

**Return of Organization Exempt From Income Tax**

OMB No 1545-0047

**2012**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

**A For the 2012 calendar year, or tax year beginning** Jul 1, 2012, **and ending** Jun 30, 2013

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Terminated  
 Amended return  
 Application pending

**C Name of organization** THIRTEEN  
 Doing Business As  
 Number and street (or P O box if mail is not delivered to street addr) Room/suite  
 825 EIGHTH AVENUE, 14th FL  
 City, town or country State ZIP code + 4  
 NEW YORK NY 10019-7435

**D Employer Identification Number**  
13-1945149

**E Telephone number**  
(212) 560-1355

**F Name and address of principal officer**  
CAROLINE CROEN 825 Eighth Ave New York NY 10019

**G Gross receipts** \$ 97,253,883.

**H(a)** Is this a group return for affiliates?  Yes  No  
**H(b)** Are all affiliates included? If 'No,' attach a list (see instructions)  Yes  No

**I Tax-exempt status**  501(c)(3)  501(c) ( ) (insert no)  4947(a)(1) or  527

**J Website:** WWW.THIRTEEN.ORG

**K Form of organization**  Corporation  Trust  Association  Other

**L Year of Formation** 1962 **M State of legal domicile** NY

**Part I Summary**

<b>1</b> Briefly describe the organization's mission or most significant activities	BE A LEADING PROVIDER OF EDUCATIONAL, INFORMATIONAL AND CULTURAL PRODUCTS AND SERVICES, USING ALL MEDIA, WHICH REFLECT AND RESPECT A DIVERSE AND COMPLEX WORLD, SERVE THE UNDERSERVED, OFFER CULTURAL ENRICHMENT, FACILITATE. . . . (SEE SCHEDULE O FOR CONTINUATION)	
<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	7
<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	0
<b>5</b> Total number of individuals employed in calendar year 2012 (Part V, line 2a)	<b>5</b>	578
<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	61
<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	-11,886.
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	
<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b>	<b>Current Year</b>
<b>9</b> Program service revenue (Part VIII, line 2g)	89,592,749.	83,716,764.
<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	14,771,736.	5,758,962.
<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	196,304.	4,519,340.
<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	645,319.	1,251,345.
	105,206,108.	95,246,411.
<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-7)	29,171,396.	28,115,361.
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	754,254.	676,431.
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25)	15,757,756.	
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	61,725,398.	47,749,458.
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	91,651,048.	76,541,250.
<b>19</b> Revenue less expenses Subtract line 18 from line 12	13,555,060.	18,705,161.
<b>20</b> Total assets (Part X, line 16)	<b>Beginning of Current Year</b>	<b>End of Year</b>
<b>21</b> Total liabilities (Part X, line 26)	138,640,452.	0.
<b>22</b> Net assets or fund balances Subtract line 21 from line 20	11,327,706.	0.
	127,312,746.	0.

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

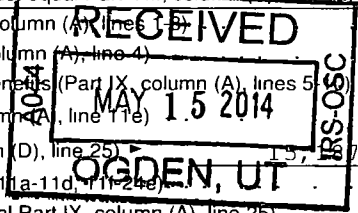
**Sign Here**  
 Signature of officer: *Caroline Croen* Date: 05/07/14  
 Type or print name and title: CAROLINE CROEN DIRECTOR

**Paid Preparer Use Only**  
 Print/Type preparer's name: Non-Paid Preparer Preparer's signature: Date: Check  if self-employed PTIN:  
 Firm's name: Firm's address: Firm's EIN: Phone no:

May the IRS discuss this return with the preparer shown above? (see instructions) Yes  No

SCANNED JUN 06 2014

SCANNED JUN 26 2014



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**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response to any question in this Part III.

**1** Briefly describe the organization's mission

BE A LEADING PROVIDER OF EDUCATIONAL, INFORMATIONAL AND CULTURAL PRODUCTS AND SERVICES, USING ALL MEDIA, WHICH  
See Form 990, Page 2, Part III, Line 1 (continued)

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No

If 'Yes,' describe these new services on Schedule O

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No

If 'Yes,' describe these changes on Schedule O

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

**4 a** (Code \_\_\_\_\_) (Expenses \$ 55,184,808. including grants of \$ 0.) (Revenue \$ 2,881,006.)

NATIONAL AND LOCAL PROGRAM SERVICES: TELEVISION PROGRAMMING OF THE HIGHEST POSSIBLE QUALITY, SUCH AS GREAT PERFORMANCES, NATURE, AMERICAN MASTERS, RELIGION & ETHICS, LIVE FROM LINCOLN CENTER, ETC. FOR DISTRIBUTION THROUGH THE PUBLIC BROADCASTING SYSTEM. THIRTEEN (f/k/a EDUCATIONAL BROADCASTING CORPORATION) HAS APPROXIMATELY 176,000 MEMBERS.

**4 b** (Code \_\_\_\_\_) (Expenses \$ 4,948,376. including grants of \$ 0.) (Revenue \$ 2,877,956.)

BROADCAST STATION: TECHNICAL OPERATIONS PROVIDES THE TRANSMISSION OF THIRTEEN'S BROADCAST SIGNAL WITHIN THE NEW YORK METROPOLITAN AREA. DURING THE 2012/2013 FISCAL YEAR, THIRTEEN BROADCAST OVER 24,000 HOURS OF PROGRAMMING ON A 24-HOUR DAILY SCHEDULE PRIMARILY ON THE STATION'S DIGITAL CHANNELS.

**4 c** (Code \_\_\_\_\_) (Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**4 d** Other program services (Describe in Schedule O)

(Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**4 e** Total program service expenses **▶** 60,133,184.

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
4 <b>Section 501(c)(3) organizations</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II	X	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If 'Yes,' complete Schedule C, Part III		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If 'Yes,' complete Schedule D, Part V	X	
11 If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI	X	
b Did the organization report an amount for investments — other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VII	X	
c Did the organization report an amount for investments — program related in Part X, line 13 that is 5% or more of its total assets reported in Part X line 16? If 'Yes,' complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part IX	X	
e Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If 'Yes,' complete Schedule D, Part X	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If 'Yes,' complete Schedule D, Parts XI, and XII		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI and XII is optional	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If 'Yes,' complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If 'Yes,' complete Schedule G, Part I (see instructions)	X	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20 a Did the organization operate one or more hospital facilities? If 'Yes,' complete Schedule H		X
b If 'Yes' to line 20a, did the organization attach a copy of its audited financial statements to this return?		

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If 'Yes,' complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If 'Yes,' complete Schedule I, Parts I and III</i>		X
23 Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If 'Yes,' complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
25a <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If 'Yes,' complete Schedule L, Part II.</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If 'Yes,' complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If 'Yes,' complete Schedule L, Part IV</i>	X	
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>	X	
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1</i>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>	X	
36 <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O	X	

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Form 990 (2012)

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response to any question in this Part V

		Yes	No
1 a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. <span style="float:right">213</span>		
1 b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. <span style="float:right">0</span>		
1 c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
2 a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. <span style="float:right">578</span>		
2 b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	X	
3 b	If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O.	X	
4 a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4 b	If 'Yes,' enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5 b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5 c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?		
6 a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
6 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
7 a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	X	
7 b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	X	
7 c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7 d	If 'Yes,' indicate the number of Forms 8282 filed during the year. <span style="float:right"></span>		
7 e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7 f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7 g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7 h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	<b>Sponsoring organizations maintaining donor advised funds.</b>		
9 a	Did the organization make any taxable distributions under section 4966?		
9 b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	<b>Section 501(c)(7) organizations.</b> Enter		
10 a	Initiation fees and capital contributions included on Part VIII, line 12. <span style="float:right"></span>		
10 b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities. <span style="float:right"></span>		
11	<b>Section 501(c)(12) organizations.</b> Enter		
11 a	Gross income from members or shareholders. <span style="float:right"></span>		
11 b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them). <span style="float:right"></span>		
12 a	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?		
12 b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year. <span style="float:right"></span>		
13	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
13 a	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O		
13 b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans. <span style="float:right"></span>		
13 c	Enter the amount of reserves on hand. <span style="float:right"></span>		
14 a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14 b	If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O.		

Part VI Governance, Management and Disclosure For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O See instructions.

Check if Schedule O contains a response to any question in this Part VI

X

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year; 1b Enter the number of voting members included in line 1a, above, who are independent; 2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?; 3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?; 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?; 5 Did the organization become aware during the year of a significant diversion of the organization's assets?; 6 Did the organization have members or stockholders?; 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?; 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or other persons other than the governing body?; 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following; 8a The governing body?; 8b Each committee with authority to act on behalf of the governing body?; 9 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates?; 10b If 'Yes,' did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?; 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990; 12a Did the organization have a written conflict of interest policy? If 'No,' go to line 13; 12b Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?; 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done; 13 Did the organization have a written whistleblower policy?; 14 Did the organization have a written document retention and destruction policy?; 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?; 15a The organization's CEO, Executive Director, or top management official; 15b Other officers of key employees of the organization; 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?; 16b If 'Yes,' did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed See Form 990, Page 6, Line 17 (continued)
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you make these available Check all that apply
[X] Own website [X] Another's website [X] Upon request [ ] Other (explain in Schedule O)
19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization
CAROLINE CROEN 825 EIGHTH AVE, 14TH FL NEW YORK NY 10019-7435 (212) 560-1355

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response to any question in this Part VII.

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

**1 a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of 'key employee.'
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) NEAL SHAPIRO CHAIRMAN	40.00	X		X			0.	508,409.	27,047.	
(2) CAROLINE CROEN DIRECTOR	40.00	X		X			0.	237,215.	17,377.	
(3) ROBERT FEINBERG DIRECTOR	40.00	X		X			0.	266,855.	19,026.	
(4) LISA MANTONE DIRECTOR	40.00	X		X			0.	305,617.	19,489.	
(5) STEPHEN SEGALLER DIRECTOR	40.00	X		X			0.	300,380.	14,558.	
(6) CHARLENE SHAPIRO DIRECTOR	40.00	X		X			0.	234,827.	8,662.	
(7) CAROLE WACEY DIRECTOR	40.00	X		X			0.	9,431.	0.	
(8) ROSLYN DAVIS DIRECTOR & GENERAL MGR	40.00			X			215,595.	0.	12,993.	
(9) FRANK PESCE TREASURER (thru 9/13/12)	40.00			X			0.	123,894.	18,927.	
(10) SAMANTHA GREEN TREASURER (As of 9/14/12)	40.00			X			0.	88,801.	2,973.	
(11) LOREN KITTILSEN SECRETARY (thru 3/4/13)	40.00			X			0.	49,431.	5,045.	
(12) BLANCHE ROBERTSON SECRETARY (As of 3/5/13)	40.00			X			0.	76,465.	23,706.	
(13) DAVID HORN EXEC PRODUCER	40.00				X		294,389.	0.	27,489.	
(14) FRED KAUFMAN EXEC PRODUCER	40.00				X		192,637.	0.	25,100.	

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (cont)**

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) WILLIAM BAKER PRESIDENT EMERITUS	40.00					X		361,649.	0.	4,230.
(16) ARNOLD LABATON EXEC PRODUCER	40.00					X		234,320.	0.	12,570.
(17) ROBERT ABERNETHY EXEC EDITOR/HOST	40.00					X		243,322.	0.	20,130.
(18) SUSAN LACY EXEC PRODUCER	40.00					X		238,679.	0.	15,290.
(19) SANDRA SHEPPARD EXEC PRODUCER	40.00					X		180,266.	0.	6,448.
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
<b>1 b Sub-total</b>								1,960,857.	2,201,325.	281,060.
<b>c Total from continuation sheets to Part VII, Section A</b>										
<b>d Total (add lines 1b and 1c)</b>								1,960,857.	2,201,325.	281,060.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **8**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If 'Yes,' complete Schedule J for such individual	X	
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If 'Yes' complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If 'Yes' complete Schedule J for such person		X

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
KUNHARDT PRODUCTIONS, INC. 48 WHEELER AVENUE 3RD FLOOR PLEASANTVILLE NY 10570	PROGRAM PRODUCTION	2,824,367.
ISA ADVERTISING 845 THIRD AVENUE, 6TH FLOOR NEW YORK NY 10022	CREATIVE SERVICE & PRODUCTION AGENCY	2,311,197.
CARNIVAL FILM & TELEVISION C/O 30 ROCKEFELLER PLAZA NEW YORK NY 10112	CO-PRODUCTION	1,800,000.
PETER CONES PRODUCTIONS INC 11777 SAN VICENTE BLVD LOS ANGELES CA 90049	PROGRAM PRODUCTION	783,492.
JANKLOW & ASHLEY LLP 445 PARK AVENUE NEW YORK NY 10022	PROGRAM PRODUCTION	690,833.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **103**



**Part VIII Statement of Revenue**

Check if Schedule O contains a response to any question in this Part VIII

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514		
<b>CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS</b>	<b>1 a</b> Federated campaigns . . . . .	<b>1 a</b>					
	<b>b</b> Membership dues . . . . .	<b>1 b</b> 29,111,709.					
	<b>c</b> Fundraising events . . . . .	<b>1 c</b> 3,203,606.					
	<b>d</b> Related organizations . . . . .	<b>1 d</b> 13,411,406.					
	<b>e</b> Government grants (contributions) . . . . .	<b>1 e</b> 14,913,080.					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above . . . . .	<b>1 f</b> 23,076,963.					
	<b>g</b> Noncash contributions included in lns 1a-1f \$ . . . . .						
	<b>h Total.</b> Add lines 1a-1f . . . . .		83,716,764.				
<b>PROGRAM SERVICE REVENUE</b>	<b>Business Code</b>						
	<b>2 a</b> <u>Service and License Fees</u> . . . . .	511110	3,356,726.	3,356,726.	0.	0.	
	<b>b</b> <u>PROGRAM ROYALTIES</u> . . . . .	900099	2,402,236.	2,402,236.	0.	0.	
	<b>c</b> . . . . .						
	<b>d</b> . . . . .						
	<b>e</b> . . . . .						
	<b>f</b> All other program service revenue . . . . .						
<b>g Total.</b> Add lines 2a-2f . . . . .		5,758,962.					
<b>OTHER REVENUE</b>	<b>3</b> Investment income (including dividends, interest and other similar amounts) . . . . .		4,524,110.	0.	0.	4,524,110.	
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . .						
	<b>5</b> Royalties . . . . .		0.	0.	0.	0.	
	<b>6 a</b> Gross rents . . . . .	(i) Real	154,709.				
		(ii) Personal					
		<b>b</b> Less rental expenses . . . . .	60,268.				
		<b>c</b> Rental income or (loss) . . . . .	94,441.				
	<b>d</b> Net rental income or (loss) . . . . .		94,441.	0.	-11,886.	106,327.	
	<b>7 a</b> Gross amount from sales of assets other than inventory . . . . .	(i) Securities	1,522,456.				
		(ii) Other	11,000.				
		<b>b</b> Less cost or other basis and sales expenses . . . . .	1,538,226.				
		<b>c</b> Gain or (loss) . . . . .	-15,770.	11,000.			
	<b>d</b> Net gain or (loss) . . . . .		-4,770.	0.	0.	-4,770.	
	<b>8 a</b> Gross income from fundraising events (not including \$ <u>3,203,606.</u> of contributions reported on line 1c) See Part IV, line 18 . . . . .	<b>a</b>	408,978.				
		<b>b</b> Less direct expenses . . . . .	408,978.				
		<b>c</b> Net income or (loss) from fundraising events . . . . .		0.		0.	0.
	<b>9 a</b> Gross income from gaming activities See Part IV, line 19. . . . .	<b>a</b>					
<b>b</b> Less direct expenses . . . . .							
<b>c</b> Net income or (loss) from gaming activities . . . . .							
<b>10 a</b> Gross sales of inventory, less returns and allowances . . . . .	<b>a</b>						
	<b>b</b> Less cost of goods sold . . . . .						
	<b>c</b> Net income or (loss) from sales of inventory . . . . .						
<b>Miscellaneous Revenue</b>		<b>Business Code</b>					
<b>11 a</b> <u>MANAGEMENT SERVICE FEES</u> . . . . .	541610	12,000.	0.	0.	12,000.		
<b>b</b> <u>REIMBURSEMENTS</u> . . . . .	900099	833,095.	0.	0.	833,095.		
<b>c</b> <u>MISCELLANEOUS</u> . . . . .	900099	260,946.	0.	0.	260,946.		
<b>d</b> All other revenue . . . . .		50,863.	0.	0.	50,863.		
<b>e Total.</b> Add lines 11a-11d . . . . .		1,156,904.					
<b>12 Total revenue.</b> See instructions . . . . .		95,246,411.	5,758,962.	-11,886.	5,782,571.		

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A)

Check if Schedule O contains a response to any question in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21				
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,144,871.	812,495.	0.	332,376.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	22,162,550.	16,058,889.	534,648.	5,569,013.
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	1,049,083.	905,362.	16,643.	127,078.
9 Other employee benefits	2,025,149.	1,321,050.	38,796.	665,303.
10 Payroll taxes	1,733,708.	1,267,610.	43,645.	422,453.
11 Fees for services (non-employees)				
a Management	2,435,819.	682,224.	0.	1,753,595.
b Legal	3,759.	1,359.	0.	2,400.
c Accounting				
d Lobbying				
e Professional fundraising services See Part IV, line 17	676,431.			676,431.
f Investment management fees				
g Other (If line 11g amt exceeds 10% of line 25, column (A) amt, list line 11g expenses on Sch O)	90,794.	59,438.	2,570.	28,786.
12 Advertising and promotion	437,143.	323,151.	91,233.	22,759.
13 Office expenses	5,832,373.	2,316,520.	3,742.	3,512,111.
14 Information technology				
15 Royalties	551,167.	551,167.	0.	0.
16 Occupancy	4,318,266.	3,516,323.	18,511.	783,432.
17 Travel	1,589,793.	1,378,094.	9,872.	201,827.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	62,889.	54,195.	0.	8,694.
20 Interest	21,972.	1,659.	20,244.	69.
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,983,741.	2,552,618.	94,632.	336,491.
23 Insurance	260,330.	195,961.	1,491.	62,878.
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a DUES & PBS ASSESSMENTS	9,620,975.	9,619,475.	0.	1,500.
b PROGRAM PRODUCTION/ACQUISITION	18,597,564.	18,372,297.	0.	225,267.
c MISCELLANEOUS	717,576.	0.	344,283.	373,293.
d FULFILLMENT	225,297.	143,297.	0.	82,000.
e All other expenses				
25 Total functional expenses Add lines 1 through 24e	76,541,250.	60,133,184.	1,220,310.	15,187,756.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

**Part X Balance Sheet**

Check if Schedule O contains a response to any question in this Part X

		(A) Beginning of year		(B) End of year	
ASSETS	1	Cash – non-interest-bearing	47,107.	1	
	2	Savings and temporary cash investments	1,909,981.	2	
	3	Pledges and grants receivable, net	144,187.	3	
	4	Accounts receivable, net	2,706,074.	4	
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	9,314,174.	9	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D		10a	
	b	Less: accumulated depreciation	8,403,180.	10b	10c
	11	Investments – publicly traded securities	7,140,012.	11	
	12	Investments – other securities. See Part IV, line 11	6,490,875.	12	
	13	Investments – program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	102,484,862.	15	0.
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	138,640,452.	16	0.	
LIABILITIES	17	Accounts payable and accrued expenses	11,327,706.	17	0.
	18	Grants payable		18	
	19	Deferred revenue	0.	19	
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26	<b>Total liabilities.</b> Add lines 17 through 25	11,327,706.	26	0.
NET ASSETS OR FUND BALANCES	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>				
	27	Unrestricted net assets	96,699,100.	27	0.
	28	Temporarily restricted net assets	26,750,929.	28	0.
	29	Permanently restricted net assets	3,862,717.	29	0.
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
33	<b>Total net assets or fund balances</b>	127,312,746.	33	0.	
34	<b>Total liabilities and net assets/fund balances</b>	138,640,452.	34	0.	

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**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response to any question in this Part XI

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	95,246,411.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	76,541,250.
<b>3</b>	Revenue less expenses Subtract line 2 from line 1	<b>3</b>	18,705,161.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	127,312,746.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	3,443.
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	-146,021,350.
<b>10</b>	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	0.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
<b>1</b>	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O			
<b>2 a</b>	Were the organization's financial statements compiled or reviewed by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both		X
<input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
<b>2 b</b>	Were the organization's financial statements audited by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both	X	
<input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
<b>2 c</b>	If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	X	
<b>3 a</b>	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
<b>3 b</b>	If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	X	

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Form 990 (2012)

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

**Public Charity Status and Public Support**

OMB No 1545-0047

**2012**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Name of the organization

Employer identification number

THIRTEEN

13-1945149

**Part I Reason for Public Charity Status** (All organizations must complete this part ) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box )

- 1  A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E )
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II )
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II )
- 8  A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II )
- 9  An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions — subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2)**. (Complete Part III )
- 10  An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h
  - a  Type I      b  Type II      c  Type III — Functionally integrated      d  Type III — Non-functionally integrated
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f  If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?		
(ii) A family member of a person described in (i) above?		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?		

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in column (i) listed in your governing document?		(v) Did you notify the organization in column (i) of your support?		(vi) Is the organization in column (i) organized in the U S ?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
<b>Total</b>									

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2012

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any 'unusual grants')	131,661,283	110,795,564	95,427,516	89,592,749	83,716,764	511,193,876
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	131,661,283	110,795,564	95,427,516	89,592,749	83,716,764	511,193,876
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						511,193,876

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4	131,661,283	110,795,564	95,427,516	89,592,749	83,716,764	511,193,876
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	16,580,454	8,989,597	3,276,815	3,319,704	7,081,055	39,247,625
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)	7,988,921	7,037,224	6,991,736	12,255,795	3,680,535	37,954,211
11 Total support. Add lines 7 through 10						588,395,712
12 Gross receipts from related activities, etc (see instructions)					12	

13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	86.88 %
15 Public support percentage from 2011 Schedule A, Part II, line 14	15	84.02 %

16a 33-1/3% support test – 2012. If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization

b 33-1/3% support test – 2011. If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization

17a 10%-facts-and-circumstances test – 2012. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization

b 10%-facts-and-circumstances test – 2011. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization

18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Table with 7 columns: (a) 2008, (b) 2009, (c) 2010, (d) 2011, (e) 2012, (f) Total. Rows include: 1 Gifts, grants, contributions and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 Value of services or facilities furnished by a governmental unit; 6 Total Add lines 1 through 5; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 8 Public support (Subtract line 7c from line 6)

Section B. Total Support

Table with 7 columns: (a) 2008, (b) 2009, (c) 2010, (d) 2011, (e) 2012, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 11 Net income from unrelated business activities not included in line 10b; 12 Other income Do not include gain or loss from the sale of capital assets; 13 Total support (Add lines 9, 10c, 11, and 12)

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

Table with 2 columns: Description, Percentage. Row 15: Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f)) 15 %; Row 16: Public support percentage from 2011 Schedule A, Part III, line 15 16 %

Section D. Computation of Investment Income Percentage

Table with 2 columns: Description, Percentage. Row 17: Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f)) 17 %; Row 18: Investment income percentage from 2011 Schedule A, Part III, line 17 18 %

19a 33-1/3% support tests - 2012. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33-1/3% support tests - 2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

**Part IV** Supplemental Information. Complete this part to provide the explanations required by Part II, line 10, Part II, line 17a or 17b; and Part III, line 12 Also complete this part for any additional information (See instructions)

-----  
-----

Other Income Part II, Line 10 -----

Description: EDUCATIONAL MATERIALS/TRADE PUBLICATIONS -----

2008: 3519994. -----

2009: 2871519. -----

2010: 4542833. -----

2011: 0. -----

2012: 0. -----

Description: PRODUCTION REIMBURSEMENTS -----

2008: 3547637. -----

2009: 2714574. -----

2010: 2057752. -----

2011: 8695850. -----

2012: 0. -----

Description: MISCELLANEOUS -----

2008: 814557. -----

2009: 551446. -----

2010: 270682. -----

2011: 422886. -----

2012: 272946. -----

Description: SALE OF MAILING LISTS -----

2008: 106733. -----

2009: 108665. -----

2010: 120469. -----

2011: 78167. -----

2012: 50863. -----

See Schedule A (Form 990 or 990EZ) - Part IV - Supplemental Information (Continuation Sheet)

BAA

Schedule A (Form 990 or 990-EZ) 2012



**SCHEDULE C**  
**(Form 990 or 990-EZ)**

**Political Campaign and Lobbying Activities**

OMB No 1545 0047

**2012**

Department of the Treasury  
Internal Revenue Service

**For Organizations Exempt From Income Tax Under section 501(c) and section 527**

▶ **Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ**  
▶ **See separate instructions.**

**Open to Public Inspection**

**If the organization answered 'Yes,' to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then**

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

**If the organization answered 'Yes,' to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then**

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

**If the organization answered 'Yes,' to Form 990, Part IV, line 5 (Proxy Tax) or Form 990-EZ, Part V, line 35a (Proxy Tax), then**

- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of organization

Employer identification number

THIRTEEN

13-1945149

**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV
- 2 Political expenditures ▶ \$ \_\_\_\_\_
- 3 Volunteer hours

**Part I-B Complete if the organization is exempt under section 501(c)(3).**

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$ \_\_\_\_\_
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$ \_\_\_\_\_
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year?  Yes  No
- 4 a Was a correction made?  Yes  No
- b If 'Yes,' describe in Part IV

**Part I-C Complete if the organization is exempt under section 501(c) , except section 501(c)(3).**

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$ \_\_\_\_\_
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$ \_\_\_\_\_
- 3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ \$ \_\_\_\_\_
- 4 Did the filing organization file Form 1120-POL for this year?  Yes  No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-
(1)	-----			
(2)	-----			
(3)	-----			
(4)	-----			
(5)	-----			
(6)	-----			

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990 or 990-EZ) 2012

**Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

- A Check  if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)
- B Check  if the filing organization checked box A and 'limited control' provisions apply

<b>Limits on Lobbying Expenditures</b> (The term 'expenditures' means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals												
<b>1 a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying) . . . . .														
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying) . . . . .														
<b>c</b> Total lobbying expenditures (add lines 1a and 1b) . . . . .														
<b>d</b> Other exempt purpose expenditures . . . . .														
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d) . . . . .														
<b>f</b> Lobbying nontaxable amount Enter the amount from the following table in both columns . . . . .														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">If the amount on line 1e, column (a) or (b) is</th> <th style="text-align: left;">The lobbying nontaxable amount is</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is	The lobbying nontaxable amount is	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is	The lobbying nontaxable amount is													
Not over \$500,000	20% of the amount on line 1e													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000													
Over \$17,000,000	\$1,000,000													
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f) . . . . .														
<b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0- . . . . .														
<b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0- . . . . .														
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? . . . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No												

**4-Year Averaging Period Under Section 501(h)**  
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f.)

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
<b>2 a</b> Lobbying non-taxable amount . . . . .					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column (e)) . . . . .					
<b>c</b> Total lobbying expenditures . . . . .					
<b>d</b> Grassroots nontaxable amount . . . . .					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e)) . . . . .					
<b>f</b> Grassroots lobbying expenditures . . . . .					

BAA

**Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

For each 'Yes' response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a Volunteers?	X		
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?	X		0.
e Publications, or published or broadcast statements?	X		0.
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		0.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		0.
j Total Add lines 1c through 1i			0.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If 'Yes,' enter the amount of any tax incurred under section 4912			
c If 'Yes,' enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

**Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carry over lobbying and political expenditures from the prior year?	3	

**Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered 'No' OR (b) Part III-A, line 3, is answered 'Yes.'**

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2 a	
b Carryover from last year	2 b	
c Total	2 c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

**Part IV Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, line 2, and Part II-B, line 1 Also, complete this part for any additional information

Pt II-B Line 11 THIRTEEN AND ITS SOLE MEMBER, WNET RETAINED A CONSULTANT FOR STATE AND LOCAL LOBBYING PRESENCE TO ACT ON BEHALF OF THE ORGANIZATION.

**Part IV** Supplemental Information *(continued)*

Area with horizontal dashed lines for supplemental information.

**SCHEDULE D  
(Form 990)**

Department of the Treasury  
Internal Revenue Service  
Name of the organization

**Supplemental Financial Statements**

▶ Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

**2012**

Open to Public Inspection

Employer identification number

13-1945149

THIRTEEN

**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

**Part II Conservation Easements.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Tax Year
a Total number of conservation easements	2 a
b Total acreage restricted by conservation easements	2 b
c Number of conservation easements on a certified historic structure included in (a)	2 c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2 d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ \_\_\_\_\_

4 Number of states where property subject to conservation easement is located ▶ \_\_\_\_\_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?  Yes  No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ \_\_\_\_\_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ \_\_\_\_\_

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?  Yes  No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.**

Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1 a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items.

a Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)**

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a  Public exhibition
- b  Scholarly research
- c  Preservation for future generations
- d  Loan or exchange programs
- e  Other \_\_\_\_\_

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1 a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No

b If 'Yes,' explain the arrangement in Part XIII and complete the following table

	Amount
1 c	
1 d	
1 e	
1 f	

- c Beginning balance
- d Additions during the year
- e Distributions during the year
- f Ending balance

2 a Did the organization include an amount on Form 990, Part X, line 21?  Yes  No

b If 'Yes,' explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII

**Part V Endowment Funds.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current	(b) Prior year	(c) Two years	(d) Three years	(e) Four years
1 a Beginning of year balance	82,147,778.	85,318,408.	76,898,073.	68,811,409.	93,434,515.
b Contributions	1,014,731.	60,000.	1,364,513.	3,252,747.	1,286,863.
c Net investment earnings, gains, and losses	6,734,161.	1,902,371.	12,093,490.	10,072,191.	-20,171,566.
d Grants or scholarships	0.	0.	0.	0.	0.
e Other expenditures for facilities and programs	89,660,040.	4,904,000.	4,800,000.	5,000,000.	5,342,863.
f Administrative expenses	236,630.	229,001.	237,668.	238,274.	395,540.
g End of year balance	0.	82,147,778.	85,318,408.	76,898,073.	68,811,409.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment  \_\_\_\_\_ %
  - b Permanent endowment  \_\_\_\_\_ %
  - c Temporarily restricted endowment  \_\_\_\_\_ %
- The percentages in lines 2a, 2b, and 2c should equal 100%

3 a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		X
3a(ii)	X	
3b	X	

b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIII the intended uses of the organization's endowment funds

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1 a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)

<b>Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return</b>		
1	Total revenue, gains, and other support per audited financial statements	1
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	
	a Net unrealized gains on investments	2 a
	b Donated services and use of facilities	2 b
	c Recoveries of prior year grants	2 c
	d Other (Describe in Part XIII)	2 d
	e Add lines 2a through 2d	2 e
3	Subtract line 2e from line 1	3
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1	
	a Investment expenses not included on Form 990, Part VIII, line 7b	4 a
	b Other (Describe in Part XIII)	4 b
	c Add lines 4a and 4b	4 c
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5

<b>Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return</b>		
1	Total expenses and losses per audited financial statements	1
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
	a Donated services and use of facilities	2 a
	b Prior year adjustments	2 b
	c Other losses	2 c
	d Other (Describe in Part XIII)	2 d
	e Add lines 2a through 2d	2 e
3	Subtract line 2e from line 1	3
4	Amounts included on Form 990, Part IX, line 25, but not on line 1	
	a Investment expenses not included on Form 990, Part VIII, line 7b	4 a
	b Other (Describe in Part XIII)	4 b
	c Add lines 4a and 4b	4 c
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5

**Part XIII Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Pt X Line 2 FIN 48 PER CONSOLIDATED FINANCIAL STATEMENTS FOOTNOTE 2 (O):

THIRTEEN HAS NO UNCERTAIN TAX POSITIONS AS OF JUNE 30, 2013 AND

2012 IN ACCORDANCE WITH ACCOUNTING STANDARDS CODIFICATION ("ASC")

TOPIC 740 ("INCOME TAXES"), WHICH PROVIDES STANDARDS FOR

ESTABLISHING AND CLASSIFYING ANY TAX PROVISIONS FOR UNCERTAIN

TAX POSITIONS. THIRTEEN IS NO LONGER SUBJECT TO FEDERAL AND STATE

AND LOCAL INCOME TAX EXAMINATIONS BY TAX AUTHORITIES FOR YEARS

BEFORE 2010.

**Part XIII** Supplemental Information *(continued)*

Pt V Line 4 PERMANENT RESTRICTED NET ASSETS IS FOR THE ESTABLISHMENT OF AN  
ENDOWMENT FUND AND THE EARNINGS FROM PERMANENTLY RESTRICTED  
ENDOWMENT SHALL BE USED TO FUND THIRTEEN'S PROGRAM ACTIVITIES.  
CERTAIN ENDOWMENT FUNDS ARE STILL HELD IN THE NAME OF THIRTEEN.  
THIRTEEN TRANSFERRED THESE FUNDS TO ITS SOLE MEMBER, WNET.



**SCHEDULE G**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

**Supplemental Information Regarding  
Fundraising or Gaming Activities**

Complete if the organization answered 'Yes' to Form 990, Part IV, lines 17, 18,  
or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.  
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions

OMB No 1545-0047

**2012**

**Open to Public  
Inspection**

Name of the organization

THIRTEEN

Employer identification number

13-1945149

**Part I Fundraising Activities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 17  
Form 990-EZ filers are not required to complete this part

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a  Mail solicitations
- b  Internet and email solicitations
- c  Phone solicitations
- d  In-person solicitations
- e  Solicitation of non-government grants
- f  Solicitation of government grants
- g  Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?  Yes  No

b If 'Yes,' list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in column (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1 THE SAGE GROUP	PHONE SOLICITATION		X	1,234,269.	629,703.	604,566.
2 YOUR VOICE MEDIA, INC	PHONE SOLICITATION		X	115,224.	46,728.	68,496.
3						
4						
5						
6						
7						
8						
9						
10						
<b>Total</b>				1,349,493.	676,431.	673,062.

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing

New York  
New Jersey  
Connecticut

**Part II Fundraising Events.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

REVENUE		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		Thirteen's 50th Anniversary (event type)	(event type)	(total number)	(add column (a) through column (c))
REVENUE	1	Gross receipts	3,612,584.		3,612,584.
	2	Less Charitable contributions	3,203,606.		3,203,606.
	3	Gross income (line 1 minus line 2)	408,978.		408,978.
DIRECT EXPENSES	4	Cash prizes			
	5	Noncash prizes			
	6	Rent/facility costs			
	7	Food and beverages	106,506.		106,506.
	8	Entertainment	221,739.		221,739.
	9	Other direct expenses	80,733.		80,733.
	10	Direct expense summary Add lines 4 through 9 in column (d)			408,978.
	11	Net income summary Combine line 3, column (d), and line 10			0.

**Part III Gaming.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a

REVENUE		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming
					(add column (a) through column (c))
REVENUE	1	Gross revenue			
	2	Cash prizes			
DIRECT EXPENSES	3	Non-cash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	Yes _____ % No	Yes _____ % No	Yes _____ % No
	7	Direct expense summary Add lines 2 through 5 in column (d)			
	8	Net gaming income summary Combine lines 1, column (d) and line 7			

9 Enter the state(s) in which the organization operates gaming activities \_\_\_\_\_

a Is the organization licensed to operate gaming activities in each of these states?  Yes  No

b If 'No,' explain \_\_\_\_\_

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?  Yes  No

b If 'Yes,' explain \_\_\_\_\_

11 Does the organization operate gaming activities with nonmembers?  Yes  No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?  Yes  No

13 Indicate the percentage of gaming activity operated in
a The organization's facility 13a %
b An outside facility 13b %

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records
Name
Address

15a Does the organization have a contact with a third party from whom the organization receives gaming revenue?  Yes  No
b If 'Yes,' enter the amount of gaming revenue received by the organization \$ and the amount of gaming revenue retained by the third party \$
c If 'Yes,' enter name and address of the third party

Name
Address

16 Gaming manager information
Name
Gaming manager compensation \$
Description of services provided
Director/officer Employee Independent contractor

17 Mandatory distributions
a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?  Yes  No
b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year \$

Part IV Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

**SCHEDULE J**  
**(Form 990)**

**Compensation Information**

OMB No 1545-0047

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

**2012**

Department of the Treasury  
Internal Revenue Service

▶ Complete if the organization answered 'Yes' to Form 990, Part IV, line 23.  
▶ Attach to Form 990. ▶ See separate instructions.

**Open to Public Inspection**

Name of the organization

Employer identification number

THIRTEEN

13-1945149

**Part I Questions Regarding Compensation**

**1 a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |   |   |
|---|---|
| <input type="checkbox"/> First-class or charter travel                        | <input checked="" type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                                | <input type="checkbox"/> Payments for business use of personal residence            |
| <input checked="" type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees              |
| <input type="checkbox"/> Discretionary spending account                       | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)            |

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If 'No,' complete Part III to explain.

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee              | <input type="checkbox"/> Written employment contract                                |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input checked="" type="checkbox"/> Form 990 of other organizations     | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
  - b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
  - c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If 'Yes' to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?
  - b** Any related organization?
- If 'Yes' to line 5a or 5b, describe in Part III.

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
  - b** Any related organization?
- If 'Yes' to line 6a or 6b, describe in Part III.

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If 'Yes,' describe in Part III.

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If 'Yes,' describe in Part III.

**9** If 'Yes' to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
<b>1 b</b>	X	
<b>2</b>	X	
<b>4 a</b>		X
<b>4 b</b>		X
<b>4 c</b>		X
<b>5 a</b>		X
<b>5 b</b>		X
<b>6 a</b>		X
<b>6 b</b>		X
<b>7</b>		X
<b>8</b>		X
<b>9</b>		

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

Schedule J (Form 990) 2012

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable columns (D) and (E) amounts for that individual.

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus and incentive compensation	(iii) Other reportable compensation				
NEAL SHAPIRO							
1 CHAIRMAN	(i) 0.	(ii) 0.	(iii) 0.	7,550.	19,497.	535,456.	0.
CAROLINE GROEN							
2 DIRECTOR	(i) 0.	(ii) 0.	(iii) 0.	0.	17,377.	254,592.	0.
ROBERT FEINBERG							
3 DIRECTOR	(i) 0.	(ii) 0.	(iii) 0.	8,100.	10,926.	285,881.	0.
LISA MANTONE							
4 DIRECTOR	(i) 0.	(ii) 0.	(iii) 0.	0.	19,489.	325,106.	0.
STEPHEN SEGALLER							
5 DIRECTOR	(i) 0.	(ii) 0.	(iii) 0.	0.	14,558.	314,938.	0.
CHARLENE SHAPIRO							
6 DIRECTOR	(i) 234,827.	(ii) 0.	(iii) 0.	7,050.	1,612.	243,489.	0.
ROSLYN DAVIS							
7 DIRECTOR & GENERAL MGR	(i) 215,595.	(ii) 0.	(iii) 0.	5,839.	7,154.	228,588.	0.
DAVID HORN							
8 EXEC PRODUCER	(i) 294,389.	(ii) 0.	(iii) 0.	0.	27,489.	321,878.	0.
FRED KAUFMAN							
9 EXEC PRODUCER	(i) 192,637.	(ii) 0.	(iii) 0.	5,986.	19,114.	217,737.	0.
WILLIAM BAKER							
10 PRESIDENT EMERITUS	(i) 126,967.	(ii) 234,682.	(iii) 0.	3,750.	479.	365,878.	0.
ARNOLD LABATON							
11 EXEC PRODUCER	(i) 208,076.	(ii) 0.	(iii) 26,244.	6,032.	6,537.	246,889.	0.
ROBERT ABERNETHY							
12 EXEC EDITOR/HOST	(i) 235,858.	(ii) 0.	(iii) 7,464.	7,266.	12,864.	263,452.	0.
SUSAN LACY							
13 EXEC PRODUCER	(i) 238,679.	(ii) 0.	(iii) 0.	6,069.	9,221.	253,969.	0.
SANDRA SHEPPARD							
14 EXEC PRODUCER	(i) 180,266.	(ii) 0.	(iii) 0.	5,402.	1,046.	186,714.	0.
15							
16							

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, for Part II. Also complete this part for any additional information

Pt I Line 1a --- TAX INDEMNIFICATION AND GROSS-UP PAYMENTS - THIRTEEN WITHHELD APPROPRIATE TAXES AND OTHER WITHHOLDINGS  
Pt I Line 1a --- FROM COMPENSATION AND WITH RESPECT TO ANY OTHER ECONOMIC BENEFITS PROVIDED WHEN SUCH WITHHOLDING WAS IN THE  
Pt I Line 1a --- REASONABLE JUDGEMENT OF THIRTEEN, REQUIRED BY LAW, REGULATION OR THE TERMS OF ANY PLAN AND AGREEMENT.  
Pt I Line 1a --- THIRTEEN PROVIDED ARNOLD LABATON EXECUTIVE PRODUCER AND ROBERT ABERNETHY EXECUTIVE EDITOR/HOST.  
Pt I Line 1a --- ALLOWANCE FOR RESIDENCE FOR PERSONAL USE WITH THE MONTHLY HOUSING ALLOWANCE SUBJECT  
Pt I Line 1a --- TO TAXES AND OTHER REQUIRED WITHHOLDINGS.

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**SCHEDULE L**  
**(Form 990 or 990-EZ)**

**Transactions With Interested Persons**

OMB No 1545-0047

**2012**

**Open to Public Inspection**

▶ Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, 28c, or Form 990-EZ, Part V, line 38a or 40b.  
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Department of the Treasury  
Internal Revenue Service

Name of the organization

THIRTEEN

Employer identification number

13-1945149

**Part I Excess Benefit Transactions** (section 501(c)(3) and section 501(c)(4) organizations only)  
Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

- 2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ \$ \_\_\_\_\_
- 3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ \$ \_\_\_\_\_

**Part II Loans to and/or From Interested Persons.**  
Complete if the organization answered 'Yes' on Form 990-EZ, Page V, line 38a or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No
(1)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												
(8)												
(9)												
(10)												
<b>Total</b> . . . . .						▶ \$						

**Part III Grants or Assistance Benefiting Interested Persons.**  
Complete if the organization answered 'Yes' on Form 990, Part IV, line 27

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of Assistance	(e) Purpose of assistance
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

**Part IV Business Transactions Involving Interested Persons.**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 28a, 28b, or 28c

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) AMERICAN PUBLIC TELEVISION	SEE NOTE #1 BELOW	271,327.	SEE NOTE #1 BELOW		X
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

**Part V Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

NOTE #1 AMERICAN PUBLIC TELEVISION (APT) (f/k/a EASTERN EDUCATIONAL TELEVISION NETWORK  
 RELATIONSHIP: NEAL SHAPIRO, WNET PRESIDENT/CEO, THIRTEEN CHAIRMAN OF  
 THE BOARD AND PMNJ PRESIDENT/CEO AND TRUSTEE, IS ALSO ON THE BOARD OF APT.  
 DESCRIPTION OF TRANSACTIONS: WNET IS A DUES-PAYING MEMBER OF APT.  
 IN EXCHANGE FOR ITS ANNUAL MEMBERSHIP DUES, WNET IS GRANTED ACCESS  
 TO PROGRAMMING ACQUIRED AND DISTRIBUTED BY APT.



2012

Open to Public Inspection

Liquidation, Termination, Dissolution, or Significant Disposition of Assets

Complete if the organization answered 'Yes' to Form 990, Part IV, lines 31 or 32; or Form 990-EZ, line 36. Attach certified copies of any articles of dissolution, resolutions, or plans. Attach to Form 990 or 990-EZ

Department of the Treasury Internal Revenue Service

Employer identification number: 13-1945149

THIRTEEN

Part I Liquidation, Termination, or Dissolution. Complete this part if the organization answered 'Yes' to Form 990, Part IV, line 31, or Form 990-EZ, line 36. Part I can be duplicated if additional space is needed.

Table with 7 columns: (a) Description of asset(s) distributed or transaction expenses paid, (b) Date of distribution, (c) Fair market value of asset(s) distributed or amount of transaction expenses, (d) Method of determining FMV for asset(s) distributed or transaction expenses, (e) EIN of recipient, (f) Name and address of recipient, (g) IRC section of recipient(s) (if tax-exempt) or type of entity. Rows include CASH, RECEIVABLES, PREPAID EXPENSES &, PROPERTY & EQUIPMENT, OTHER ASSETS.

2 Did or will any officer, director, trustee, or key employee of the organization... a Become a director or trustee of a successor or transferee organization? b Become an employee of, or independent contractor for, a successor or transferee organization? c Become a direct or indirect owner of a successor or transferee organization? d Receive or become entitled to, compensation or other similar payments as a result of the organization's liquidation, termination, or dissolution? e If the organization answered 'Yes' to any of the questions in this line, provide the name of the person involved and explain in Part III SEE PART III FOR EXPLANATION

**Part I** Liquidation, Termination, or Dissolution (continued)

Note. If the organization distributed all of its assets during the tax year, then Form 990, Part X, column (B), line 16 (Total assets), and line 26 (Total liabilities), should equal -0-

- 3 Did the organization distribute its assets in accordance with its governing instrument(s)? If 'No,' describe in Part III . . . . .
- 4 a Is the organization required to notify the attorney general or other appropriate state official of its intent to dissolve, liquidate, or terminate? . . . . .
- b If 'Yes,' did the organization provide such notice? . . . . .
- 5 Did the organization discharge or pay all liabilities in accordance with state laws? . . . . .
- 6 a Did the organization have any tax-exempt bonds outstanding during the year? . . . . .
- b Did the organization discharge or defease all of its tax-exempt bond liabilities during the tax year in accordance with the Internal Revenue Code and state laws? . . . . .
- c If 'Yes,' to line 6b, describe in Part III how the organization defeased or otherwise settled these liabilities. If 'No,' explain in Part III

		Yes	No
3			X
4 a		X	
4 b		X	
5			X
6 a			X
6 b			X

**Part II** Sale, Exchange, Disposition, or Other Transfer of More than 25% of the Organization's Assets. Complete this part if the organization answered 'Yes' to Form 990, Part IV, line 32, or Form 990-EZ, line 36. Part II can be duplicated if additional space is needed.

1	(a) Description of asset(s) distributed or transaction expenses paid	(b) Date of distribution	(c) Fair market value of asset(s) distributed or amount of transaction expenses	(d) Method of determining FMV for asset(s) distributed or transaction expenses	(e) EIN of recipient	(f) Name and address of recipient	(g) IRC section of recipient(s) (if tax-exempt) or type of entity

- 2 Did or will any officer, director, trustee, or key employee of the organization
  - a Become a director or trustee of a successor or transferee organization? . . . . .
  - b Become an employee of, or independent contractor for, a successor or transferee organization? . . . . .
  - c Become a direct or indirect owner of a successor or transferee organization? . . . . .
  - d Receive or become entitled to compensation or other similar payments as a result of the organization's significant disposition of assets? . . . . .
  - e If the organization answered 'Yes' to any of the questions in this line, provide the name of the person involved and explain in Part III ▶

		Yes	No
2 a			
2 b			
2 c			
2 d			

**Part III** Supplemental Information. Complete to provide the information required by Part I, lines 2e and 6c, and Part II, line 2e. Also complete this part to provide any additional information

Part I, Line 2e ON JUNE 30, 2013, THIRTEEN AND WNET, BOTH OF WHICH ARE EXEMPT PURSUANT TO CODE SECTION 501(c)(3) AND CLASSIFIED AS PUBLIC CHARITIES, CONSOLIDATED, WITH WNET AS THE SURVIVING ENTITY PRIOR TO THE CONSOLIDATION, WNET WAS THE SOLE MEMBER OF THIRTEEN AND APPOINTED ITS BOARD OF DIRECTORS. AFTER THE CONSOLIDATION, SUBSTANTIALLY ALL OF THE ASSETS OF THIRTEEN WERE TRANSFERRED BY WNET TO ITS WHOLLY OWNED LIMITED LIABILITY COMPANY, THIRTEEN PRODUCTIONS LLC.

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**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

**2012**

**Open to Public  
Inspection**

Employer identification number

THIRTEEN

13-1945149

THIRTEEN'S MISSION: BE A LEADING PROVIDER OF EDUCATIONAL, INFORMATIONAL AND CULTURAL PRODUCTS AND SERVICES, USING ALL MEDIA, WHICH REFLECT AND RESPECT A DIVERSE AND COMPLEX WORLD, SERVE THE UNDERSERVED, OFFER CULTURAL ENRICHMENT, FACILITATE RESPONSIBLE CITIZENSHIP, ADHERE TO THE HIGHEST STANDARDS OF ARTISTIC AND EDITORIAL INTEGRITY, AND CREATE OPPORTUNITY FOR EXPERIMENTATION.

Pt VI, Line 1a THE BOARD OF DIRECTORS OF THIRTEEN IS NOT INDEPENDENT BECAUSE IT CONSISTS OF SENIOR MANAGERS OF WNET. THEY ARE VETTED AND ELECTED BY THE BOARD OF WNET

Pt VI, Line 2 SOME OF THE OFFICERS AND TRUSTEES OF THIRTEEN ARE ALSO OFFICERS OF WNET.

Pt VI, Line 4 ON JUNE 30, 2013, THIRTEEN AND WNET, BOTH OF WHICH ARE EXEMPT PURSUANT TO CODE SECTION 501(c)(3) AND CLASSIFIED AS PUBLIC CHARITIES, CONSOLIDATED, WITH WNET AS THE SURVIVING ENTITY PRIOR TO THE CONSOLIDATION, WNET WAS THE SOLE MEMBER OF THIRTEEN AND APPOINTED ITS BOARD OF DIRECTORS. AFTER THE CONSOLIDATION, SUBSTANTIALLY ALL OF THE ASSETS OF THIRTEEN WERE TRANSFERRED BY WNET TO ITS WHOLLY OWNED LIMITED LIABILITY COMPANY, THIRTEEN PRODUCTIONS LLC.

Pt VI, Line 6 WNET IS A NEW YORK EDUCATION CORPORATION AND IS THE SOLE MEMBER OF THIRTEEN.

Pt VI, Line 7a THE BOARD OF TRUSTEES OF WNET ELECTS THE DIRECTORS FOR THIRTEEN ON AN ANNUAL BASIS.

Pt VI, Line 7b SAME AS PART VI, LINE 7a.

Pt VI, Line 11b A COPY OF THIRTEEN'S IRS FORM 990 WAS DISTRIBUTED TO THE WNET BOARD OF TRUSTEES AND THE AUDIT COMMITTEE BEFORE IT WAS FILED. THE AUDIT COMMITTEE AND THE BOARD

Name of the organization

THIRTEEN

Employer identification number

13-1945149

REVIEWED THE IRS FORM 990 AND MADE RECOMMENDATIONS TO WNET MANAGEMENT  
PRIOR TO ITS FILING.

---  
Pt VI, Line 12c THIRTEEN HAS A WRITTEN CONFLICT OF INTEREST POLICY THAT IS DISTRIBUTED ANNUALLY TO ALL  
MEMBERS OF THE BOARD OF DIRECTORS AND OFFICERS. EACH DIRECTOR AND OFFICER REVIEWS  
THE CONFLICT OF INTEREST POLICY AND RETURNS A SIGNED DISCLOSURE STATEMENT TO WNET'S  
GENERAL COUNSEL'S OFFICE. THE DISCLOSURE STATEMENTS ARE THEN REVIEWED ANNUALLY BY  
THE WNET'S GENERAL COUNSEL'S OFFICE. IN ADDITION, IN THE EVENT THAT A DIRECTOR BELIEVES  
THAT HE OR SHE MAY HAVE A CONFLICT OF INTEREST, SUCH DIRECTOR SHALL DISCLOSE IT,  
IN WRITING, TO THE CHAIRMAN OF THE BOARD AND THE CORPORATE SECRETARY OR, IF SUCH  
CONFLICT ARISES IN CONNECTION WITH THE WORK OF A BOARD COMMITTEE, TO THE CHAIRMAN  
OF SUCH COMMITTEE AND THE CORPORATE SECRETARY. IF THE CHAIRMAN OF THE BOARD OR  
THE CHAIRMAN OF THE CONCERNED COMMITTEE, AS THE CASE MAY BE, IN CONSULTATION WITH  
THE CORPORATE SECRETARY, DETERMINES THAT THERE IS A CONFLICT OF INTEREST, THEY WILL  
CONSULT WITH THE INDIVIDUAL INVOLVED IN AN ATTEMPT TO RESOLVE THE APPARENT CONFLICT  
IN A MANNER CONSISTENT WITH THE BEST INTERESTS OF THE CORPORATION AND THE RIGHTS  
OF THE INDIVIDUAL, WHILE MAINTAINING THE ETHICAL STANDARDS. IF UNABLE TO RESOLVE  
THE CONFLICT, THE MATTER WILL BE REFERRED TO THE APPLICABLE COMMITTEE, OR THE FULL  
BOARD AS AVAILABILITY PERMITS, WHICH SHALL DETERMINE A COURSE OF ACTION (WHICH MAY  
INCLUDE REFERRING THE MATTERS TO THE BOARD OF TRUSTEES OR APPLICABLE COMMITTEE OF  
THE CORPORATION'S SOLE MEMBER, WNET) THAT WILL BEST SERVE THE CORPORATION'S  
INTERESTS AND THAT WILL BE IN ACCORDANCE WITH THE HIGHEST ETHICAL STANDARDS. THE  
APPLICABLE COMMITTEE OR CORPORATE SECRETARY WILL ADVISE THE CHAIRMAN OF THE BOARD  
CONCERNING SPECIFIC CONFLICTS OF INTEREST AS WELL AS THE IMPLEMENTATION OF THIS  
POLICY. THERE IS ALSO A CONFLICT OF INTEREST POLICY APPLICABLE TO EMPLOYEES, WHICH  
IS INCLUDED IN THE EMPLOYEE HANDBOOK.

Name of the organization THIRTEEN	Employer identification number 13-1945149
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Pt VI, Line 15a THIRTEEN, THROUGH ITS SOLE MEMBER WNET, ASKED QUATT ASSOCIATES, AN INDEPENDENT COMPENSATION CONSULTANT FOR AN OPINION ON THE REASONABLNESS OF WNET AND ITS CONTROLLED SUBSIDIARIES' 2012/2013 COMPENSATION FOR ITS SENIOR MANAGERS INCLUDING ITS PRESIDENT AND CEO. QUATT ASSOCIATES COMPARED EACH SENIOR OFFICER'S 2012/2013 BASE PAY AND MOST RECENT BONUS WITH APPROPRIATE MARKETPLACE MEDIAN AND WNET/THIRTEEN'S BENEFITS PRACTICE TO THE NOT-FOR-PROFIT MARKETPLACE. BASED ON ITS ANALYSIS, QUATT ASSOCIATES CONCLUDED THAT WNET/THIRTEEN'S COMPENSATION PACKAGE, INCLUDING BASE PAY, BENEFITS, AND RETIREMENT, IS REASONABLE AND CONSISTENT WITH COMPENSATION PRACTICES FOR NOT-FOR-PROFIT ORGANIZATIONS WITH SIMILAR MISSIONS TO WNET/THIRTEEN, TAKING INTO ACCOUNT THE MARKET IN WHICH WNET/THIRTEEN OPERATES.

Pt VI, Line 15b SEE PART VI, LINE 15A ABOVE.

Pt VI, Line 19 THIRTEEN HAS POSTED ITS GOVERNING DOCUMENTS (CHARTER AND BY-LAWS) ON ITS WEBSITE, WWW THIRTEEN ORG THIRTEEN ALSO POSTS ON ITS WEBSITE ITS LATEST FINANCIAL STATEMENTS (INCLUDED IN WNET'S CONSOLIDATED FINANCIAL STATEMENTS), ITS IRS FORM 990 AND ITS EMPLOYEE AND DIRECTOR CONFLICT OF INTEREST POLICIES. THE FORM 990 IS ALSO AVAILABLE THROUGH GUIDESTAR IN ADDITION, THE FOREGOING DOCUMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST.

Pt VI-A, Line 1b ALL DIRECTORS OF THIRTEEN ARE COMPENSATED AS OFFICERS OF WNET.

Pt I, Line 8 and CONTRIBUTIONS AND GRANTS MADE FOR THE BENEFIT OF THIRTEEN HAVE BEEN REFLECTED Pt VIII, Line 1 AS REVENUE ON THIRTEEN, EVEN IF TEMPORARILY RECEIVED BY ITS PARENT, WNET.

Pt VI-B, Line 16a THIRTEEN MAKES CERTAIN INVESTMENTS WITH THE PRIMARY PURPOSE OF PRODUCTION OF INCOME AND/OR APPRECIATION OF PROPERTY. THE NATURE OF AN INVESTMENT MAY BE SUCH THAT BECAUSE OF THE STRUCTURE OF THE INVESTMENT AND/OR THE NATURE

Name of the organization

Employer identification number

THIRTEEN

13-1945149

OF THE INCOME GENERATED BY THE INVESTMENT, THE INVESTMENT COULD BE CONSIDERED  
 A JOINT VENTURE. ALL SUCH INVESTMENTS ARE MADE IN COMPLIANCE WITH BOTH THIRTEEN'S  
 CONFLICT OF INTEREST POLICY AND APPLICABLE STATE LAW STANDARDS GOVERNING INVESTMENTS.  
 INVESTMENTS ARE MADE ON ARM'S LENGTH OR TERMS MORE FAVORABLE TO THIRTEEN FURTHERMORE,  
 THIRTEEN WILL NOT MAKE INVESTMENTS WITH MANAGERS WHOM THIRTEEN KNOWS MAY USE INVESTED  
 FUNDS IN A MANNER THAT MAY JEOPARDIZE TAX-EXEMPT STATUS. FOR EXAMPLE, THIRTEEN  
 WILL NOT INVEST WITH MANAGERS WHO COULD USE INVESTED FUNDS TO INTERVENE IN POLITICAL  
 CAMPAIGNS OR ENGAGE IN SUBSTANTIAL LOBBYING.

**SCHEDULE R**  
**(Form 990)**

OMB No. 1545-0047  
**2012**

Department of the Treasury  
Internal Revenue Service

**Open to Public Inspection**

**Related Organizations and Unrelated Partnerships**

▶ Complete if the organization answered 'Yes' to Form 990, Part IV, line 33, 34, 35, 36, or 37.  
▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization: THIRTEEN  
Employer identification number: 13-1945149

**Part I Identification of Disregarded Entities** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 33 )

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) ----- ----- ----- -----					
(2) ----- ----- ----- -----					
(3) ----- ----- ----- -----					

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Sec 512(b)(13) controlled entity?	
						Yes	No
(1) WNET 825 EIGHTH AVENUE NEW YORK, NY 10019-7435 26-2810489	PUBLIC TV STATION	NY	501(C)3	7	N/A		
(2) PUBLIC MEDIA NJ, INC. 825 EIGHTH AVENUE NEW YORK, NY 10019-7435 45-2552448	PUBLIC BROADCASTING	NJ	501(C)3	7	WNET		
(3) ----- ----- ----- -----							
(4) ----- ----- ----- -----							



**Part III Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) THE EARLY DAYS LLC 06-1698190 825 EIGHTH AVE, 14th FL, TV PRODUCTION NEW YORK, NY 10019		NY	N/A			60,949.						
(2) -----												
(3) -----												

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Sec 512(b)(13) controlled entity?	
								Yes	No
(1) -----									
(2) -----									
(3) -----									

**Part V Transactions With Related Organizations** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 34, 35b, or 36)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity . . . . .		X
b Gift, grant, or capital contribution to related organization(s) . . . . .		X
c Gift, grant, or capital contribution from related organization(s) . . . . .		X
d Loans or loan guarantees to or for related organization(s) . . . . .		X
e Loans or loan guarantees by related organization(s) . . . . .		X
f Dividends from related organization(s) . . . . .		X
g Sale of assets to related organization(s) . . . . .		X
h Purchase of assets from related organization(s) . . . . .		X
i Exchange of assets with related organization(s) . . . . .		X
j Lease of facilities, equipment, or other assets to related organization(s) . . . . .		X
k Lease of facilities, equipment, or other assets from related organization(s) . . . . .		X
l Performance of services or membership or fundraising solicitations for related organization(s) . . . . .		X
m Performance of services or membership or fundraising solicitations by related organization(s) . . . . .		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) . . . . .		X
o Sharing of paid employees with related organization(s) . . . . .		X
p Reimbursement paid to related organization(s) for expenses . . . . .		X
q Reimbursement paid by related organization(s) for expenses . . . . .		X
r Other transfer of cash or property to related organization(s) . . . . .		X
s Other transfer of cash or property from related organization(s) . . . . .		X

2 If the answer to any of the above is 'Yes,' see the instructions for information on who must complete this line including covered relationships and transaction thresholds

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) WNET	K	100,000	ESTIMATE
(2) WNET	L	100,000	ESTIMATE
(3) WNET	M	4,318,266	ACTUAL
(4) WNET	N	100,000	ESTIMATE
(5) WNET	R	17,058,697	ACTUAL

**Part VI Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered 'Yes' to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 Form (1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) -----													
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(2) -----													
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(7) -----													
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(8) -----													
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**Part VII Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

Area with horizontal dashed lines for supplemental information.



## **WNET AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS  
(Together with Independent Auditors' Report)**

**YEARS ENDED JUNE 30, 2013 AND 2012**

**WNET**  
**(A New York Education Corporation Chartered by the Board of Regents)**  
**AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS**  
**(Together with Independent Auditors' Report)**

**YEARS ENDED JUNE 30, 2013 AND 2012**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of  
WNET

We have audited the accompanying consolidated financial statements of WNET (a New York education corporation chartered by the Board of Regents) and subsidiaries (collectively, the "Company") which comprise the consolidated statements of financial position as of June 30, 2013 and 2012, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free of material misstatement.

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

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

### ***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of WNET and subsidiaries as of June 30, 2013 and 2012 and the changes in their net assets and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

***Other Matter***

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental schedules of functional expenses (shown on pages 21 and 22) are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*Marks Paneth LLP*

New York, NY  
December 3, 2013



**WNET**  
**(A New York Education Corporation Chartered by the Board of Regents)**  
**AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2013 AND 2012**

	<b>2013</b>	<b>2012</b>
<b>ASSETS</b>		
Cash and cash equivalents (Notes 2B and 19)	\$ 16,300,000	\$ 20,120,000
Investments (Notes 2C, 4, 5, 8, 15 and 18)	91,033,000	89,070,000
Accounts receivable (net of allowance for doubtful accounts of \$49,000 and \$291,000 in 2013 and 2012, respectively) (Note 2J)	2,269,000	3,796,000
Grants and gifts receivable, net (Notes 2J, 3 and 15)	42,968,000	60,083,000
Costs incurred for programs not yet telecast (Notes 2D and 7)	19,595,000	9,081,000
Prepaid expenses and other assets, net (Note 6)	9,999,000	9,981,000
Property and equipment, net (Notes 2E and 7)	33,560,000	37,186,000
Intangible assets (Note 2G)	13,554,000	13,554,000
<b>TOTAL ASSETS</b>	<b>\$ 229,278,000</b>	<b>\$ 242,871,000</b>
 <b>LIABILITIES</b>		
Accounts payable and accrued expenses (Notes 2H, 2K and 13C)	\$ 33,933,000	\$ 31,437,000
Deferred revenue (Note 14)	7,441,000	5,849,000
Bank line of credit and loans payable (Note 8)	7,092,000	14,963,000
<b>TOTAL LIABILITIES</b>	<b>48,466,000</b>	<b>52,249,000</b>
 <b>COMMITMENTS AND CONTINGENCIES (Note 13)</b>		
 <b>NET ASSETS</b>		
Unrestricted:		
Operations	16,168,000	19,733,000
Appropriated investment earnings (Note 18)	4,255,000	4,524,000
Board designated (Note 18)	14,530,000	14,530,000
Total unrestricted	34,953,000	38,787,000
Temporarily restricted (Note 9):		
Program restricted	79,979,000	89,213,000
Unappropriated investment earnings (Note 18)	11,285,000	9,042,000
Total temporarily restricted	91,264,000	98,255,000
Permanently restricted (Notes 10 and 18)	54,595,000	53,580,000
<b>TOTAL NET ASSETS</b>	<b>180,812,000</b>	<b>190,622,000</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 229,278,000</b>	<b>\$ 242,871,000</b>

The accompanying notes are an integral part of these financial statements.

**WNET**  
**(A New York Education Corporation Chartered by the Board of Regents)**  
**AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

	For the Year Ended June 30, 2013			For the Year Ended June 30, 2012				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2013	Unrestricted	Temporarily Restricted	Permanently Restricted	Total 2012
<b>OPERATING REVENUE AND OTHER SUPPORT.</b>								
Contributions and underwriting for designated projects (Note 11)	\$ 36,233,000	\$ 59,085,000	\$ -	\$ 97,328,000	\$ 34,728,000	\$ 110,459,000	\$ -	\$ 145,185,000
New York State grant	6,506,000	-	-	6,506,000	6,506,000	-	-	6,506,000
Nonbroadcast sales and service fees	14,281,000	-	-	14,281,000	15,736,000	-	-	15,736,000
Investment income (Note 4)	4,555,000	-	-	4,555,000	4,938,000	-	-	4,938,000
Other income (Notes 2M and 14)	6,712,000	-	-	6,712,000	6,752,000	-	-	6,752,000
<b>Total revenue</b>	<b>70,287,000</b>	<b>59,085,000</b>	<b>-</b>	<b>129,382,000</b>	<b>68,656,000</b>	<b>110,459,000</b>	<b>-</b>	<b>179,117,000</b>
Net assets released from restrictions								
Underwriting for designated projects (Note 11)	41,745,000	(41,745,000)	-	-	62,454,000	(62,454,000)	-	-
CPB program grants	2,580,000	(2,580,000)	-	-	3,330,000	(3,330,000)	-	-
CPB community service grant	7,428,000	(7,428,000)	-	-	8,098,000	(8,098,000)	-	-
PBS program service grants	16,576,000	(16,576,000)	-	-	16,256,000	(16,256,000)	-	-
<b>Total net assets released from restrictions</b>	<b>68,329,000</b>	<b>(68,329,000)</b>	<b>-</b>	<b>-</b>	<b>90,139,000</b>	<b>(90,139,000)</b>	<b>-</b>	<b>-</b>
<b>TOTAL OPERATING REVENUE AND OTHER SUPPORT</b>	<b>138,616,000</b>	<b>(9,234,000)</b>	<b>-</b>	<b>129,382,000</b>	<b>158,797,000</b>	<b>20,320,000</b>	<b>-</b>	<b>179,117,000</b>
<b>OPERATING EXPENSES:</b>								
Program service (Note 11)								
National and local programming	61,860,000	-	-	61,860,000	76,780,000	-	-	76,780,000
Broadcast station	28,478,000	-	-	28,478,000	28,858,000	-	-	28,858,000
Education	2,577,000	-	-	2,577,000	6,312,000	-	-	6,312,000
WEB services	1,966,000	-	-	1,966,000	2,395,000	-	-	2,395,000
<b>Total program service</b>	<b>94,881,000</b>	<b>-</b>	<b>-</b>	<b>94,881,000</b>	<b>116,448,000</b>	<b>-</b>	<b>-</b>	<b>116,448,000</b>
Fundraising								
Membership	11,227,000	-	-	11,227,000	9,385,000	-	-	9,385,000
Marketing and Development	7,093,000	-	-	7,093,000	7,383,000	-	-	7,383,000
<b>Total fundraising</b>	<b>18,320,000</b>	<b>-</b>	<b>-</b>	<b>18,320,000</b>	<b>18,768,000</b>	<b>-</b>	<b>-</b>	<b>18,768,000</b>
Management and administration services	24,486,000	-	-	24,486,000	25,235,000	-	-	25,235,000
<b>TOTAL OPERATING EXPENSES</b>	<b>137,687,000</b>	<b>-</b>	<b>-</b>	<b>137,687,000</b>	<b>158,449,000</b>	<b>-</b>	<b>-</b>	<b>158,449,000</b>
<b>CHANGE IN NET ASSETS FROM OPERATIONS</b>	<b>919,000</b>	<b>(9,234,000)</b>	<b>-</b>	<b>(8,315,000)</b>	<b>348,000</b>	<b>20,320,000</b>	<b>-</b>	<b>20,668,000</b>
<b>NON-OPERATING ACTIVITIES AND SUPPORT</b>								
Endowment contributions	-	-	1,015,000	1,015,000	-	-	60,000	60,000
Investment activity (Note 4)	-	6,734,000	-	6,734,000	-	1,902,000	-	1,902,000
Appropriated investment income (Note 4)	(269,000)	(4,255,000)	-	(4,524,000)	(380,000)	(4,524,000)	-	(4,904,000)
Investment fund management fees	-	(236,000)	-	(236,000)	-	(229,000)	-	(229,000)
Restoration costs (Note 13E)	(4,484,000)	-	-	(4,484,000)	-	-	-	-
<b>CHANGE IN NET ASSETS FROM NON-OPERATING ACTIVITIES</b>	<b>(4,753,000)</b>	<b>2,243,000</b>	<b>1,015,000</b>	<b>(1,495,000)</b>	<b>(380,000)</b>	<b>(2,851,000)</b>	<b>60,000</b>	<b>(3,171,000)</b>
<b>CHANGE IN TOTAL NET ASSETS (Note 2)</b>	<b>(3,834,000)</b>	<b>(6,991,000)</b>	<b>1,015,000</b>	<b>(9,810,000)</b>	<b>(32,000)</b>	<b>17,469,000</b>	<b>60,000</b>	<b>17,497,000</b>
Net Assets - beginning of year	38,787,000	88,255,000	53,580,000	180,622,000	38,819,000	80,786,000	53,520,000	173,125,000
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 34,953,000</b>	<b>\$ 81,264,000</b>	<b>\$ 54,595,000</b>	<b>\$ 180,812,000</b>	<b>\$ 38,787,000</b>	<b>\$ 98,255,000</b>	<b>\$ 53,580,000</b>	<b>\$ 190,622,000</b>

The accompanying notes are an integral part of these financial statements

**WNET**  
**(A New York Education Corporation Chartered by the Board of Regents)**  
**AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

	<b>2013</b>	<b>2012</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ (9,810,000)	\$ 17,497,000
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	5,332,000	5,374,000
(Gain)/loss on disposal of fixed assets	(11,000)	527,000
Bad debt expense	479,000	588,000
Loss/(gain) on sale of stock contributions	16,000	(4,000)
Endowment contributions	(1,015,000)	(60,000)
Realized gains on investments	(953,000)	(1,638,000)
Unrealized (gains)/losses on investments	(4,150,000)	1,599,000
Subtotal	(10,112,000)	23,883,000
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	1,102,000	1,927,000
Grants and gifts receivable	17,061,000	(9,860,000)
Costs incurred for programs not yet telecast	(10,514,000)	5,386,000
Prepaid expenses and other assets	(18,000)	(51,000)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	3,141,000	(1,118,000)
Deferred revenue	1,592,000	(1,843,000)
<b>Net Cash Provided by Operating Activities</b>	<b>2,252,000</b>	<b>18,324,000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Investment purchases and reinvested income	(18,780,000)	(9,188,000)
Proceeds from sales of investments	21,920,000	12,547,000
Loss/(gain) on sale of stock contributions	(16,000)	4,000
Purchase of property and equipment	(1,695,000)	(2,882,000)
<b>Net Cash Provided by Investing Activities</b>	<b>1,429,000</b>	<b>481,000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Endowment contributions	1,015,000	60,000
Proceeds from loan payable	65,000	-
Repayment of bank line of credit and loans payable	(7,936,000)	(7,861,000)
Repayment of annuity obligations	(645,000)	(651,000)
<b>Net Cash Used by Financing Activities</b>	<b>(7,501,000)</b>	<b>(8,452,000)</b>
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(3,820,000)</b>	<b>10,353,000</b>
Cash and cash equivalents - beginning of year	20,120,000	9,767,000
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 16,300,000</b>	<b>\$ 20,120,000</b>
<b>Supplemental Disclosure of Cash Flow Information:</b>		
Interest paid during the year	\$ 302,000	\$ 457,000

The accompanying notes are an integral part of these financial statements.

**WNET**  
**(A New York Education Corporation Chartered by the Board of Regents)**  
**AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2013 AND 2012**

**NOTE 1—ORGANIZATION AND NATURE OF ACTIVITIES**

WNET ("WNET" or the "Company"), is a New York education corporation chartered by the Board of Regents of the University of the State of New York on April 15, 2008. Its mission is to acquire, distribute, and through its controlled subsidiaries, THIRTEEN Productions, LLC, WLIW L.L.C. ("WLIW"), Creative News Group, LLC ("CNG") and Interactive Engagement Group LLC ("IEG"), produce public educational television programs. WNET is the sole member of THIRTEEN, WLIW, CNG and IEG. WNET serves the entire New York City metropolitan area with unique local productions, broadcasts and innovative educational projects. WNET's goal is to create media experiences of lasting significance for New York, America and the world. On March 20, 2009, WNET received a final determination letter from the Internal Revenue Service granting it tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

Formed in 1961, Educational Broadcasting Corporation ("EBC") was a New York education corporation chartered by the Board of Regents of the University of the State of New York. WNET, through EBC, produced public television programs individually and in collaboration with other entities and broadcast such programs on Channel 13, Channel 21 and on other public television stations throughout the United States. On June 22, 2010, EBC changed its name to THIRTEEN. On June 30, 2013, THIRTEEN was consolidated with and into WNET, with WNET as the surviving entity. Also on June 30, 2013, Thirteen Productions LLC ("THIRTEEN") was created and the production assets formerly held by EBC were contributed to THIRTEEN. THIRTEEN produces public television programs.

In 2003, EBC acquired the assets of the Long Island Educational TV Council, Inc. and transferred those assets to WLIW. In 2008, EBC transferred its ownership of WLIW to WNET. WLIW produces public television programs for broadcast on Channel 13, Channel 21 and on other public television stations throughout the United States. WLIW is a Delaware limited liability company.

In 2008, WNET acquired CNG. CNG produces public television programs for broadcast on Channel 13, Channel 21 and on other public television stations throughout the United States. CNG is a New York limited liability company.

In April 2009, IEG (formerly, WNET.ORG Properties) was formed to administer the interactive media and web programming of the Company. IEG is a Delaware limited liability company.

In 2011, the Company, through its sole member WLIW, established Public Media NJ, Inc. ("PMNJ"), a New Jersey nonprofit corporation. PMNJ entered into an agreement with the New Jersey Public Broadcasting Authority to provide certain operational, fundraising and back-office services and public television programs, including New Jersey-centric programming specifically designed to meet the needs of the citizens of New Jersey. PMNJ commenced operations on July 1, 2011. Prior to December 6, 2012, WLIW, L.L.C. ("WLIW") was the sole member of PMNJ; effective December 6, 2012, WNET (the sole member of WLIW) became the sole member of PMNJ.

**NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- A. **Basis of Presentation** – The accompanying consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The consolidated financial statements of the Company include the accounts of WNET and its subsidiaries, THIRTEEN, WLIW, CNG, IEG and PMNJ. All intercompany balances have been eliminated. Also, the Company's consolidated financial statement amounts were rounded to the nearest thousand.
- B. **Cash and Cash Equivalents** – The Company considers all highly liquid financial instruments with a maturity of three months or less when purchased to be cash equivalents, except money market funds held in the investment portfolio.
- C. **Investments** – Investments are stated at fair value. Fair value for investments traded publicly is based on published market prices. Fair values of investments not traded publicly have been estimated by management based on information provided by the fund managers, the general partners or the limited liability companies. Investment transactions are accounted for on the date the investments are purchased or sold (trade date). The realized gains from the sale of securities, capital gain distributions, interest and dividend income are recorded as earned.

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**NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

As of June 30, 2013 and 2012, the consolidated financial statements include investments valued at \$41,295,000 and \$27,159,000, respectively, whose value has been estimated by management based on information provided by the fund managers or general partners of the investment companies.

- D. **Costs Incurred for Programs Not Yet Telecast** – Costs incurred for programs not yet telecast relate to programs that will be aired subsequent to the Company's fiscal year-end. As the programs are telecast, these costs are included in operating expenses and related restricted net assets, if any are released.
- E. **Property and Equipment** – Property and equipment is recorded at cost less accumulated depreciation. The amounts do not purport to represent replacement or recoverable values. The Company capitalizes computer equipment with a cost of \$500 or more, and all other property and equipment with a cost of \$5,000 or more and a useful life of greater than three years. Depreciation is calculated using the straight-line method over the useful lives of the assets, ranging from 3 to 40 years. Expenditures for leasehold improvements are capitalized and amortized over the shorter of the life of the asset or the lease term.
- F. **Impairment of Long-Lived Assets** – In accordance with ASC 360-10, *Property, Plant and Equipment, "Impairment or Disposal of Long-Lived Assets,"* the Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. No impairment loss has been recognized by the Company for the years ended June 30, 2013 and 2012.
- G. **Intangible Assets** – Intangible assets of \$13,554,000 consists of two components. The first component relates to the 1961 Channel Thirteen purchase and amounts to \$5,854,000. This amount resulted from the excess of the purchase price over the net tangible assets (resulting in goodwill) of Channel Thirteen and the acquisition of its broadcast license. The second component relates to the 2003 purchase of the WLIW broadcast license and amounts to \$7,700,000. Intangible assets have not been amortized as permitted by U.S. GAAP. In the opinion of management, both the excess purchase price over the net tangible assets and the broadcast license are deemed to have indefinite lives, and no diminution in value has occurred. There were no impairment charges recorded during the years ended June 30, 2013 and 2012.
- H. **Life Annuities** – The Company has entered into Life Annuity Trusts whereby donors receive payments for the remainder of their lives with any remainder at death reverting to the Company. The remainders of all such agreements have been permanently restricted by the donors. The liability is determined based on actuarial assumptions and, as of June 30, 2013 and 2012, a liability of \$4,368,000 and \$4,475,000, respectively, was included in accounts payable and accrued expenses. The amount of contributions recorded by the Company is the fair value of the trust assets received less the present value of the estimated annuity payments. As of June 30, 2013 and 2012, the trust assets were \$7,150,000 and \$7,027,000, respectively.
- I. **Contributions and Grants** – Contributions and grants are recognized as revenue when they are received or unconditionally pledged.

The Company reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as net assets released from restrictions.

The Company reports gifts of cash and other assets as permanently restricted support when use by the Company is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Company. Earnings on permanently restricted net assets are available for various programs as described in Note 10.

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**NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The Company reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Company reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Under accounting principles generally accepted in the United States of America, nonprofit organizations are required to reflect contribution revenue in the year received despite the fact that, at times, certain of these contributions are purpose restricted and the expenditures to accomplish the purpose do not occur until a subsequent period. It is this accounting methodology that can cause significant differences in the change in net assets between years.

- J. **Allowance for Doubtful Accounts** – Accounts receivable represents money owed the Company arising from licensing and programming fees, nonbroadcast sales, facility rental and reimbursement for expenses. The Company estimates the allowance for doubtful accounts based on management's evaluation of the creditworthiness of its donors and grantors, the aged basis of its receivables, as well as current economic conditions and historical information.
- K. **Deferred Rent** – The Company leases real property under operating leases expiring at various dates in the future (see Note 13). Since the rent payments increase over time, the Company records an adjustment to rent expense each year to reflect its straight-lining policy. The annual adjustment recorded for the years ended June 30, 2013 and 2012 amounted to a \$223,000 and \$94,000 increase, respectively. Straight-lining of rent gives rise to a timing difference that is reflected as accounts payable and accrued expenses in the accompanying consolidated statements of financial position. As of June 30, 2013 and 2012, such deferrals amounted to \$8,225,000 and \$8,002,000, respectively.
- L. **Nonbroadcast Sales** – Nonbroadcast sales are generated primarily from home video sales and royalties. Home video sales are recorded as earned. Revenue from royalties is recognized, net of royalties payable, upon notification from the third party distributor.
- M. **Other Income** – Other income is generated from facility rental fees and reimbursement for expenses. Additionally, during the years ended June 30, 2013 and 2012, the Company recognized revenue from the licensing of its unused spectrum (see Note 14).
- N. **Measure of Operations** – The Company includes in its definition of operations, all support, revenue and expenses that are an integral part of its program and supporting activities. Endowment contributions, non-recurring items and investment income, including realized and unrealized gains and losses, earned in excess of the Company's authorized spending policy, are recognized as non-operating activities and support.
- O. **Income Taxes** – WNET and its subsidiaries are exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income tax has been recorded in the accompanying consolidated financial statements.
- P. **Use of Estimates** – The preparation of consolidated financial statements in accordance with U.S. GAAP requires the Company to make estimates and assumptions that affect the reported amounts of assets, as well as liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period.
- Q. **Fair Value Measurements** – Fair value measurements are based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In order to increase consistency and comparability in fair value measurements, a fair value hierarchy prioritizes observable and unobservable inputs used to measure fair value into three levels, as described on the following page:

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**NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- Level 1 – Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
  - Level 2 - Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third-party pricing services for identical or similar assets or liabilities.
  - Level 3 - Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models or similar techniques, and not based on market exchange, dealer, or broker-traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.
- R. **Investment Spending Policy** – The Company’s Board has authorized a policy to provide a predictable flow of funds to support operations. The policy permits up to a 5% spending rate to be used for operations based on the average cumulative investment fund balance for the past five fiscal years as long as unappropriated investment earnings are available.
- S. **Recent Accounting Pronouncements** – In September 2011, The FASB issued ASU 2011-09, “Disclosures about an Employer’s Participation in a Multiemployer Plan.” This update amends ASC 715-80, “Compensation-Retirement Benefits-Multiemployer Plans” to require additional disclosures about an employer’s participation in a multiemployer pension plan including additional information about the plans, the level of an employer’s participation in the plans and the financial health of significant plans. This update does not change the accounting for an employer’s participation in a multiemployer pension plans. The amendments in this update are effective for fiscal years ending after December 15, 2012.

**NOTE 3—GRANTS AND GIFTS RECEIVABLE**

As of June 30, 2013 and 2012, the Company has unconditional grants and gifts receivable as follows:

	2013	2012
Amount due in less than one year	\$ 39,766,000	\$ 48,599,000
Amount due from one to five years	3,446,000	11,538,000
Amount due after five years	1,319,000	1,376,000
	44,531,000	61,513,000
Less: Unamortized discount to present value	(1,013,000)	(1,130,000)
Allowance for doubtful accounts	(550,000)	(300,000)
	\$ 42,968,000	\$ 60,083,000

The pledges to be received after one year are discounted to present value at interest rates ranging from 0.7% to 6.00%. The amortization of the discount is reflected as additional contribution revenue in the accompanying consolidated financial statements.

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**NOTE 4—INVESTMENTS**

The major classes of investments as of June 30, 2013 and 2012 are as follows:

	<u>2013</u>	<u>2012</u>
Cash and money market funds	\$ 7,173,000	\$ 4,173,000
U.S. equity funds	20,498,000	16,149,000
International equity funds	15,664,000	14,112,000
Fixed income funds	19,187,000	36,090,000
Treasury Inflation Protected Securities ("TIPS")	8,241,000	8,653,000
Alternative investments - hedge fund of funds	17,116,000	6,491,000
Natural resources trust	<u>3,154,000</u>	<u>3,402,000</u>
	<u>\$ 91,033,000</u>	<u>\$ 89,070,000</u>

Certain investments including alternative investments are made up of hedge fund of funds that invest primarily in limited partnerships and private investment companies. Investments in limited partnerships are generally carried at fair value, as determined by the investees' General Partners. Such value generally represents the Company's proportionate share of the Partner's capital of the investment partnerships as reported by their general partners. The investments in private investment companies are valued at fair value using the net assets valuations provided by the underlying private investment companies, unless management determined another valuation is more appropriate. Substantially all the underlying assets of the limited partnership and private investment companies consist of public equity securities, bonds, cash and cash equivalents, and other investments stated at fair value.

Alternative investments include investments in hedge funds whose objective is to provide investors with compound annual long-term returns that are superior to the broad market averages while having less risk than the overall stock market. The agreement underlying this investment limits the Company's ability to liquidate its interest in such investments for a period of time.

Securities with no readily available market are initially valued at cost, with subsequent adjustments to values which reflect either the basis of meaningful third-party transactions in the private market or the fair value deemed appropriate by the General Partners of the underlying investment partnership. In such instances, consideration is also given to the financial condition and operating results of the issuer, the amount that the investment partnerships can reasonably expect to realize upon the sale of the securities, and any other factors deemed relevant.

Securities with readily available markets (listed on a securities exchange or traded in an over-the-counter market) are valued at quoted market prices or at an appropriate discount from such price if marketability of the securities is limited.

Investment securities, in general, are exposed to various risks such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements. Additionally, due to the inherent uncertainty of these valuations, the estimated fair value of investments without a readily determinable fair value may differ from the fair value that would have been used had a ready market existed for the investments, and these differences could be material.



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**NOTE 4—INVESTMENTS (Continued)**

Investment income during the years ended June 30, 2013 and 2012 follows:

	2013	2012
Income from investment fund:		
Realized gains	\$ 953,000	\$ 1,638,000
Unrealized gains (losses)	4,150,000	(1,599,000)
	5,103,000	39,000
Dividends/interest	1,631,000	1,863,000
Total investment fund income	\$ 6,734,000	\$ 1,902,000

The transfer from the investment fund of current and prior period accumulated income amounted to \$4,524,000 and \$4,904,000 for the years ended June 30, 2013 and 2012, respectively. The total investment income from operations was comprised of the following:

	2013	2012
Investment fund – Board authorized	\$ 4,524,000	\$ 4,904,000
Dividends/interest - operations	50,000	27,000
Realized/unrealized (loss)/gain - operations	(19,000)	7,000
Total investment income from operations	\$ 4,555,000	\$ 4,938,000

**NOTE 5—INVESTMENT FUND**

As of June 30, 2013 and 2012, approximately \$17,942,000 and \$26,709,000, respectively, of investments were pledged as collateral against the loans and bank line of credit of \$4,333,000 and \$11,333,000, respectively, as described in Note 8.

From the inception of the investment fund through June 30, 2013 and 2012, \$205,288,000 and \$197,320,000, including investment income, was received by the Company for the investment fund, respectively, and \$114,255,000 and \$108,250,000, respectively, was expended for operations.

The following summarizes the cumulative activity of the investment fund for the years ended June 30, 2013 and 2012:

	2013	2012
Investment fund revenue including investment income:		
Permanently restricted grants and gifts and cumulative income	\$ 116,392,000	\$ 109,672,000
National Endowment for the Arts ("NEA") cash reserve fund	1,932,000	1,932,000
Donor-designated programming and facilities projects	22,638,000	22,438,000
Operating fund	64,326,000	63,278,000
Total investment fund income	205,288,000	197,320,000
Deductions:		
Gifts received and expended from permanently restricted and		
Donor-designated funds	87,625,000	81,935,000
Expended from operating fund	26,630,000	26,315,000
Total deductions	114,255,000	108,250,000
	\$ 91,033,000	\$ 89,070,000
Net investment fund balances including investment income:		
Endowment fund	\$ 44,905,000	\$ 44,174,000
NEA cash reserve fund	1,932,000	1,932,000
Operating fund	44,196,000	42,964,000
	\$ 91,033,000	\$ 89,070,000

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**NOTE 6 – PREPAID EXPENSES AND OTHER ASSETS**

As of June 30, 2013 and 2012, prepaid expense and other assets consist of the following:

	<u>2013</u>	<u>2012</u>
Membership premiums	\$ 1,412,000	\$ 1,393,000
Deferred lease asset	1,645,000	1,799,000
Deferred tenant incentive	1,059,000	1,254,000
Charitable remainder trusts	3,596,000	3,471,000
Prepaid insurance and other	<u>2,287,000</u>	<u>2,064,000</u>
	<u>\$ 9,999,000</u>	<u>\$ 9,981,000</u>

**NOTE 7—PROPERTY AND EQUIPMENT**

As of June 30, 2013 and 2012, property and equipment consists of the following:

	<u>2013</u>	<u>2012</u>
Land, building and leasehold improvements	\$ 25,146,000	\$ 24,771,000
Television and other equipment	<u>42,372,000</u>	<u>41,354,000</u>
Total cost	67,518,000	66,125,000
Less: Accumulated depreciation and amortization	<u>(33,958,000)</u>	<u>(28,939,000)</u>
Net book value	<u>\$ 33,560,000</u>	<u>\$ 37,186,000</u>

Depreciation and amortization for the years ended June 30, 2013 and 2012 amounted to \$5,332,000 and \$5,374,000, respectively. During the years ended June 30, 2013 and 2012, certain property and equipment with a total cost of approximately \$314,000 and \$4,702,000, respectively, and accumulated depreciation of approximately \$303,000 and \$4,175,000, respectively, were written off.

**NOTE 8—BANK LINE OF CREDIT AND LOANS PAYABLE**

The bank line of credit and loans payable consisted of the following as of June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
The Company has a \$15,000,000 line of credit with a bank, bearing interest at LIBOR plus .90% with an original expiration date of August 10, 2013. The agreement was extended through August 10, 2014 and amended with an interest rate of LIBOR plus 0.75% with an unused line of credit rate of 0.13%. There are no outstanding borrowings on this line of credit as of June 30, 2013 and December 3, 2013. See below for collateral.	\$ -	\$ 5,000,000
The Company has a 60-month term loan expiring on August 10, 2015 with a bank that originally amounted to \$10,000,000. This loan bears interest at LIBOR plus 1.25% and the principal is repayable in equal monthly installments plus interest. See below for collateral.	4,333,000	6,333,000
The Company has a 60-month term loan expiring on February 28, 2016 with an unrelated financing entity that originally amounted to \$4,700,000. This loan bears interest at 4.745% with monthly repayments of principal and interest of approximately \$88,000. Certain office equipment of the Company serves as collateral on the term loan.	2,726,000	3,630,000
The Company has a 24-month unsecured term loan expiring on June 30, 2014 with an unrelated entity that originally amounted to \$65,000. This loan bears interest at 0.30% with quarterly repayments of principal and interest of approximately \$8,000.	<u>33,000</u>	<u>-</u>
	<u>\$ 7,092,000</u>	<u>\$ 14,963,000</u>

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**NOTE 8—BANK LINE OF CREDIT AND LOANS PAYABLE (Continued)**

Approximately \$17,942,000 and \$26,706,000 of investments as of June 30, 2013 and 2012, respectively, were pledged as collateral against the line of credit (with a maximum borrowing of \$15,000,000) and the term loan (with an original balance of \$10,000,000). Under the terms of the line of credit, the Company is required to meet certain financial covenants, and as of June 30, 2013 and 2012, the Company was in compliance with these covenants.

Future annual principal payments after June 30, 2013 are as follows:

2014	\$ 2,982,000
2015	2,995,000
2016	<u>1,115,000</u>
	<u>\$ 7,092,000</u>

**NOTE 9—TEMPORARILY RESTRICTED NET ASSETS**

As of June 30, 2013 and 2012, temporarily restricted net assets are available for the following purposes:

	<u>2013</u>	<u>2012</u>
Underwriting for designated projects	\$ 52,654,000	\$ 52,908,000
CPB program grants	1,312,000	1,633,000
CPB community service grant	11,757,000	10,662,000
PBS program services grants	14,256,000	24,010,000
Unappropriated investment earnings (Note 17):		
Fiscal year 2011	3,115,000	418,000
Fiscal year 2012	1,672,000	6,952,000
Fiscal year 2013	<u>6,498,000</u>	<u>1,672,000</u>
	<u>\$ 91,264,000</u>	<u>\$ 98,255,000</u>

**NOTE 10—PERMANENTLY RESTRICTED NET ASSETS**

As of June 30, 2013 and 2012, permanently restricted net assets consist of the following:

	<u>2013</u>	<u>2012</u>
General programs	\$ 24,396,000	\$ 24,247,000
Art and humanities programs	10,988,000	10,988,000
Social programs	11,337,000	11,337,000
Education resources fund	261,000	231,000
Children's programs	2,804,000	2,804,000
Science and nature programs	2,322,000	1,986,000
News and public affairs programs	1,987,000	1,987,000
Campaign Arts and Culture	<u>500,000</u>	<u>-</u>
	<u>\$ 54,595,000</u>	<u>\$ 53,580,000</u>

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**NOTE 11—IN-KIND INCOME**

During the years ended June 30, 2013 and 2012, the Company received approximately \$8,349,000 and \$10,900,000, respectively, of production in-kind income. These amounts have been calculated based upon the fair value of the services performed by the donors and are included in the Company's consolidated financial statements as follows:

	2013	2012
Revenues-underwriting for designated projects	\$ 8,349,000	\$ 10,900,000
Expenses:		
National Program Service	\$ 8,349,000	\$ 10,900,000

**NOTE 12—RETIREMENT PLANS**

The Company has a defined contribution retirement plan under IRC Section 403(b) for primarily all full-time nonunion employees who have completed two years of service. The Company's minimum contribution rate under the plan was 3% of eligible compensation. The Company has the option to make or not to make a discretionary nonelective contribution to an eligible employee retirement account. In addition, employee contributions will be matched by the Company up to 3% of eligible compensation.

Expenses under the plan for the years ended June 30, 2013 and 2012, amounted to \$619,000 and \$602,000, respectively. The Company's policy is to fund retirement plan costs currently.

**MULTI-EMPLOYER PLANS**

For union employees, the Company contributes to a number of multiemployer defined benefit pension plans under the terms of collective-bargaining agreements that cover its union-represented employees. The risks of participating in these multiemployer plans are different from single-employer plans in the following aspects:

- Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.
- If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If the Company chooses to stop participating in some of its multiemployer plans, the Company may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The Company's participation in these plans is outlined in the table below. The "EIN/Pension Plan Number" column provides the Employee Identification Number ("EIN") and the three-digit plan number. The most recent Pension Protection Act ("PPA") zone status available in 2013 and 2012 are for the plan years noted below, which include the plans funded percentage. The zone status is based on information that the Company received from the plans and is certified by the plan's actuary. Among other factors, plans in the red zone are generally less than 65 percent funded, plans in the yellow zone are less than 80 percent funded, and plans in the green zone are at least 80 percent funded. The significance of entering critical status is that the Plan's Trustees are required by law to adopt a "rehabilitation plan," consistent with the requirements of the PPA, designed to improve the Plan's financial health and to allow it to emerge from critical status.

The "FIP/RP Status Pending/Implemented" column indicates plans for which a financial improvement plan ("FIP") or a rehabilitation plan ("RP") is either pending or has been implemented. The last column lists the expiration date(s) of the collective-bargaining agreement(s) to which the plans are subject. The Company has no plans to withdraw.

The Company's contribution to these plans is specified by the union collective bargaining agreements and approximated \$844,000 and \$849,000 for the years ended June 30, 2013 and 2012, respectively.

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**NOTE 12—RETIREMENT PLANS (Continued)**

Pension Plan Name	Employer Identification Number/Plan Number	PPA Zone Status		FIP/RP Status Pending/ Implemented	Surcharge Imposed	Collective Bargaining Agreement Expiration Dates	Critical Status	
		2012	2011				2012	2011
American Federation of Musicians & Employers' Pension Fund	51-6120204/001	Green	Green	Yes	Yes	A	Yes	Yes
AFTRA Retirement Fund	13-6414972/001	Green	Green	N/A	No	B	No	No
Directors Guild of America – Producer Pension Plan	95-2892780/001	Green	Green	N/A	No	7/31/2015	No	No
Radio, Television Recording Arts Pension	13-6159229/001	Red	Yellow	Yes	Yes	C	Yes	Yes
Central Pension Fund of the International Union of Operating Engineers	36-6052390/001	Green	Green	N/A	No	12/31/2014	No	No
Pension Fund of Local No. One, I.A.T.S.E.	13-6414973/001	Green	Green	N/A	No	D	No	No
Screen Actors Guild – Producers Pension Plan	92-2110997/001	Green	Green	N/A	No	N/A	No	No
Producer – Writers Guild of America Pension Plan	95-2216351/001	Green	Green	N/A	No	6/30/2014	No	No
Annuity Fund of Local No. One, I.A.T.S.E.	13-3022965/001	Green	Green	N/A	No	D	No	No

**Footnotes:**

A. The CBA between THRITTEEN and the American Federation of Musicians expired on December 10, 2005 but the Company has an ongoing obligation in accordance with the last negotiated agreement.

The funded percentage as of April 1, 2011 is projected to be 92.37%. The Plan passes all four tests as required under IRC Section 432(b)(2), to determine whether the plan is in critical status. However, the Plan remains in critical status since it fails to meet the requirement under IRC Section 432(e)(4)(2) to emerge from critical status as the Plan is projected to have an accumulated funding deficiency for the plan year ending March 31, 2021.

B. THIRTEEN is a party to three CBAs with AFTRA PTV Local, AFTRA PTV National and AFTRA Staff. The agreement with AFTRA PTV Local renew automatically at the beginning of each year. The agreements with AFTRA PTV National and AFTRA Staff expired on February 28, 2013 and August 31, 2001, respectively. However, the Company has an ongoing obligation in accordance with the last negotiated agreements.

C. EBC and WLIW are both parties to the CBA which expired on April 1, 2013 and June 30, 2011, respectively. As of the date the financial statements were issued, the parties are in the process of negotiations. EBC was listed on the Plan's Form 5500 as providing more than 5% of the total contributions.

D. THIRTEEN and CNG are parties to the CBA, which are expiring on January 31, 2017 and March 28, 2016, respectively.

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**NOTE 13—COMMITMENTS AND CONTINGENCIES**

A. The Company has entered into various real estate lease agreements expiring through 2026. In December 1997, as a result of the contracted sale of its building, the Company entered into a 21-year operating lease at 450 West 33<sup>rd</sup> Street. In April 2003, the Company entered into a 15-year operating lease at the Empire State Building for its transmission facilities. As part of this agreement, annual rent expense increased as the Company began transmitting its digital signal at full power from the Empire State Building. This rent increase has been included in the future minimum rentals.

In November 2008, the Company entered into a 15-year and 5-month operating lease at Lincoln Center for the Performing Arts, Inc. primarily for the studio site of the Company's various programs.

In August 2010, the Company entered into a 16-year operating lease for its new office space located in New York City. The lease provides a period of free rent and base rental amounts that increase at certain points during the lease term. In addition, the Company provided a letter of credit amounting to \$5,000,000 upon the execution of the lease, which serves primarily as security in connection with this real property lease.

In November 2011, the Company entered into a three year operating lease at Montclair State University primarily for the use of a studio facility.

The rent expense incurred under these agreements aggregated to \$13,369,000 and \$11,185,000 for the years ended June 30, 2013 and 2012, respectively.

For the years ended after June 30, 2013, the future minimum rentals under the various real estate lease agreements are as follows:

2014	\$	12,580,000
2015		12,570,000
2016		12,476,000
2017		12,797,000
2018		12,875,000
Thereafter		<u>55,482,000</u>
	<u>\$</u>	<u>118,780,000</u>

In addition, these agreements include escalation provisions for real estate taxes and tenant improvements based on changes in the assessed valuation of the property. Additional rent expense incurred under these escalation clauses for the years ended June 30, 2013 and 2012, amounted to \$1,925,000 and \$1,801,000, respectively.

In 2011, the Company entered into sublease agreements with unrelated parties for its office space lease at 450 West 33<sup>rd</sup> Street. Future minimum rental income from these subleases for the years ended after June 30, 2013 are as follows:

2014	\$	5,536,000
2015		5,536,000
2016		4,663,000
2017		4,773,000
2018		4,828,000
Thereafter		<u>1,851,000</u>
	<u>\$</u>	<u>27,187,000</u>

B. The Company is party to various pending legal proceedings arising in the ordinary course of business. The Company's management and legal counsel have reviewed the probable outcome of these proceedings and the costs and expenses reasonably expected to be incurred. While the outcome of the pending proceedings cannot be predicted with certainty, based on its review, management believes that the liabilities that may result are not likely to have a material effect on the Company's liquidity, financial condition or change in net assets.

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**NOTE 13—COMMITMENTS AND CONTINGENCIES (Continued)**

- C. As a result of a Stipulation and Order of Settlement and Dismissal, the Company and the United States of America entered into an agreement in 2010 to settle a Complaint made against the Company's subsidiary, EBC. The Company agreed to a Compliance Plan ("the Plan") designed to ensure that the conduct of EBC and its employees will comply with applicable requirements for recipients of federal grant awards. Among the requirements of the Plan is the submission of an Annual Compliance Report to the Office of the Inspector General of the NSF (the "NSF OIG") detailing the Company's efforts to comply with the terms of the Plan. On October 11, 2013, the Company submitted the third Annual Compliance Report to the NSF OIG. On November 15, 2013, the NSF OIG accepted the third Annual Compliance Report submitted by the Company.
- D. Approximately 8.5% and 9% of the Company's full-time equivalent employees were covered by collective bargaining agreements as of June 30, 2013 and 2012, respectively. The agreements, which cover various periods, stipulate wage levels and differentials, participation in group health and dental plans and certain agreements with regard to paid time off and leave policies, work hours and schedules, personnel policies including grievance, discharge and discipline procedures. A new agreement is currently being negotiated.
- E. The Company made significant modifications to its leased space at 450 West 33rd Street and is obligated to restore the lease space to its original condition at the end of the lease term. An accrual for this potential liability was made as of June 30, 2013 amounting to approximately \$4,500,000.
- F. The Company has no uncertain tax positions as of June 30, 2013 and 2012 in accordance with Accounting Standards Codification ("ASC") Topic 740 ("Income Taxes"), which provides standards for establishing and classifying any tax provisions for uncertain tax positions. The Company is no longer subject to federal or state and local income tax examinations by tax authorities for years before 2010.

**NOTE 14—DEFERRED REVENUE**

In 2006, the Company entered into an agreement to lease certain of its unused spectrum (bandwidth) to an unrelated third party. The Company recognizes this payment as revenue over 30 years. Included in deferred revenue in the accompanying consolidated financial statements is \$4,774,000 and \$5,730,000 as of June 30, 2013 and 2012, respectively, related to the unamortized portion of this income. For the years ended June 30, 2013 and 2012, approximately \$956,000 and \$1,125,000, respectively, was recognized in other income. The amount of amortization for the years ended June 30, 2013 and 2012 was based on an assessment of the deferral made by an outside consultant.

**NOTE 15—FAIR VALUE OF FINANCIAL INSTRUMENTS**

For financial instruments, including cash equivalents, certain investments, receivables, payables and debt, the carrying amount approximates fair value because of the short maturity of these instruments.

Financial assets carried at fair value as of June 30, 2013 are classified in the table in one of the three levels as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total 2013</u>
<b>Investments:</b>				
Cash and money market funds	\$ 7,173,000	\$ -	\$ -	\$ 7,173,000
U.S. Treasury Bills	3,089,000	17,409,000	-	20,498,000
International equity funds	12,048,000	3,616,000	-	15,664,000
Fixed income funds	19,187,000	-	-	19,187,000
TIPS	8,241,000	-	-	8,241,000
Alternative investments - hedge fund of funds	-	-	17,116,000	17,116,000
Natural resources trust	-	3,154,000	-	3,154,000
<b>Total Assets at Fair Value</b>	<b><u>\$ 49,738,000</u></b>	<b><u>\$ 24,179,000</u></b>	<b><u>\$ 17,116,000</u></b>	<b><u>\$ 91,033,000</u></b>

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**NOTE 15—FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)**

Financial assets carried at fair value as of June 30, 2012 are classified in the table in one of the three levels as follows:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total 2012</u>
<b>Investments:</b>				
Cash and money market funds	\$ 4,173,000	\$ -	\$ -	\$ 4,173,000
U.S. Treasury Bills	2,352,000	13,797,000	-	16,149,000
International equity funds	10,643,000	3,469,000	-	14,112,000
Fixed income funds	36,090,000	-	-	36,090,000
TIPS	8,653,000	-	-	8,653,000
Alternative investments - hedge fund of funds	-	-	6,491,000	6,491,000
Natural resources trust	-	3,402,000	-	3,402,000
<b>Total Assets at Fair Value</b>	<b><u>\$ 61,911,000</u></b>	<b><u>\$ 20,668,000</u></b>	<b><u>\$ 6,491,000</u></b>	<b><u>\$ 89,070,000</u></b>

The changes in assets measured at fair value for which the Company has classified Level 3 are as follows:

	<u>2013</u>	<u>2012</u>
Balance at beginning of year	\$ 6,491,000	\$ 6,440,000
Purchases	9,500,000	-
Redemptions and fees	(59,000)	(62,000)
Realized gain, interest and dividends	20,000	2,000
Unrealized gain	<u>1,164,000</u>	<u>111,000</u>
<b>Balance at end of year</b>	<b><u>\$ 17,116,000</u></b>	<b><u>\$ 6,491,000</u></b>

**NOTE 16—CENTRALCAST LLC**

Centralcast LLC ("Centralcast") is a Delaware Limited Liability Company comprised of eight public broadcasting corporations (the "Members") that serve New York State through a broad range of noncommercial television and radio programming. Each Member is an organization described in Section 501(c)(3) of the IRS Code. WNET is one of the Members and has a 22% interest in Centralcast. Centralcast operates a joint master control facility that enables the members to disseminate educational programming in a collaborative and efficient manner. WNET pays service fees to Centralcast which are calculated on a standard basis in accordance with the level of service required by WNET. The asset related to the Centralcast investment is recorded under prepaid expenses and other assets and amounted to \$375,000 and \$232,000 as of June 30, 2013 and 2012 respectively.

**NOTE 17—INVESTMENT IN V-ME, INC.**

In September 2006, EBC entered into an agreement with V-Me, Inc. ("V-Me"), a national Spanish-language television network. EBC agreed to contribute existing and future programming, assist in the promotion of the network, and assist in securing the Spanish-language rights to programs. In exchange for these services, EBC initially received a 20% equity investment in V-Me. On June 30, 2013, EBC transferred its ownership of V-Me to WNET. The Company's ownership interest has since been reduced to approximately 6% due to investment by other shareholders. The Company did not record an asset related to the investment.

In addition, the Company provided certain production services and the use of facilities to V-Me, Inc. As of June 30, 2013 and 2012, the balance due from V-Me, Inc. amounted to approximately \$158,000 and \$179,000, respectively.



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**NOTE 18—ENDOWMENT NET ASSETS**

The Company adheres to the New York Prudent Management of Institutional Funds Act ("NYPMIFA"). NYPMIFA creates a rebuttable presumption of imprudence if an organization appropriates more than 7% of a donor-restricted permanent endowment fund's fair value (averaged over a period of not less than the preceding five years) in any year. In addition, in accordance with U.S. GAAP, any unappropriated earnings on endowment funds that would otherwise be considered unrestricted by the donor should be reflected as temporarily restricted until appropriated by the Board of Trustees.

The Company's Board of Directors, on advice of counsel, understood the state law as allowing the Company to appropriate for expenditure or accumulate so much of an endowment fund as the Company determines is prudent for the uses, benefits, purposes and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. Unless stated otherwise in the gift instrument, the assets in an endowment fund shall be donor-restricted assets until appropriated for expenditure by the Board of Directors. The policy for valuing the Company's investments is described in Note 2C.

The Company's endowment investment policy is to invest primarily in equities and fixed income based on an asset allocation, approved by the Investment Committee, to satisfy its overall endowment financial and investment objectives such as to preserve the principal, protect against inflation, receive stable returns and achieve long-term growth. The Company relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

Annual spending from the endowment fund is described in Note 2C.

The asset allocation plan provides for diversification of assets in an effort to maximize the investment return and manage risk of the Company consistent with market conditions. The Company relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

In accordance with U.S. GAAP, institutions are required to disclose any deterioration of the fair value of assets associated with donor-restricted endowment funds that fall below the level the donor requires the organization to retain in perpetuity. The Company had not incurred such deficiencies in its endowment funds as of June 30, 2013 and 2012.

Changes in endowment net assets for the year ended June 30, 2013 are as follows:

	Unrestricted			Temporarily Restricted			Total 2013
	Operations	Appropriated Investment Earnings	Board Designated	Unappropriated Investment Earnings	Program Restricted	Permanently Restricted	
Endowment net assets, beginning of year	\$ -	\$ 4,524,000	\$ 14,530,000	\$ 9,042,000	\$ 471,000	\$ 53,580,000	\$ 82,147,000
Contribution to endowments	-	-	-	-	-	1,015,000	1,015,000
Investment activity:							
Dividends and interest	50,000	-	-	1,631,000	-	-	1,681,000
Realized gain on investments	(19,000)	-	-	953,000	-	-	934,000
Unrealized gain on investments	-	-	-	4,150,000	-	-	4,150,000
Management fees	-	-	-	(236,000)	-	-	(236,000)
Total investment activity	31,000	-	-	6,498,000	-	-	6,529,000
Board appropriated for expenditure	-	4,255,000	-	(4,255,000)	-	-	-
Releases	4,524,000	(4,524,000)	-	-	-	-	-
Used in operations	(4,555,000)	-	-	-	-	-	(4,555,000)
Endowment net assets, end of year	\$ -	\$ 4,255,000	\$ 14,530,000	\$ 11,285,000	\$ 471,000	\$ 54,595,000	\$ 85,136,000

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**JUNE 30, 2013 AND 2012**

**NOTE 18—ENDOWMENT NET ASSETS (Continued)**

Changes in endowment net assets for the year ended June 30, 2012 are as follows:

	Unrestricted			Temporarily Restricted			Total 2012
	Operations	Appropriated Investment Earnings	Board Designated	Unappropriated Investment Earnings	Program Restricted	Permanently Restricted	
Endowment net assets, beginning of year	\$ -	\$ 4,904,000	\$ 14,530,000	\$ 11,893,000	\$ 471,000	\$ 53,520,000	\$ 85,318,000
Contribution to endowments	-	-	-	-	-	60,000	60,000
Investment activity:							
Dividends and interest	27,000	-	-	1,863,000	-	-	1,890,000
Realized gain on investments	7,000	-	-	1,638,000	-	-	1,645,000
Unrealized gain on investments	-	-	-	(1,599,000)	-	-	(1,599,000)
Management fees	-	-	-	(229,000)	-	-	(229,000)
Total investment activity	34,000	-	-	1,673,000	-	-	1,707,000
Board appropriated for expenditure	-	4,524,000	-	(4,524,000)	-	-	-
Releases	4,904,000	(4,904,000)	-	-	-	-	-
Used in operations	(4,938,000)	-	-	-	-	-	(4,938,000)
Endowment net assets, end of year	\$ -	\$ 4,524,000	\$ 14,530,000	\$ 9,042,000	\$ 471,000	\$ 53,580,000	\$ 82,147,000

Endowment net assets of \$85,136,000 and \$82,147,000 as of June 30, 2013 and 2012, respectively, are included in the investments account in the accompanying consolidated statements of financial position.

**NOTE 19—CONCENTRATIONS**

Cash and cash equivalents that potentially subject the Company to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limits. Interest bearing accounts are insured up to \$250,000 per depositor. Through December 31, 2012, noninterest bearing accounts were fully insured. Beginning in 2013, noninterest bearing accounts are insured the same as interest bearing accounts. As of June 30, 2013 and 2012, there was approximately \$16,440,000 and \$16,137,000, respectively of cash and cash equivalents held by banks that exceeded FDIC limits. Such excess includes outstanding checks.

**NOTE 20 – FOUNDATION FOR NEW JERSEY PUBLIC BROADCASTING, INC.**

Effective September 28, 2012, the Foundation for New Jersey Public Broadcasting, Inc. (the "Foundation"), a New Jersey non-profit corporation which had formerly raised money for the benefit of New Jersey's public television station, merged with and into PMNJ. As of the effective date of the merger, the Foundation ceased to have a separate corporate existence and PMNJ, as the surviving corporation, is now the formal successor to the Foundation's assets and property.

**NOTE 21 – SUBSEQUENT EVENTS**

Management has evaluated, for potential recognition and disclosure, events subsequent to the date of the statement of consolidated financial position through December 3, 2013, the date the consolidated financial statements were available to be issued. No events have occurred subsequent to the consolidated statement of financial position date through December 3, 2013 that would require adjustment to or disclosure in the consolidated financial statements.

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**CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2013**  
**(With Comparative Totals for June 30, 2012)**

	<u>For the Year Ended June 30, 2013</u>				
	<u>Program Services</u>	<u>Supporting Services</u>		<u>Total 2013</u>	<u>Total 2012</u>
		<u>Fundraising</u>	<u>Management and Administrative</u>		
Salaries and wages	\$ 26,263,000	\$ 6,383,000	\$ 8,319,000	\$ 40,965,000	\$ 42,431,000
Benefits and payroll taxes	5,487,000	1,328,000	1,662,000	8,477,000	8,749,000
Program production, acquisition and consulting costs	35,684,000	2,658,000	813,000	39,155,000	55,583,000
Dues and PBS assessments	11,642,000	2,000	18,000	11,662,000	12,620,000
Rent	5,178,000	655,000	8,018,000	13,851,000	13,008,000
Utilities	449,000	81,000	572,000	1,102,000	967,000
Professional fundraising	-	676,000	-	676,000	754,000
Accounting and legal fees	34,000	2,000	893,000	929,000	1,247,000
Supplies and premiums	158,000	2,121,000	40,000	2,319,000	2,559,000
Telephone and transmission	1,241,000	533,000	802,000	2,576,000	2,496,000
Postage, delivery and fulfillment	597,000	1,542,000	25,000	2,164,000	1,943,000
Insurance	285,000	70,000	208,000	563,000	906,000
Security and fire safety	187,000	46,000	80,000	313,000	290,000
General building maintenance	320,000	52,000	43,000	415,000	408,000
Equipment rentals, purchase and maintenance	906,000	69,000	503,000	1,478,000	1,363,000
Printing and publications	375,000	778,000	31,000	1,184,000	1,340,000
Travel and business expense	1,999,000	338,000	117,000	2,454,000	2,791,000
Interest expense	2,000	-	300,000	302,000	444,000
Depreciation and amortization	3,581,000	374,000	1,377,000	5,332,000	5,374,000
Advertising and promotion	468,000	119,000	141,000	728,000	704,000
Bad debt expense	-	27,000	452,000	479,000	588,000
Brokers commissions and fees	-	-	-	-	-
Write off/loss on disposal of fixed assets	-	-	6,000	6,000	526,000
Miscellaneous expenses	25,000	466,000	76,000	567,000	1,358,000
<b>TOTAL EXPENSES</b>	<b>\$ 94,881,000</b>	<b>\$ 18,320,000</b>	<b>\$ 24,496,000</b>	<b>\$ 137,697,000</b>	<b>\$ 158,449,000</b>

See independent auditors' report.

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**CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	For the Year Ended June 30, 2012			
	Program Services	Supporting Services		Total 2012
		Fundraising	Management and Administrative	
Salaries and wages	\$ 28,131,000	\$ 6,038,000	\$ 8,262,000	\$ 42,431,000
Benefits and payroll taxes	5,681,000	1,236,000	1,832,000	8,749,000
Program production, acquisition and consulting costs	52,528,000	2,049,000	1,006,000	55,583,000
Dues and PBS assessments	12,606,000	1,000	13,000	12,620,000
Rent	5,230,000	590,000	7,188,000	13,008,000
Utilities	565,000	93,000	309,000	967,000
Professional fundraising	-	754,000	-	754,000
Accounting and legal fees	71,000	2,000	1,174,000	1,247,000
Supplies and premiums	370,000	2,153,000	36,000	2,559,000
Telephone and transmission	985,000	562,000	949,000	2,496,000
Postage, delivery and fulfillment	615,000	1,298,000	30,000	1,943,000
Insurance	616,000	53,000	237,000	906,000
Security and fire safety	168,000	33,000	89,000	290,000
General building maintenance	332,000	52,000	24,000	408,000
Equipment rentals, purchase and maintenance	821,000	72,000	470,000	1,363,000
Printing and publications	489,000	799,000	52,000	1,340,000
Travel and business expense	2,556,000	192,000	43,000	2,791,000
Interest expense	4,000	-	440,000	444,000
Depreciation and amortization	3,618,000	307,000	1,449,000	5,374,000
Advertising and promotion	589,000	4,000	111,000	704,000
Bad debt expense	-	75,000	513,000	588,000
Brokers commissions and fees	-	-	-	-
Write off/Loss on disposal of fixed assets	-	-	526,000	526,000
Miscellaneous expenses	471,000	405,000	482,000	1,358,000
<b>TOTAL EXPENSES</b>	<b>\$ 116,446,000</b>	<b>\$ 16,768,000</b>	<b>\$ 25,235,000</b>	<b>\$ 158,449,000</b>

See independent auditors' report.