



Auditor of State
Betty Montgomery

**WAPS-FM AKRON CITY SCHOOL DISTRICT
SUMMIT COUNTY**

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**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

WAPS-FM
Akron City School District
Summit County
65 Steiner Avenue
Akron, Ohio 44301

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, and each major fund of WAPS-FM, Akron City School District, Summit County, Ohio, (the Station) as of and for the year ended June 30, 2003, as listed in the table of contents. These financial statements are the responsibility of the Station's management. 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 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 audit provides a reasonable basis for our opinions.

As discussed in Note 1, the financial statements of WAPS-FM, Akron City School District, Summit County, Ohio, are intended to present the financial position and the changes in financial position of only that portion of the governmental activities and each major fund of the Akron City School District that is attributable to the transactions of the Station. They do not purport to, and do not, present fairly the financial position the Akron City School District as of June 30, 2003, and the changes in its financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund for WAPS-FM, Akron City School District, Summit County, Ohio, as of June 30, 2003, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, during the year ended June 30, 2003, the Station implemented a new financial reporting model, as required by the provisions of Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 23, 2003, on our consideration of the Station's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

December 23, 2003

WAPS-FM AKRON CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003
UNAUDITED

The discussion and analysis of WAPS-FM's (the "Station") financial performance provides an overall review of the Station's financial activities for the fiscal year ended June 30, 2003. The Station is a department of the Akron City School District. The intent of this discussion and analysis is to look at the Station's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Station's financial performance.

Financial Highlights

Key financial highlights for the fiscal year ended June 30, 2003 are as follows:

- Total net assets increased \$70,029. This is a 23.5% increase from fiscal year 2002.
- Total revenues of \$530,307 were comprised of general revenues of \$466,093 or 87.9% and program revenues of \$64,214 or 12.1%.
- Total program expenses totaled \$460,278.
- The fund balance in the general fund increased \$56,594. This is a 31.4% increase from fiscal year 2002.

Station Highlights

Significant Station highlights for the fiscal year ended June 30, 2003 are as follows:

- Underwriting revenue continued to increase during fiscal year 2003.
- The Station discontinued airing Akron Aeros baseball games during fiscal year 2003 because it did not gain audience share for the Station.
- The Station more than doubled its power and can now reach three new counties by going to a taller tower.
- The Station hired a consultant to increase its listening audience and listener loyalty.

Using this Annual Report

This annual report consists of the basic financial statements and the notes to the basic financial statements. The basic financial statements are organized so the reader can understand the Station as a financial whole, an entire operating entity. The basic financial statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Assets and the Statement of Activities provide information about the activities of the whole Station, presenting both an aggregate view of the Station's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, the fund financial statements tell how services were financed in the short-term and what remains for future spending. Also, the fund financial statements look at each of the Station's funds.

WAPS-FM AKRON CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003
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Reporting the Station as a Whole – Statement of Net Assets and Statement of Activities

While the basic financial statements contain the funds used by the Station to provide programs and activities, the view of the Station as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2003?" The Statement of Net Assets and the Statement of Activities answer this question. These two statements include all assets and liabilities using the accrual basis of accounting similar to the basis of accounting used by most companies in the private sector. This basis of accounting takes into account all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

These two statements report the Station's net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the Station as a whole, the financial position of the Station has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Nonfinancial factors include the Station's listening area, listening audience, number of members, and other factors.

In the Statement of Net Assets and the Statement of Activities, the activities of the Station's programs and services are accounted for in the following activity:

Governmental Activities – All of the Station's programs and services are reported here including program services and support services.

Reporting the Station's Most Significant Funds – Fund Financial Statements

The analysis of the Station's major funds begins on page 7. Fund financial reports provide detailed information about the Station's major funds. The Station uses funds to account for a multitude of financial transactions, and the fund financial statements focus on the Station's funds. The Station's major governmental funds are the general fund and the Corporation for Public Broadcasting (CPB) grants fund.

Governmental Funds – All of the Station's activities are reported in the governmental funds, which focus on how money flows into and out of those funds and the balances left at fiscal year end available for spending in future fiscal years. These funds are reported using a basis of accounting method called the modified accrual basis of accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund financial statements provide a detailed short-term view of the Station's general government operations and the basic services it provides. Governmental fund information helps a reader determine whether there are more or fewer financial resources that can be spent in the near future to finance programs. The relationships or differences between governmental activities reported in the Statement of Net Assets and Statement of Activities and governmental fund financial statements are reconciled in the basic financial statements.

The Station as a Whole

Recall that the Statement of Net Assets provides the perspective of the Station as a whole.

Table 1 provides a summary of the Station's net assets for fiscal year 2003 compared to fiscal year 2002 as follows:

WAPS-FM AKRON CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003
UNAUDITED

Table 1
Net Assets at June 30,

	<u>Governmental Activities</u>	
	<u>2003</u>	<u>2002</u>
Assets		
Current and Other Assets	\$318,972	\$258,922
Capital Assets, Net	<u>124,321</u>	<u>120,375</u>
<i>Total Assets</i>	<u>443,293</u>	<u>379,297</u>
Liabilities		
Current and Other Liabilities	35,048	42,376
Long-Term Liabilities:		
Due Within One Year	15,882	16,685
Due in More than One Year	<u>24,652</u>	<u>22,554</u>
<i>Total Liabilities</i>	<u>75,582</u>	<u>81,615</u>
Net Assets		
Invested in Capital Assets, Net of Debt	124,321	120,375
Restricted:		
Other Purposes	55,455	41,323
Unrestricted	<u>187,935</u>	<u>135,984</u>
<i>Total Net Assets</i>	<u><u>\$367,711</u></u>	<u><u>\$297,682</u></u>

Total assets increased \$63,996. Cash and cash equivalents increased \$68,959 with the majority of the increase in the general fund. The increase in cash and cash equivalents in the general fund is attributed to increases in the listening area and the number of members. The increases in the listening area and the number of members resulted in increases in collections from underwriters and members. The increase in cash and cash equivalents is offset by a decrease in accounts receivable of \$8,909.

Total liabilities decreased \$6,033. The decrease was the result of current and other liabilities decreasing by \$7,328. The current and other liabilities decrease was the result of decreased accounts payable of \$16,601. The decrease in accounts payable is offset by an increase in intergovernmental payable of \$4,106 and an increase in deferred revenue of \$5,167. The increase in intergovernmental payable was the result of an increase in the liabilities at the 2003 fiscal year end for pension obligation and workers' compensation. This increase was due to an increase in salaries and wages. The increase in deferred revenue was attributed to an increase in the amount of prepaid underwriting received before the 2003 fiscal year end.

The net impact was an increase of net assets of \$70,029.

The vast majority of revenues supporting governmental activities are general revenues. General revenues totaled \$466,093 or 87.9% of revenues supporting governmental activities. Program revenues for governmental activities totaled \$64,214 or 12.1%.

WAPS-FM AKRON CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003
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Table 2 shows the change in net assets for fiscal year 2003. Since this is the first fiscal year the Station has prepared basic financial statements following Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, revenue and expense comparisons to fiscal year 2002 are not available. In future fiscal years, when prior fiscal year information is available, a comparative analysis of government-wide data will be presented.

Table 2
Change in Net Assets for Governmental Activities

	2003
Revenues	
<i>Program Revenues:</i>	
Operating Grants, Contributions and Interest	\$64,214
 <i>General Revenues:</i>	
Akron City School District	258,442
Membership Contributions	33,644
Underwriting	119,269
Donated Facilities and Administrative Support	51,187
Miscellaneous	3,551
 <i>Total General Revenues</i>	 466,093
 Total Revenues	 530,307
 Program Expenses	
<i>Program Services:</i>	
Programming and Production	272,584
Broadcasting	37,784
Public Information	15,747
<i>Support Services:</i>	
Management and General	94,372
Fundraising and Membership	39,791
Total Program Expenses	460,278
 Increase in Net Assets	 \$70,029

CPB grants revenue comprised 12.1%, Akron City School District ("the School District") revenue comprised 48.7%, and underwriting revenue comprised 22.5% of total revenues for governmental activities for the Station for fiscal year 2003.

Programming and production program services comprised 59.2% of governmental program expenses. Management and general support services comprised 20.5% of governmental program expenses.

WAPS-FM AKRON CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
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The increase in net assets of \$70,029 is due to, as previously discussed, the increases in listeners and members from going to a taller tower. This caused increases in the collections from underwriters and members.

The Statement of Activities shows the cost of program services and the charges of services and grants offsetting those services. Table 3 below shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported mainly by Akron City School District revenue and underwriting revenue. Comparisons to fiscal year 2002 have not been made since they are not available.

Table 3

	Total Cost of Service 2003	Net Cost Of Service 2003
	<u>2003</u>	<u>2003</u>
Expenses		
Program Services:		
Programming and Production	\$272,584	\$218,001
Broadcasting	37,784	31,363
Public Information	15,747	12,537
Support Services:		
Management and General	94,372	94,372
Fundraising and Membership	<u>39,791</u>	<u>39,791</u>
Total	<u><u>\$460,278</u></u>	<u><u>\$396,064</u></u>

The dependence upon general revenues for governmental activities is apparent. Over 86.0% of governmental activities are supported through Akron City School District and other general revenues; general revenues support is 87.9% of total governmental revenues. The School District, underwriters and members are by far the primary support for the Station's listening audience.

The Station's Funds

Information about the Station's major funds begins on page 12. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$530,893 and expenditures of \$460,167. The net change in fund balances for the fiscal year was an increase of \$70,726 for all governmental funds with the most significant increase in the general fund. The general fund's net change in fund balance for fiscal year 2003 was an increase of \$56,594, and the CPB grants fund's net change in fund balance for fiscal year 2003 was an increase of \$14,132. The general fund's net change in fund balance can be attributed to, as previously discussed, the increases in the listening area and members. This resulted in increases in collections from underwriters and members. The CPB grants fund's net change in fund balance is attributed to not spending all of the CPB grant funds during fiscal year 2003. The remaining amount of these grant funds may be carried over to future fiscal years and spent in those future fiscal years. Each CPB grant has a grant period of two years, and the Station is awarded a CPB grant on an annual basis.

WAPS-FM AKRON CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003
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Capital Assets

At the end of fiscal year 2003, the Station had \$124,321 invested in furniture and fixtures and equipment. Table 4 shows fiscal year 2003 balances compared to fiscal year 2002 as follows:

Table 4
 Capital Assets at June 30,
 (Net of Depreciation)

	Governmental Activities	
	2003	2002
Furniture and Fixtures	\$7,331	\$8,445
Office Equipment	4,467	7,500
Telecommunications Equipment	112,523	104,430
Totals	\$124,321	\$120,375

The increase is due to purchases involving the installation of a new antenna in fiscal year 2003. The largest increase in value was in telecommunications equipment.

Long-Term Liabilities

Total long-term liabilities increased \$1,295 from fiscal year 2002. This is a 3.3% increase. The Station's long-term liabilities are comprised solely of compensated absences. This increase is attributed to an increase in the accumulation of sick leave days and a general increase in the daily rate of pay for the employees of the Station.

For the Future

In December, 2002, the Station completed a 5-year tower move and power increase. Station power increased from 800 watts to 2000 watts, and tower height increased from 150 feet to 300 feet. The primary coverage boost for this power increase are the Canton, Ohio and Medina, Ohio markets. These two markets show good potential for audience and revenue growth. The Station experienced the benefits of this power increase for only half of fiscal year 2003; future fiscal years should experience benefits for this power increase for the entire fiscal year. Despite this, management still must diligently plan expenses.

In June, 2003, to initiate a long-term plan to boost ratings, the Station hired a national programming consultant to create an 18-month Production Reinvention Plan. An 18-month, 3-phase sound evolution, revitalization and marketing growth plan will be created.

WAPS-FM AKRON CITY SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2003
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Phase One will include a critical analysis of all aspects of station sound, staffing, scheduling and marketing. Evolutionary changes will be made to make the station more listener friendly to the primary listener base. Changes will need to be made carefully to not alienate the current loyal but small audience base as the Station reaches out to others. Focus groups and music tests will be conducted with the primary listener base. Results from these will help finalize the changes to be made in Phase One and be the foundation of the Station's sound for Phase Two. As part of this plan, a new volunteer corps composed of loyal listeners will be involved more closely with the Station's day-to-day operations.

Phase Two begins in January, 2004, and will include a marketing plan to reach out to new listeners while serving the existing primary listener base.

The Station was awarded a complimentary marketing plan from a local public relations firm. This firm worked on a plan for the Station during an intensive, 24-hour, company-wide marketing session and have created a promotional flyer for the Station to use in marketing to new listeners. Delivery and distribution for these flyers are scheduled for October, 2003.

The Station's management must plan carefully and prudently to provide the resources to meet audience needs over the next several fiscal years.

Contacting the Station's Management

This financial report is designed to provide our audience, advisory board, members, underwriters, investors, creditors, and CPB with a general overview of the Station's finances and to show the Station's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Tommy Bruno, General Manager, at WAPS, 91.3 FM, 65 Steiner Avenue, Akron, Ohio 44301.

WAPS-FM Akron City School District

Statement of Net Assets

June 30, 2003

	<u>Governmental Activities</u>
Assets	
Cash and Cash Equivalents	\$314,186
Accounts Receivable	4,786
Depreciable Capital Assets, Net	<u>124,321</u>
<i>Total Assets</i>	<u>443,293</u>
Liabilities	
Accounts Payable	601
Intergovernmental Payable	18,377
Deferred Revenue	16,070
Long-Term Liabilities:	
Due Within One Year	15,882
Due In More Than One Year	<u>24,652</u>
<i>Total Liabilities</i>	<u>75,582</u>
Net Assets	
Invested in Capital Assets	124,321
Restricted for:	
Other Purposes	55,455
Unrestricted	<u>187,935</u>
<i>Total Net Assets</i>	<u><u>\$367,711</u></u>

See accompanying notes to the basic financial statements

WAPS-FM Akron City School District

Statement of Activities

For the Fiscal Year Ended June 30, 2003

	Expenses	Program Revenues Operating Grants, Contributions and Interest	Net (Expenses) and Changes in Net Assets Governmental Activities
Governmental Activities			
Program Services:			
Programming and Production	\$272,584	\$54,583	(\$218,001)
Broadcasting	37,784	6,421	(31,363)
Public Information	15,747	3,210	(12,537)
Support Services:			
Management and General	94,372	0	(94,372)
Fundraising and Membership	39,791	0	(39,791)
<i>Total Governmental Activities</i>	<u>\$460,278</u>	<u>\$64,214</u>	<u>(\$396,064)</u>
 General Revenues			
			258,442
Akron City School District			33,644
Membership Contributions			119,269
Underwriting			51,187
Donated Facilities Use and Administrative Support			3,551
Miscellaneous			<u>466,093</u>
<i>Total General Revenues</i>			<u>466,093</u>
Change in Net Assets			70,029
<i>Net Assets at Beginning of Fiscal Year - Restated (See Note 3)</i>			<u>297,682</u>
<i>Net Assets at End of Fiscal Year</i>			<u><u>\$367,711</u></u>

See accompanying notes to the basic financial statements

WAPS-FM Akron City School District

Balance Sheet

Governmental Funds

June 30, 2003

	General	CPB Grants	Total Governmental Funds
Assets			
Cash and Cash Equivalents	\$258,338	\$55,848	\$314,186
Accounts Receivable	4,786	0	4,786
<i>Total Assets</i>	<u>\$263,124</u>	<u>\$55,848</u>	<u>\$318,972</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$208	\$393	\$601
Intergovernmental Payable	6,782	0	6,782
Deferred Revenue	19,524	0	19,524
<i>Total Liabilities</i>	<u>26,514</u>	<u>393</u>	<u>26,907</u>
Fund Balances			
Reserved for Encumbrances	5	0	5
Undesignated, Reported in:			
General Fund	236,605	0	236,605
Special Revenue Fund	0	55,455	55,455
<i>Total Fund Balances</i>	<u>236,610</u>	<u>55,455</u>	<u>292,065</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$263,124</u>	<u>\$55,848</u>	<u>\$318,972</u>

See accompanying notes to the basic financial statements

WAPS-FM Akron City School District
*Reconciliation of Total Governmental Fund Balances to
Net Assets of Governmental Activities
June 30, 2003*

Total Governmental Fund Balances	\$292,065
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	124,321
Other long-term assets are not available to pay for current- period expenditures and therefore are deferred in the funds: Deferred Membership Contributions Revenue	3,454
Intergovernmental payable includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(11,595)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds: Compensated Absences	<u>(40,534)</u>
<i>Net Assets of Governmental Activities</i>	<u><u>\$367,711</u></u>

See accompanying notes to the basic financial statements

WAPS-FM Akron City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2003

	General	CPB Grants	Total Governmental Funds
Revenues			
Akron City School District	\$258,442	\$0	\$258,442
CPB Grants	0	64,214	64,214
Membership Contributions	34,230	0	34,230
Underwriting	119,269	0	119,269
Donated Facilities Use and Administrative Support	51,187	0	51,187
Miscellaneous	3,551	0	3,551
<i>Total Revenues</i>	<u>466,679</u>	<u>64,214</u>	<u>530,893</u>
Expenditures			
Current:			
Program Services:			
Programming and Production	235,137	42,570	277,707
Broadcasting	27,663	5,008	32,671
Public Information	13,830	2,504	16,334
Support Services:			
Management and General	93,417	0	93,417
Fundraising and Membership	40,038	0	40,038
<i>Total Expenditures</i>	<u>410,085</u>	<u>50,082</u>	<u>460,167</u>
<i>Net Change in Fund Balances</i>	56,594	14,132	70,726
<i>Fund Balances at Beginning of Fiscal Year - Restated (See Note 3)</i>	<u>180,016</u>	<u>41,323</u>	<u>221,339</u>
<i>Fund Balances at End of Fiscal Year</i>	<u><u>\$236,610</u></u>	<u><u>\$55,455</u></u>	<u><u>\$292,065</u></u>

See accompanying notes to the basic financial statements

WAPS-FM Akron City School District
*Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2003*

Net Change in Fund Balances - Total Governmental Funds \$70,726

*Amounts reported for governmental activities in the
statement of activities are different because:*

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capital Asset Additions	20,631	
Current Year Depreciation	(15,899)	
Total		4,732

Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal. (786)

Revenues in the statement of activities that do provide current financial resources and are not reported as revenues in the funds:

Membership Contributions	(586)
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences	(1,295)	
Pension Obligation	(2,762)	
Total		(4,057)

Change in Net Assets of Governmental Activities \$70,029

See accompanying notes to the basic financial statements

WAPS-FM Akron City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003

Note 1 – Description of the Station and Reporting Entity

WAPS-FM (the "Station") is a non-profit, public telecommunications radio station operated by the Akron City School District (the "School District"). The Station does not have a separate governing board and the School District provides funds for the Station to the extent necessary. A portion of the School District's general fund and portions of one of its special revenue funds comprise the operations of the Station.

The Station is staffed by 7 employees. The School District has provided space for the Station in one of its administrative buildings. The Station's mission is to provide the highest quality information and music programming, both national and local, to its listeners in the Northeast Ohio area.

Reporting Entity

A reporting entity is comprised of the primary government, segments, component units, and other organizations that are included to ensure that the basic financial statements are not misleading. The Station is a segment of the School District. The segment consists of all funds, departments and programs that are not legally separate from the Station. For the Station, this includes general operations of the Station. Budgetary statements are not required since the budgetary level of control is the responsibility of the Akron City School District and not with the Station.

Component units are legally separate organizations for which the Station is financially accountable. The Station is financially accountable for an organization if the Station appoints a voting majority of the organization's governing board and (1) the Station is able to significantly influence the programs or services performed or provided by the organization; or (2) the Station is legally entitled to or can otherwise access the organization's resources; the Station is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Station is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the Station in that the Station approves the budget, the issuance of debt, or the levying of taxes. The Station does not have any component units.

Note 2 – Summary of Significant Accounting Policies

The financial statements of the Station have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Station also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The more significant of the Station's accounting policies are described below.

A. Basis of Presentation

The Station's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities and fund financial statements which provide a more detailed level of financial information.

WAPS-FM Akron City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003

Government-wide Financial Statements. The statement of net assets and the statement of activities display information about the Station as a whole. These statements include the financial activities of the segment.

The statement of net assets presents the financial condition of the governmental activities of the Station at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Station's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Station with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental activity is self-financing or draws from the general revenues of the Station.

Fund Financial Statements During the fiscal year, the Station segregates transactions related to certain Station functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Station at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column.

B. Fund Accounting

The Station uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The Station only has governmental funds.

Governmental Funds Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balances. The following are the Station's major governmental funds:

General Fund The general fund is the operating fund of the Station and is used to account for all financial resources except those required to be accounted for in another fund.

CPB Grants Fund The Corporation for Public Broadcasting (CPB) Grants fund accounts for CPB grants whose use is restricted to a particular purpose.

C. Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the Station are included on the statement of net assets. The statement of activities presents increases (i.e. revenues) and decreases (i.e. expenses) in total net assets.

WAPS-FM Akron City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003

Fund Financial Statements All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue and in the presentation of expenses versus expenditures.

Revenues - Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Station, available means expected to be received within 60 days of fiscal year end.

Non-exchange transactions, in which the Station receives value without directly giving equal value in return, include grants, entitlements and donations. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Station must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Station on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: grants, underwriting and membership contributions.

Deferred Revenue Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred.

WAPS-FM Akron City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

E. Cash and Cash Equivalents

Cash and cash equivalents of the Station consist of monies held in the School District's cash management pool. Monies for all of the Station's funds are maintained in this pool. Individual fund integrity is maintained through School District records.

During fiscal year 2003, the School District's investments were limited to overnight repurchase agreements, a money market mutual fund and certificates of deposit, which are reported at cost.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the basic financial statements as cash equivalents.

F. Donated Inventory of Music

During the ordinary course of business, the Station receives free compact discs from record companies for promotional purposes. From the compact discs received, the Station selects music to be played on the air, compact discs to be used as prizes for on-air contests, and compact discs to be used as incentives for membership pledges. The Station does not include the library of compact discs as an asset nor as a promotional expenditure/expense on its books and records. The Station does, however, include in "Donated Facilities Use and Administrative Support" (See Note 2G) the cost to mail the compact discs to the contest winners as well as to certain members upon payment of their membership to the Station.

G. Support and Revenue from the Akron City School District

The Station has an arrangement with the Akron City School District whereby the School District subsidizes the Station for certain operating expenditures/expenses incurred. The amount of the expenditures/expenses paid by the School District on behalf of the Station totaled \$258,442 during fiscal year 2003. This amount is also included in the basic financial statements as Akron City School District revenue.

Donated facilities from the School District consist of approximately 2,000 square feet of office and studio space in an administrative building to which the School District holds title. Indirect administrative support from the School District consists of allocated costs based on a formula developed by CPB. The collective total of this space and indirect administrative support was \$51,187 for fiscal year 2003, and is included in donated facilities use and administrative support revenue and support services expenditures/expenses.

H. Capital Assets

All capital assets of the Station are classified as general capital assets. These assets generally result from expenditures in the governmental funds. They are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

WAPS-FM Akron City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their fair market values as of the date received. The Station maintains a capitalization threshold of \$500. The Station does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Furniture and Fixtures	5 - 15 years
Office Equipment	5 - 10 years
Telecommunications Equipment	5 - 30 years

I. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the Station has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and the employees' wage rates at fiscal year end, taking into consideration any limits specified in the School District's termination policy. The Station records a liability for accumulated unused sick leave for employees after 15 years of service at any age and at age 50 with any amount of service, based on historical employment trends.

The entire compensated absence liability is reported on the government-wide financial statements.

J. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, compensated absences and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year.

K. Fund Balance Reserves

The Station reserves those portions of fund balances which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balances indicate that portion of fund balance which is available for appropriation in future periods. Fund balance reserves are established for encumbrances.

WAPS-FM Akron City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003

L. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, consists of capital assets, net of accumulated depreciation. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Station or through external restrictions imposed by creditors, grantors or laws and regulations of other governments. Net assets restricted for other purposes represent CPB grants.

The Station applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

M. Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and accompanying notes. Actual results may differ from those estimates.

Note 3 – Change in Accounting Principles and Restatement of Fund Balances

Changes in Accounting Principles Beginning in fiscal year 2003, the financial statements of the Station have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. This involves implementing all applicable and appropriate GASB statements and interpretations, including GASB Statement No. 34, “Basic Financial Statements and Management’s Discussion and Analysis – for State and Local Governments,” and GASB Statement No. 37, “Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments: Omnibus.”

GASB Statement No. 34 creates new basic financial statements for reporting on the Station’s financial activities. The financial statements now include government-wide financial statements prepared on an accrual basis of accounting and fund financial statements which present information for individual major funds rather than by fund type.

On the government-wide financial statements, the beginning net assets amount for governmental activities reflects the change in fund balances for governmental funds at June 30, 2002, caused by the reclassification of funds based on the guidance provided in GASB Statement No. 34 and the conversion to the accrual basis of accounting.

GASB Statement No. 37 clarifies certain provisions of GASB Statement No. 34, including the required content of the Management Discussion and Analysis, the classification of program revenues and the criteria for determining major funds.

Restatement of Prior Fiscal Year Fund Balances The Station previously reported in accordance with the accounting practices prescribed or permitted by CPB, which is an accounting basis substantially equivalent to the American Institute of Certified Public Accountants Not-for-Profit Model as provided for in GASB Statement No. 29. As a result of implementing GASB Statements No. 34 and No. 37, it was determined that funds previously reported as unrestricted and restricted funds should be reclassified and reported as general and special revenue funds, respectively. These restatements had the following effects on fund balances of the Station as they were previously reported:

WAPS-FM Akron City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003

	General	CPB Grants	Total
Fund Balances, June 30, 2002	\$258,395	\$4,011	\$262,406
Adjustments Required to Convert to GASB			
Statement No. 34 Modified Accrual Basis:			
Cash and Cash Equivalents	467	0	467
Capital Assets	(102,933)	(17,442)	(120,375)
Pension Obligation	(4,508)	0	(4,508)
Workers' Compensation Payable	(930)	0	(930)
Deferred Revenue	(9,714)	54,754	45,040
Compensated Absences Payable	39,239	0	39,239
Fund Balances, July 1, 2002	\$180,016	\$41,323	221,339
Accrual GASB Adjustments:			
Capital Assets			120,375
Pension Obligation			(8,833)
Deferred Revenue			4,040
Compensated Absences Payable			(39,239)
Governmental Activities Net Assets, July 1, 2002			\$297,682

Note 4 - Deposits and Investments

The Station's cash and cash equivalents of \$314,186 consist of monies held in the School District's cash management pool. Thus, a determination of the breakdown of the Station's cash and cash equivalents between deposits and investments is not practically determinable.

At fiscal year end, the carrying amount of the School District's deposits was \$6,731,756 and the bank balance was \$11,007,454. Of the bank balance:

1. \$373,389 was covered by federal depository insurance.
2. \$10,634,065 was uncollateralized and uninsured. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

Additionally, the School District held \$35,270,000 in overnight repurchase agreements and \$6,239,066 in a money market mutual fund at fiscal year end.

WAPS-FM Akron City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003

Note 5 – Receivables

Receivables at June 30, 2003, consisted of accounts (membership contributions). All receivables are considered collectible in full due to the ability to collect all of the pledges from members based on historical trends. All receivables are expected to be collected within one fiscal year.

Note 6 – Capital Assets

Capital asset activity for the fiscal year ended June 30, 2003, was as follows:

	<u>Balance</u> <u>6/30/2002</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2003</u>
Governmental Activities				
<i>Capital Assets, being depreciated:</i>				
Furniture and Fixtures	\$12,889	\$0	\$0	\$12,889
Office Equipment	30,782	0	(11,144)	19,638
Telecommunications Equipment	<u>205,410</u>	<u>20,631</u>	<u>(19,665)</u>	<u>206,376</u>
<i>Total Capital Assets, being depreciated</i>	<u>249,081</u>	<u>20,631</u>	<u>(30,809)</u>	<u>238,903</u>
Less Accumulated Depreciation:				
Furniture and Fixtures	(4,444)	(1,114)	0	(5,558)
Office Equipment	(23,282)	(3,033)	11,144	(15,171)
Telecommunications Equipment	<u>(100,980)</u>	<u>(11,752)</u>	<u>18,879</u>	<u>(93,853)</u>
Total Accumulated Depreciation	<u>(128,706)</u>	<u>(15,899) *</u>	<u>30,023</u>	<u>(114,582)</u>
Governmental Activities Capital Assets, Net	<u>\$120,375</u>	<u>\$4,732</u>	<u>(\$786)</u>	<u>\$124,321</u>

* Depreciation expense was charged to governmental functions as follows:

Program Services:	
Programming and Production	\$7,215
Broadcasting	6,658
Public Information	183
Support Services:	
Management and General	1,749
Fundraising and Membership	<u>94</u>
Total Depreciation Expense	<u>\$15,899</u>

WAPS-FM Akron City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003

Note 7 - Risk Management

The Station is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. The School District contracted for property, liability insurance, and inland marine coverage during fiscal year 2003. Coverage provided is as follows:

<u>Type of Coverage</u>	<u>Coverage Amount</u>
Building and Contents - loss limit (\$50,000 self-insured retention)	\$100,000,000
Boiler and Machinery (\$5,000 deductible)	5,250,000
General Liability	
Per occurrence (\$50,000 self-insured retention)	1,000,000
Total per year (with a \$1,000,000 umbrella)	2,000,000

Settled claims have not exceeded commercial coverage in any of the past three fiscal years, and there has not been a significant reduction in coverage from the prior fiscal year.

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

Note 8 – Defined Benefit Pension Plans

The School District contributes to the School Employees Retirement System (SERS), a cost-sharing, multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Chapter 3309 of the Ohio Revised Code. SERS issues a publicly-available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3476.

Plan members are required to contribute 9 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2003, 8.17 percent of annual covered salary was the portion used to fund pension obligations. For fiscal year 2002, 5.46 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended, up to a statutory maximum amount, by the SERS' Retirement Board. The Station's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2003, 2002 and 2001 were \$18,787, \$12,353 and \$8,874, respectively; 46.60 percent has been contributed for 2003 and 100 percent for fiscal years 2002 and 2001.

WAPS-FM Akron City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003

Note 9 - Post Employment Benefits

The School District provides comprehensive health care benefits to retired non-certified employees and their dependents through the SERS. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare premiums. Benefit provisions and the obligations to contribute are established by SERS based on authority granted by the Ohio Revised Code. SERS is on a pay-as-you-go basis.

Coverage is made available to service retirees with ten or more fiscal years of qualifying service credit, and to disability and survivor benefit recipients. Members retiring on or after August 1, 1989 with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75 percent of the premium.

After the allocation for basic benefits, the remainder of the employer's 14 percent contribution is allocated to providing health care benefits. For the fiscal year ended June 30, 2003, employer contributions to fund health care benefits were 5.83 percent of covered payroll, a decrease of 2.71 percent from fiscal year 2002. In addition, SERS levies a surcharge to fund health care benefits equal to 14 percent of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal year 2003, the minimum pay was established as \$14,500. For the Station, the amount contributed to fund health care benefits, including the surcharge, during the 2003 fiscal year equaled \$13,529.

The surcharge, added to the unallocated portion of the 14 percent employer contribution rate, provides for maintenance of the asset target level for the health care fund. The target level for the health care reserve is 150 percent of annual health care expenses. Expenses for health care for the fiscal year ended June 30, 2002 (the latest information available), were \$182,946,777 and the target level was \$274.4 million. At June 30, 2002, SERS had net assets available for payment of health care benefits of \$335.2 million. SERS has approximately 50,000 participants currently receiving health care benefits.

Note 10 - Other Employee Benefits

A. Compensated Absences

The criteria for determining vacation and sick leave components are derived from negotiated agreements and State Laws. Employees working 52 weeks per year earn 5 to 25 days of vacation per year, depending upon length of service. Accumulated, unused vacation time is paid upon termination of employment. Employees working less than 52 weeks per year do not earn vacation. Employees earn sick leave at the rate of one and one-fourth days per month or the equivalent in hours per month. Sick leave may be accumulated up to a maximum of 380 days. Upon retirement, payment is made for one-fourth of the total sick leave accumulation.

B. Insurance Benefits

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Medical Life Insurance Company. Also, the School District offers medical/surgical, prescription, dental and vision insurance to its employees through several different providers.

WAPS-FM Akron City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2003

Note 11 - Long-Term Obligations

The changes in the Station's long-term obligations during the fiscal year consist of the following:

Governmental Activities:	Principal Outstanding 6/30/2002	Additions	Reductions	Principal Outstanding 6/30/2003	Amount Due in One Year
Compensated Absences	\$39,239	\$1,295	\$0	\$40,534	\$15,882

Compensated absences will be paid from the general fund.

Note 12- Contingencies

A. Grants

The Station received financial assistance from grantor agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any disallowed claims will not have a material adverse effect on the overall financial position of the Station at June 30, 2003.

B. Litigation

The Station is not currently a party to any legal proceedings.



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

WAPS-FM
Akron City School District
Summit County
65 Steiner Avenue
Akron, Ohio 44301

To the Board of Education:

We have audited the financial statements of WAPS-FM (a segment of the Akron City School District), Summit County, Ohio, (the Station) as of and for the year ended June 30, 2003, and have issued our report thereon dated December 23, 2003 in which we noted the Station adopted Governmental Accounting Standards Board Statement No. 34. 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.

Compliance

As part of obtaining reasonable assurance about whether the Station's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, 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 that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance that we have reported to management of the Station in a separate letter dated December 23, 2003.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Station's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the Station in a separate letter dated December 23, 2003.

111 Second St., NW / Fourth Floor / Canton, OH 44702
Telephone: (330) 438-0617 (800) 443-9272 Fax: (330) 471-0001
www.auditor.state.oh.us

WAPS-FM
Summit County
Independent Accountants' Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended for the information and use of management, the Akron City School District Board of Education, and the Corporation for Public Broadcasting, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Betty Montgomery". The signature is written in a cursive, flowing style.

Betty Montgomery
Auditor of State

December 23, 2003

WAPS-FM
(a segment of the Akron City School District)
SUMMIT COUNTY

SCHEDULE OF PRIOR AUDIT FINDINGS
June 30, 2003

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2002-10977-001	The Station did not adopt GASB 34	Yes	The Station has adopted GASB 34



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140
Telephone 614-466-4514
800-282-0370
Facsimile 614-466-4490

WAPS-FM AKRON CITY SCHOOL DISTRICT

SUMMIT COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
JANUARY 22, 2004**