

**THE ASSOCIATION FOR THE STUDY
OF AFRICAN AMERICAN LIFE AND HISTORY, INC.**

**Financial Statements Together with
Report of Independent Public Accountants**

For the Years Ended December 31, 2024 and 2023

THE ASSOCIATION FOR THE STUDY OF AFRICAN AMERICAN LIFE AND HISTORY, INC.

**Financial Statements Together with
Report of Independent Public Accountants**

DECEMBER 31, 2024 AND 2023

CONTENTS

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON THE AUDIT OF THE FINANCIAL STATEMENTS	1
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4
Statements of Functional Expenses	5
Statements of Cash Flows	7
Notes to the Financial Statements	8

**REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS ON
THE AUDIT OF THE FINANCIAL STATEMENTS**

To the Board of Directors of
The Association for the Study of African American Life and History, Inc.

Opinion

We have audited the statements of financial position of the Association for the Study of African American Life and History, Inc. (the Association) as of December 31, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as of December 31, 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Association and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for one year after the date the financial statements are available for issuance.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal controls relevant to the audit 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 Association's internal controls. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern one year after the issuance date or the date the financial statements are available to be issued.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal controls-related matters that we identified during the audit.

Washington, D.C.
July 31, 2025

SBC + Company, LLC

THE ASSOCIATION FOR THE STUDY OF AFRICAN AMERICAN LIFE AND HISTORY, INC.

Statements of Financial Position
As of December 31, 2024

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 560,547	\$ 734,466
Grants receivable	275,132	274,988
Prepaid expenses and other assets	32,145	36,656
Total Assets	<u>\$ 867,824</u>	<u>\$ 1,046,110</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 45,123	\$ 108,560
Deferred revenue	42,436	52,278
Refundable advances	30,669	5,846
Total Liabilities	<u>118,228</u>	<u>166,684</u>
Net Assets		
Without donor restrictions	497,907	605,663
With donor restrictions	251,689	273,763
Total Net Assets	<u>749,596</u>	<u>879,426</u>
Total Liabilities and Net Assets	<u>\$ 867,824</u>	<u>\$ 1,046,110</u>

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

THE ASSOCIATION FOR THE STUDY OF AFRICAN AMERICAN LIFE AND HISTORY, INC.

**Statements of Activities and Changes in Net Assets
For the Years Ended December 31, 2024**

	<u>2024</u>	<u>2023</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Revenue and Other Support		
Federal grants	\$ 1,212,591	\$ 816,249
National conference	550,321	628,728
Private grants	243,664	425,000
Publications	236,078	239,632
Memberships	200,770	209,620
Black History Month Luncheon	176,775	125,753
Contributions	67,182	92,868
Non-financial contribution	-	20,000
Other	15,399	14,955
ASALH store	20,473	28,530
Net assets released from restrictions	39,593	6,380
Total Revenue and Other Support	<u>2,762,846</u>	<u>2,607,715</u>
Expenses		
Program services	2,366,990	2,184,620
Management and general	325,757	363,797
Fundraising	177,855	191,760
Total Expenses	<u>2,870,602</u>	<u>2,740,177</u>
Change in Net Assets Without Donor Restrictions	<u>(107,756)</u>	<u>(132,462)</u>
NET ASSETS WITH DONOR RESTRICTIONS		
Grants	17,519	5,692
Net assets released from restrictions	(39,593)	(6,380)
Change in Net Assets With Donor Restrictions	<u>(22,074)</u>	<u>(688)</u>
Changes in net assets	(129,830)	(133,150)
Net assets, beginning of year	879,426	1,012,576
Net Assets, End of Year	<u>\$ 749,596</u>	<u>\$ 879,426</u>

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

THE ASSOCIATION FOR THE STUDY OF AFRICAN AMERICAN LIFE AND HISTORY, INC.

Statement of Functional Expenses
For the Year Ended December 31, 2024, with Comparative 2023 Totals

	2024						2023			
	Program Services					Supporting Services		Total Expenses	Totals	
	National Conference	Black History Month Luncheon	Member Services	Publications	Education & Enrichment	Total Program Services	Management and General	Fundraising	Total Expenses	Totals
Personnel costs	\$ 142,723	\$ 57,882	\$ 108,418	\$ 65,163	\$ 241,492	\$ 615,678	\$ 164,328	\$ 121,349	\$ 901,355	\$ 818,135
Contractor fees	47,821	30,852	12,343	51,312	709,631	851,959	42,272	14,368	908,599	959,400
Hotel, lodging, and events	199,753	61,825	-	-	256,598	518,176	-	-	518,176	474,965
Telephone and telecommunications	32,766	15,560	14,195	8,895	87,557	158,974	48,619	16,523	224,116	148,031
Other expenses	7,018	2,446	5,406	1,999	17,700	34,569	10,926	5,355	50,850	55,642
Office supplies	7,504	3,728	2,431	383	10,661	24,708	2,095	712	27,515	54,205
Travel and training	12,576	883	1,151	722	40,210	55,542	3,943	1,340	60,825	53,079
Printing and copying	4,050	-	-	24,292	12,616	40,957	-	-	40,957	41,209
Office lease	6,169	3,275	4,273	2,677	-	16,394	14,633	4,973	36,000	36,000
Legal	4,400	2,336	3,048	1,910	-	11,694	10,438	3,548	25,679	31,874
Credit card processing fees	4,858	2,579	3,365	2,108	-	12,910	11,523	3,917	28,350	26,387
Postage	1,629	322	1,565	4,499	-	8,016	1,440	489	9,945	14,232
Leases and equipment	1,986	1,054	1,375	862	-	5,277	4,710	1,601	11,587	7,471
Insurance	1,349	716	935	586	-	3,586	3,201	1,088	7,875	6,949
Storage and archives	2,310	1,226	1,600	1,002	-	6,138	5,479	1,862	13,479	6,300
Public relations	450	239	311	195	-	1,195	1,066	362	2,623	6,298
Bad Debt Expense	458	243	317	199	-	1,216	1,085	369	2,670	-
Total Expenses	<u>\$ 477,819</u>	<u>\$ 185,169</u>	<u>\$ 160,732</u>	<u>\$ 166,804</u>	<u>\$ 1,376,465</u>	<u>\$ 2,366,990</u>	<u>\$ 325,757</u>	<u>\$ 177,855</u>	<u>\$ 2,870,602</u>	<u>\$ 2,740,177</u>

The accompanying notes are an integral part of this financial statement.

THE ASSOCIATION FOR THE STUDY OF AFRICAN AMERICAN LIFE AND HISTORY, INC.

Statement of Functional Expenses
For the Year Ended December 31, 2023

	Program Services					Supporting Services			Total Expenses
	National Conference	Black History Month Festival	Member Services	Publications	Education & Enrichment	Total Program Services	Management and General	Fundraising	
Personnel costs	\$ 122,770	\$ 54,165	\$ 121,119	\$ 70,784	\$ 108,627	\$ 477,465	\$ 215,509	\$ 125,161	\$ 818,135
Contractor fees	36,523	58,215	16,574	47,232	745,164	903,708	39,319	16,373	959,400
Hotel, lodging, and events	260,537	6,232	-	-	208,196	474,965	-	-	474,965
Telephone and telecommunications	23,089	17,168	16,346	9,078	25,787	91,468	39,934	16,629	148,031
Other expenses	7,699	6,140	7,775	3,230	5,190	30,034	14,655	10,953	55,642
Office supplies	10,106	2,685	1,532	851	33,731	48,905	3,742	1,558	54,205
Travel and training	21,527	339	574	319	28,336	51,095	1,401	583	53,079
Printing and copying	3,859	-	1,277	36,073	-	41,209	-	-	41,209
Office lease	4,541	3,315	5,611	3,116	-	16,583	13,709	5,708	36,000
Legal	4,020	2,935	4,968	2,759	-	14,682	12,138	5,054	31,874
Credit card processing fees	3,328	2,430	4,113	2,284	-	12,155	10,048	4,184	26,387
Postage	4,112	739	1,250	3,805	-	9,906	3,054	1,272	14,232
Leases and equipment	942	688	1,164	647	-	3,441	2,845	1,185	7,471
Insurance	876	640	1,083	602	-	3,201	2,646	1,102	6,949
Storage and archives	795	580	982	545	-	2,902	2,399	999	6,300
Public relations	794	580	982	545	-	2,901	2,398	999	6,298
Total Expenses	<u>\$ 505,518</u>	<u>\$ 156,851</u>	<u>\$ 185,350</u>	<u>\$ 181,870</u>	<u>\$ 1,155,031</u>	<u>\$ 2,184,620</u>	<u>\$ 363,797</u>	<u>\$ 191,760</u>	<u>\$ 2,740,177</u>

The accompanying notes are an integral part of this financial statement.

THE ASSOCIATION FOR THE STUDY OF AFRICAN AMERICAN LIFE AND HISTORY, INC.

Statements of Cash Flows
For the Years Ended December 31, 2024

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities		
Changes in net assets	\$ (129,830)	\$ (133,150)
Effects of changes in non-cash operating assets and liabilities:		
Grants receivable	(144)	84,394
Prepaid expenses and other assets	4,511	(8,872)
Accounts payable and accrued expenses	(63,437)	(12,056)
Deferred revenue	(9,842)	(32,667)
Refundable advances	24,823	(11,318)
Net Cash from Operating Activities	<u>(173,919)</u>	<u>(113,669)</u>
Net change in cash and cash equivalents	(173,919)	(113,669)
Cash and cash equivalents, beginning of year	734,466	848,135
Cash and Cash Equivalents, End of Year	<u>\$ 560,547</u>	<u>\$ 734,466</u>

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

THE ASSOCIATION FOR THE STUDY OF AFRICAN AMERICAN LIFE AND HISTORY, INC.

Notes to the Financial Statements

December 31, 2024

1. BACKGROUND OF THE ASSOCIATION

Association for the Study of African American Life and History, Inc. (the Association) is a 501(c)(3) nonprofit organization founded in 1915 and incorporated in March 1973 under the laws of the District of Columbia. The Association provides reconstruction of thought based on historical truths about the African heritage of black people, ancient history and worthwhile contributions to the founding and continuance of the United States of America.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements of the Association are presented on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America.

Use of Estimates

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

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and highly liquid investment funds, which have an original maturity of 90 days or less. Cash equivalents as of December 31, 2024, consisted of money market funds.

The Association maintains its cash in a bank deposit account which, at times, may exceed Federally insured limits. The Federal Deposit Insurance Corporation (FDIC) guarantee accounts for up to \$250,000 per depositor per institution. As of December 31, 2024, the Association has \$60,547 and \$234,466, respectively, in excess of FDIC insured limits. The Association has not experienced any losses in their bank deposit accounts.

Grants Receivable

Grants receivable represent grant expenditures incurred, or unconditional commitments made but not collected by the Association. The Association evaluates its grants receivable on a regular basis and establishes an allowance based as necessary.

THE ASSOCIATION FOR THE STUDY OF AFRICAN AMERICAN LIFE AND HISTORY, INC.

**Notes to the Financial Statements
December 31, 2024**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Grants Receivables (continued)

Balances are written off when deemed uncollectible. The Association records an allowance for doubtful accounts equal to estimated losses that will be incurred. There was no allowance recorded as of December 31, 2024 and 2023, as management deemed all accounts grants receivable fully collectible.

Net Assets

Net assets without donor restrictions are assets and contributions that are not restricted by donors or for which restrictions have expired.

Net assets with donor restrictions are those whose use by the Association has been limited by donors, primarily for a specific time period or purpose. When a donor restriction is met, net assets with donor restrictions are reclassified to net assets without donor restrictions. If a donor restriction is met in the same reporting period in which the contribution is received, the contribution (to the extent that the restrictions have been met) is reported as net assets without donor restrictions.

Revenue and Support

The Association recognizes grants and contributions when an unconditional promise to give is received. Conditional promises to give, with a measurable performance or other barrier and a right of return, are not recognized until the conditions on which they depend have been met.

Grants and contributions received are recorded as without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. When a donor restriction expires, that is when some stipulated time restriction ends or purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statements of activities and changes in net assets as net assets released from restrictions.

Membership dues, publications and event related revenue are considered exchange transactions; therefore, revenue is recognized when a performance obligation is satisfied. Members receive benefits such as first preference for speakers and discounts on event registrations and ads, as well as access to publications and member-only content. Publication revenue is recognized in the period the publication is printed and distributed. National Conference and Black History Month Luncheon revenue is recognized in the period the event occurs. Accordingly, dues paid by members in advance of the membership period, publications paid in advance of the delivery date, and payments for events that have not occurred are reported as deferred revenue in the accompanying statements of financial position.

Notes to the Financial Statements
December 31, 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue and Support (continued)

As of December 31, 2024 and 2023, the Association had several federal grants from the National Park Service which are deemed conditional upon incurring agreed upon expenses. Revenue from such grants are recognized only to the extent of actual expenses incurred in compliance with those grants. For Federal grants, expenses incurred in excess of funds collected are reflected as accounts receivable and cash receipts obtained prior to expenses being incurred are reflected as refundable advances in the accompanying statements of financial position.

Non-Financial Contributions

Contributed services are recognized if the services meet any of the following criteria: a) they create or enhance non-financial assets; or b) they require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the accompanying statements of activities and changes in net assets and in the statements of functional expenses. Accordingly, certain costs have been allocated among the program, management and general, and fundraising services that benefit from those costs. Management and general expenses include those expenses that are not directly identified with any other specific function but provide for the overall support and direction of the Association. All direct costs are charged to the specific program or event. Indirect costs are allocated based upon the related salary allocation to each category.

Income Taxes

The Association is a not-for-profit organization exempt from federal income taxes, other than net unrelated business income taxes, under Section 501(c)(3) of the Internal Revenue Code and is recognized as such by the Internal Revenue Service.

The provisions included in accounting principles generally accepted in the United States of America provide consistent guidance for the accounting for uncertainty in income taxes recognized in an entity's financial statements and prescribe a threshold of "more likely than".

As of December 31, 2024, the statute of limitations for fiscal years 2021 through 2024 remain open with the U.S. Federal jurisdiction or the various states and local jurisdictions in which the Association files tax returns. It is the Association's policy to recognize interest and/or penalties related to uncertain tax positions, if any, in income tax expense in the statements of activities and changes in net assets.

THE ASSOCIATION FOR THE STUDY OF AFRICAN AMERICAN LIFE AND HISTORY, INC.

**Notes to the Financial Statements
December 31, 2024**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Liquidity and Availability of Resources

The following reflects the Association’s financial assets as of December 31, 2024 and 1899, reduced by amounts not available for general use within one year because of donor-imposed restrictions.

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 560,547	\$ 734,466
Grants receivable	<u>275,132</u>	<u>274,988</u>
	835,679	1,009,454
Less: net assets with donor restrictions	<u>251,689</u>	<u>273,763</u>
Financial Assets Available to Meet Cash Needs for General Expenses Within one Year	<u>\$ 583,990</u>	<u>\$ 735,691</u>

The Association manages its liquidity following two guiding principles: operating within a prudent range of financial soundness and stability and monitoring and maintaining adequate liquid assets to fund near-term operating needs. The Association maintains a savings account of \$298,177 to meet the short-term operating needs of the Association if general assets are unavailable.

Subsequent Events

The Association’s management evaluated the accompanying financial statements for subsequent events and transactions through July 31, 2025, the date these financial statements were available for issue, and has determined that no material subsequent events have occurred that would affect the information presented in the accompanying financial statements or require additional disclosure.

3. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions were available for the following purposes as of December 31:

	<u>2024</u>	<u>2023</u>
Family Reunion/Oral History Project	\$ -	\$ 8,970
CAWO Historical Youth Scholars Project	41,774	42,104
400 Years of African American History Commission NTF	186,704	216,997
African American Association Musuem	5,692	5,692
Institute of Politics Policy and History	<u>17,519</u>	<u>-</u>
Total	<u>\$ 251,689</u>	<u>\$ 273,763</u>

THE ASSOCIATION FOR THE STUDY OF AFRICAN AMERICAN LIFE AND HISTORY, INC.

**Notes to the Financial Statements
December 31, 2024**

4. NON-FINANCIAL CONTRIBUTIONS

The Association's programs are furthered through contributions of services. The contributed services provided were for professional performance services. Contributed services are recorded at the fair value of the labor costs at the date the service was provided or the date the services were received and are reflected in the accompanying statements of activities and changes in net assets. There were no in-kind contributions for the year ended December 31, 2024. The fair value of these services for the year ended December 31, 2023 was \$20,000.

5. COMMITMENTS AND CONTINGENCIES

The Association receives grant support that is subject to audit or review by grantor agencies. Management believes that the Association has complied with all aspects of the grant and contract provisions and that disallowed costs, if any, would be immaterial to the financial position of the Association as of December 31, 2024, respectively.

6. DEFINED CONTRIBUTION PLAN

The Association provides benefits to eligible employees under a 401(k) defined contribution plan. Employees 21 years old or older may contribute up to the limits permitted by the Internal Revenue Code as a pre-tax deferral. The Association makes matching contributions of 3% of the employee's gross salary for the year after two years of service, provided the employee contributes at least 1% of their gross salary. The Association's contribution for the years ended December 31, 2024 and 2023, was \$6,215 and \$5,829, respectively.