



# General Member Meeting Treasurer's / Audit and Finance Committee Report

September 30, 2021



# Agenda

- Statement of Financial Position (Assets, Liabilities, Net Assets)
- Statement of Activities (Revenues, Expenses, Changes in Net Assets)
- Changes in Net Assets 2013-2020
- Other (if time permits)
  - Cash Reserves
  - Program Profitability
  - Publications
  - Budget
  - Financial Accomplishments



# Statement of Financial Position

	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
	<b>6/30/2021</b>	<b>6/30/2020</b>	<b>12/31/2020</b>	<b>12/31/2019</b>
<b><u>ASSETS</u></b>				
<b>Current Assets</b>				
Cash - Operating Account	\$ 686,533	\$ 349,557	\$ 539,341	\$ 108,135
Cash - Reserves	231,291	230,572	230,993	167,604
Accounts Receivable	3,412	5,412	25,547	98,332
Prepaid Expenses and Other Assets	3,000	6,964	13,650	21,023
<b>Total Current Assets</b>	<b>924,236</b>	<b>592,505</b>	<b>809,531</b>	<b>395,094</b>
<b>TOTAL ASSETS</b>	<b>\$ 924,236</b>	<b>\$ 592,505</b>	<b>\$ 809,531</b>	<b>\$ 395,094</b>



## Stmt of Financial Position (Cont.)

	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
	6/30/2021	6/30/2020	12/31/2020	12/31/2019
<b>Current Liabilities</b>				
Accounts Payable	\$ 2,543	\$ 4,128	\$ 15,457	\$ 15,614
SBA PPP Loan Payable	-	62,300	62,300	-
Accrued Expenses	12,104	8,919	913	8,915
Refundable Advances	66,223	35,655	17,164	-
Deferred Revenue	270	17,357	71,817	87,235
<b>Total Current Liabilities</b>	<b>81,140</b>	<b>128,359</b>	<b>167,651</b>	<b>111,764</b>
<b>TOTAL LIABILITIES</b>	<b>81,140</b>	<b>128,359</b>	<b>167,651</b>	<b>111,764</b>
<b>NET ASSETS</b>				
With Donor Restrictions	201,681	100,000	234,352	-
Without Donor Restrictions	641,415	364,146	407,528	283,330
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 924,236</b>	<b>\$ 592,505</b>	<b>\$ 809,531</b>	<b>\$ 395,094</b>
Net Assets to Total Assets	91%	78%	79%	72%

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# Statement of Activities

	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>Pct</i>	<i>Pct</i>
	<b>6/30/2021</b>	<b>6/30/2020</b>	<b>12/31/2020</b>	<b>12/31/2019</b>	<b>12/31/2020</b>	<b>12/31/2019</b>
<b>REVENUE</b>						
Membership Dues	\$ 169,990	\$ 122,730	\$ 180,120	\$ 203,685	12%	13%
Branch Contributions	7,270	4,770	13,775	10,205	1%	1%
General Contributions	68,661	53,285	232,419	63,286	16%	4%
Grants	70,696	285,210	504,750	406,315	34%	26%
SBA PPP Revenue	62,300	-	-	-	0%	0%
Annual Conference (In-Person)	-	-	-	481,114	0%	31%
Virtual Conference	16,970	1,100	90,365	-	6%	0%
Black History Month Luncheon	248,443	215,536	224,202	179,513	15%	12%
Publications	103,497	111,998	211,927	196,098	14%	13%
ASALH Store	1,270	2,050	2,570	3,666	0%	0%
Other Income	15,080	5,773	9,950	7,266	1%	0%
<b>Total Revenue</b>	<b>764,177</b>	<b>802,452</b>	<b>1,470,078</b>	<b>1,551,148</b>	<b>100%</b>	<b>100%</b>

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## Statement of Activities (Cont.)

	(Unaudited)	(Unaudited)	(Audited)	(Audited)	
	6/30/2021	6/30/2020	12/31/2020	12/31/2019	
<b><u>EXPENSES</u></b>					
Program Expenses	395,779	492,303	787,617	1,275,045	
Management & General Expenses	98,789	92,374	234,056	105,055	
Development Expenses	68,393	36,959	89,855	46,727	
<b>Total Expenses</b>	<b>562,961</b>	<b>621,636</b>	<b>1,111,528</b>	<b>1,426,827</b>	
<b>Change in Net Assets</b>	<b>201,216</b>	<b>180,816</b>	<b>358,550</b>	<b>124,321</b>	*
Net Assets, Beginning of Year	641,880	283,330	283,330	159,009	
<b>Net Assets, End of Period</b>	<b>\$ 843,096</b>	<b>\$ 464,146</b>	<b>\$ 641,880</b>	<b>\$ 283,330</b>	
Program Exp to Total Revenue Ratio	52%	61%	54%	82%	
* 2020 includes \$234,352 increase in net assets from donor restrictions industry accounting change <sup>6</sup>					

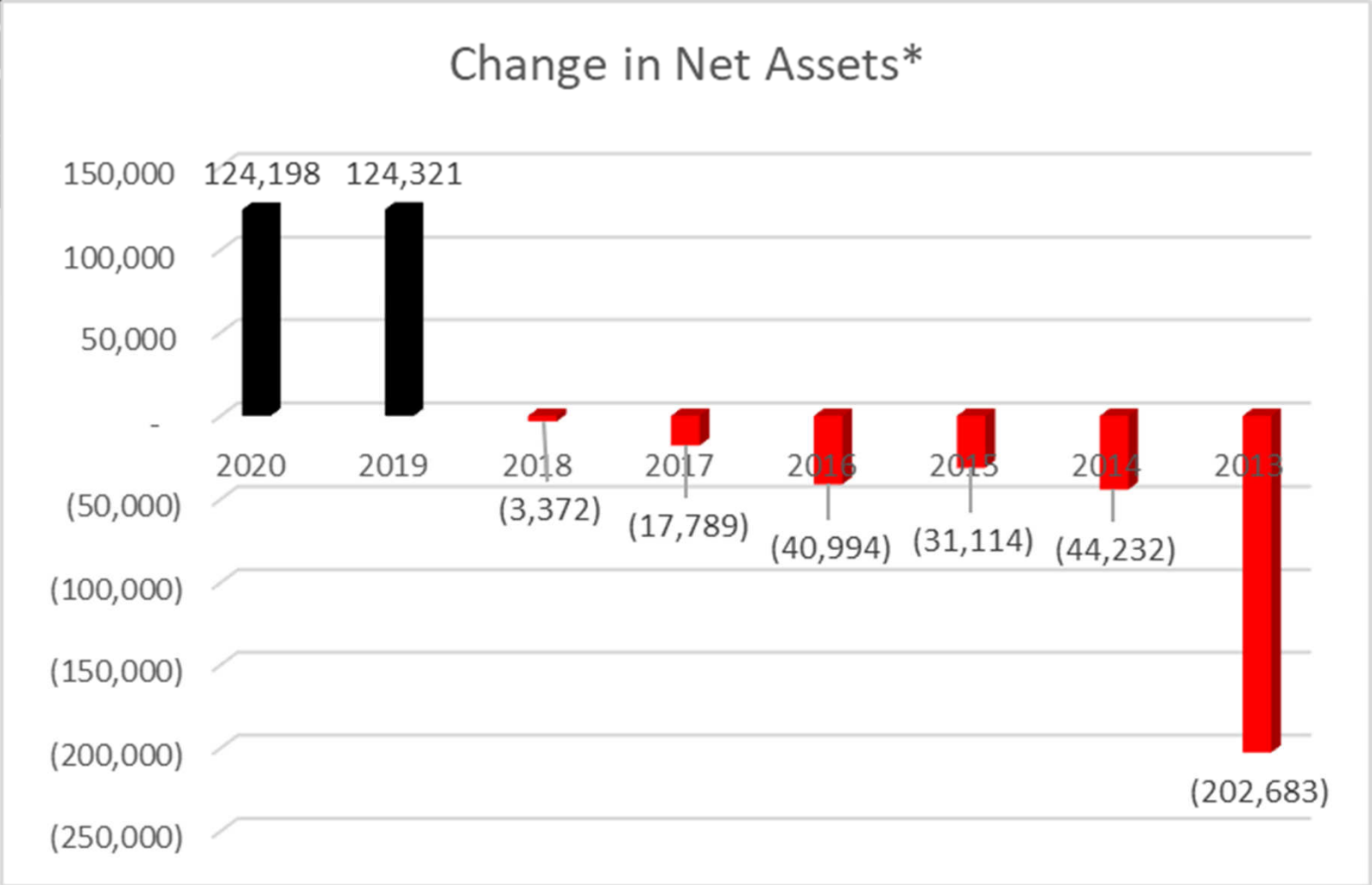
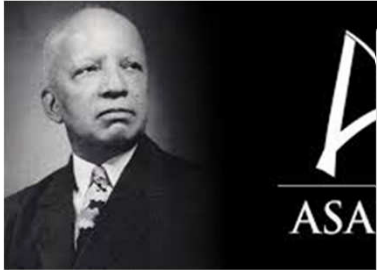
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# Functional Expenses

	(Audited)	(Audited)	Pct	Pct
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
<b>Program Services</b>				
National Conference	95,149	418,952	9%	29%
Black History Month Luncheon	178,619	165,152	16%	12%
Member Services	120,517	177,302	11%	12%
Publications	149,773	121,291	13%	9%
NPS Grant	134,643	181,577	12%	13%
Other Events and Grants	108,916	210,771	10%	15%
<b>Total Program Services</b>	<b>787,617</b>	<b>1,275,045</b>	<b>71%</b>	<b>89%</b>
<b>Support Services</b>				
Management and General	234,056	105,055	21%	7%
Fundraising	89,855	46,727	8%	3%
<b>Total Support Services</b>	<b>323,911</b>	<b>151,782</b>	<b>29%</b>	<b>11%</b>
<b>Total Expenses</b>	<b>1,111,528</b>	<b>1,426,827</b>	<b>100%</b>	<b>100%</b>

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\* 2020 excludes \$234,352 increase in net assets from donor restrictions accounting change





# Backup Slides



## Cash Reserves

- Organizations must build up reserve funds to remain solvent.
- In the years that ASALH did not have a balanced budget, cash was used to cover expenses that exceeded revenues.
- A commonly used reserve goal is 3-6 months' expenses.
- ASALH's goal is to building up the cash reserves balance.



## Program Profitability

		<b>2020</b>		
<b>Programs</b>	<b>Revenue</b>	<b>Expenses</b>	<b>Net Change</b>	
Virtual Conference	\$ 90,365	\$95,149	(\$4,784)	
Publications	211,927	149,773	62,154	
Black History Month Luncheon	224,202	178,619	45,583	
Membership Services	180,120	120,517	59,603	
		<b>2019</b>		
<b>Programs</b>	<b>Revenue</b>	<b>Expenses</b>	<b>Net Change</b>	
National Conference	\$481,114	\$418,952	\$62,162	
Publications	196,098	121,291	74,807	
Black History Month Luncheon	179,513	165,152	14,361	
Membership Services	203,685	177,302	26,383	

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## Publications – JAAH Royalty Revenue

	<b>Contract Minimum</b>	<b>Actual</b>	<b>Diff</b>
<b>2018</b>	\$ 100,000	\$ 124,413	\$ 24,413
<b>2019</b>	\$ 103,350	\$ 126,747	\$ 23,397
<b>2020</b>	\$ 106,740	\$ 128,375	\$ 21,635
<b>2021</b>	\$ 110,172	TBD	TBD
<b>2022</b>	\$ 113,647	TBD	TBD



# Publications Profitability – 2018

	Books	JAAH	BHB	Fire!!!	Other	Total
<b>REVENUE</b>						
Subscription Services	\$ -	\$ 27,902	\$ 23,043	\$ 10,284	\$ -	\$ 61,229
Royalties	756	125,929	1,926	-	-	128,611
Books	5,837	-	-	-	-	5,837
Journal Ads	-	337	-	-	-	337
Posters	-	-	-	-	4,659	4,659
DVDs/Other	-	-	-	-	30	30
BHM Learning Resource Package	-	-	-	-	1,880	1,880
<b>Total Publications Revenue</b>	<b>6,593</b>	<b>154,168</b>	<b>24,969</b>	<b>10,284</b>	<b>6,569</b>	<b>202,583</b>
<b>EXPENSES</b>						
Consultants	-	25,000	12,000	12,000	-	49,000
Editorial Assistant	-	9,366	-	-	-	9,366
Advertising	-	-	-	-	200	200
Postage	13	3,164	3,709	-	331	7,217
Printing & Reproduction	3,236	13,871	11,305	11,829	1,469	41,710
Publications Salary & Wages	-	-	-	-	54,608	54,608
Publications Indirect Allocation	-	-	-	-	78,802	78,802
<b>Total Publications Expenses</b>	<b>3,249</b>	<b>51,401</b>	<b>27,014</b>	<b>23,829</b>	<b>135,410</b>	<b>240,903</b>
<b>Net Income (Loss)</b>	<b>\$ 3,344</b>	<b>\$ 102,767</b>	<b>\$ (2,045)</b>	<b>\$ (13,545)</b>	<b>\$ (128,841)</b>	<b>\$ (38,320)</b>

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# Publications Profitability – 2019

	Books	JAAH	BHB	Fire!!!	Other	Total
<b>REVENUE</b>						
Subscription Services	\$ -	\$ 640	\$ 35,411	\$ -	\$ -	\$ 36,051
Royalties	2,409	126,747	5,581	-	-	134,737
Books	18,916	-	-	-	-	18,916
Posters	-	-	-	-	4,010	4,010
DVDs/Other	-	-	-	-	350	350
BHM Learning Resource Package	-	-	-	-	2,033	2,033
<b>Total Publications Revenue</b>	<b>21,325</b>	<b>127,387</b>	<b>40,992</b>	<b>-</b>	<b>6,393</b>	<b>196,097</b>
<b>EXPENSES</b>						
Consultants	-	10,000	12,000	-	-	22,000
Editorial Assistant	-	525	-	-	-	525
Fulfillment Fees	-	-	-	-	-	-
Postage	150	-	3,307	-	1,473	4,930
Printing & Reproduction	12,251	300	6,834	60	6,680	26,125
Publications Salary & Wages	-	-	-	-	33,433	33,433
Publications Indirect Allocation	-	-	-	-	34,277	34,277
<b>Total Publications Expenses</b>	<b>12,401</b>	<b>10,825</b>	<b>22,141</b>	<b>60</b>	<b>75,863</b>	<b>121,290</b>
<b>Net Income (Loss)</b>	<b>\$ 8,924</b>	<b>\$ 116,562</b>	<b>\$ 18,851</b>	<b>\$ (60)</b>	<b>\$ (69,470)</b>	<b>\$ 74,807</b>



# Publications Profitability – 2020

	Books	JAAH	BHB	Fire!!!	Other	Total
<b>REVENUE</b>						
Subscription Services		\$ 600	\$ 39,387	\$ 17,277		\$ 57,264
Royalties	2,827	128,375	1,713			132,915
Books	2,223					2,223
Posters					10,092	10,092
DVDs/Other					130	130
BHM Learning Resource Package					9,303	9,303
<b>Total Publications Revenue</b>	<b>5,050</b>	<b>128,975</b>	<b>41,100</b>	<b>17,277</b>	<b>19,525</b>	<b>211,927</b>
<b>EXPENSES</b>						
Consultants		25,000	12,000	12,000		49,000
Editorial Assistant			606	1,413	68	2,087
Supplies & Other					232	232
Postage	81		995		2,156	3,232
Printing & Reproduction	999		14,991		992	16,982
Publications Salary & Wages					42,350	42,350
Publications Indirect Allocation					35,890	35,890
<b>Total Publications Expenses</b>	<b>1,080</b>	<b>25,000</b>	<b>28,592</b>	<b>13,413</b>	<b>81,688</b>	<b>149,773</b>
<b>Net Income (Loss)</b>	<b>\$ 3,970</b>	<b>\$ 103,975</b>	<b>\$ 12,508</b>	<b>\$ 3,864</b>	<b>\$ (62,163)</b>	<b>\$ 62,154</b>



# 2021 Budget

	2021 Budget	2020 Budget
<b>REVENUE</b>		
Membership Dues	\$ 178,000	\$ 188,415
General Contributions	114,000	57,720
Grants	955,000	275,000
SBA PPP Revenue	62,300	67,300
Virtual Conference	126,000	35,000
Black History Month Luncheon	100,000	216,585
Publications	182,500	173,000
ASALH Store	2,000	1,500
Other Income	1,150	1,500
<b>Total Revenue</b>	<b>1,720,950</b>	<b>1,016,020</b>
<b>EXPENSES</b>		
Program Expenses	1,425,000	793,220
Management & General Expenses	157,000	114,900
Development Expenses	138,950	107,900
<b>Total Expenses</b>	<b>1,720,950</b>	<b>1,016,020</b>
<b>Change in Net Assets</b>	<b>-</b>	<b>-</b>





# Financial Accomplishments

- Current Best Practices
  - ✓ Achieved Profitability
  - ✓ Annual financials audited and 990 prepared by independent auditors
  - ✓ Conflict of Interest Policy
  - ✓ Records Retention and Destruction Policy
- Improvement Targets
  - Financial resources and segregation of duties
  - Financial efficiency and performance
  - Public transparency
    - Annual Report
    - Donor Privacy Policy
    - Audit and 990 Accessibility



## Corporate Sponsors/Partners

- Conference: <https://asalh.org/conference/sponsors/>
- Luncheon: <https://asalh.org/annual-black-history-luncheon/2020-sponsors/>
- Partners: <https://asalh.org/about-us/partnerships/>
- Support: <https://asalh.org/project/support-asalh-with-amazon-smiles/>