	-	-	22,179
Dues & memberships	-	-	-	-
Equipment rental	2,403	-	-	2,403
Food, barter	-	-	-	-
Fund drive expenses	-	-	11,849	11,849
Insurance	7,265	382	-	7,647
Investment fees	-	-	67	67
Licenses & fees	656	34	-	690
Miscellaneous	2,122	112	-	2,234
Postage	59	58	-	117
Professional services	2,775	8,325	-	11,100
Professional services, in-kind	-	-	-	-
Programming	47,444	-	-	47,444
Promotional merchandise	-	-	8,770	8,770
Provision for bad debts	-	-	7,946	7,946
Rent, in-kind	27,170	1,144	286	28,600
Repair & maintenance	1,289	-	-	1,289
Signal upgrade project	-	-	-	-
Special events	-	-	6,887	6,887
Station operations, small equipment	518	-	-	518
Supplies	4,233	178	45	4,456
Telecommunications	2,423	102	25	2,550
Tower, Pajarito	27,672	-	-	27,672
Tower, West Alameda	339	-	-	339
Transmitter engineer	-	-	-	-
Web-site hosting & content	1,207	-	63	1,270
	<u>\$ 536,077</u>	<u>\$ 49,317</u>	<u>\$ 138,899</u>	<u>\$ 724,293</u>

NORTHERN NEW MEXICO RADIO FOUNDATION
Schedule of Functional Expenses
For the Year Ended December 31, 2008

	<u>Program</u>	<u>Management & Administration</u>	<u>Fundraising</u>	<u>Total</u>
Salaries & commissions	\$ 342,250	\$ 49,482	\$ 20,618	\$ 412,350
Payroll taxes	27,872	4,030	1,679	33,581
Employee benefits & expenses	6,076	878	366	7,320
Reimbursed expenses	-	-	11,226	11,226
Advertising	12,556	-	-	12,556
Advertising, barter	11,606	-	-	11,606
Bank & credit card charges	367	-	6,970	7,337
Broadcast supplies	1,381	-	-	1,381
Contractors	288	-	-	288
Depreciation	9,598	-	-	9,598
Dues & memberships	1,819	-	-	1,819
Equipment rental	-	-	-	-
Food, barter	2,710	1,355	1,355	5,420
Fund drive expenses	-	-	13,134	13,134
Insurance	9,622	506	-	10,128
Investment fees	-	-	113	113
Licenses & fees	2,375	125	-	2,500
Miscellaneous	677	36	-	713
Postage	110	109	-	219
Professional services	6,204	18,611	-	24,815
Professional services, in-kind	-	3,710	-	3,710
Programming	35,071	-	-	35,071
Promotional merchandise	-	-	11,033	11,033
Provision for bad debts	-	-	9,110	9,110
Rent, in-kind	27,170	1,144	286	28,600
Repair & maintenance	440	-	-	440
Signal upgrade project	-	-	-	-
Special events	-	-	6,867	6,867
Station operations, small equipment	8,017	-	-	8,017
Supplies	5,355	225	56	5,636
Telecommunications	1,705	72	18	1,795
Transmitter engineer	12,825	-	-	12,825
Web-site hosting & content	10,558	-	556	11,114
	<u>\$ 536,652</u>	<u>\$ 80,283</u>	<u>\$ 83,387</u>	<u>\$ 700,322</u>