

American Historical Association

Financial Statements

(With Independent Auditors' Report)

For the years ended June 30, 2010 and 2009

AMERICAN HISTORICAL ASSOCIATION

CONTENTS

Independent Auditors' Report

<u>Financial Statements</u>	<u>Page</u>
Statements of Financial Position	1
Statements of Activities	2
Statements of Cash Flows	3
Notes to Financial Statements	4

Supplemental Information

Supplemental Statements of Expenses - by Program	13
Supplemental Statements of Net Assets by Classification	15
Supplemental Statements of General Operations	19



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The Council of
American Historical Association
Washington, DC

Independent Auditors' Report

We have audited the accompanying statement of financial position of the American Historical Association as of June 30, 2010 and 2009 and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the American Historical Association as of June 30, 2010 and 2009, and its changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements of the American Historical Association taken as a whole. The accompanying supplemental statements of expenses by program, net assets by classification and general operations for the years ended June 30, 2010 and 2009 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The information for the years ended June 30, 2010 and 2009 has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

McMaster & Associates PC

January 4, 2011
Washington, DC

AMERICAN HISTORICAL ASSOCIATION

STATEMENTS OF FINANCIAL POSITION

June 30, 2010 and 2009

<u>ASSETS</u>	<u>2010</u>	<u>2009</u>	<u>LIABILITIES AND NET ASSETS</u>	<u>2010</u>	<u>2009</u>
Current assets:			Current liabilities:		
Cash and equivalents	\$ 494,186	\$ 230,970	Accounts payable	\$ 93,823	\$ 55,242
Accounts receivable	164,440	148,615	Accrued expenses	192,387	175,659
Grants and pledges receivable	6,100	17,292	Deferred revenue:		
Interest and dividends receivable	14,365	14,508	Memberships	655,530	681,804
Inventory	147,377	145,086	Subscriptions	5,012	5,233
Prepaid expenses	64,390	47,985	Annual meeting	55,200	96,000
			Life memberships - current portion	9,090	11,814
Total current assets	890,858	604,456			
			Total current liabilities	1,011,042	1,025,752
Fixed assets:					
Land	8,000	8,000	Life memberships - long term	58,652	52,692
Building and improvements	558,003	558,003			
Furniture and equipment	817,566	571,736	Total liabilities	1,069,694	1,078,444
	1,383,569	1,137,739			
Less: accumulated depreciation	(776,781)	(719,810)	Net assets:		
			Unrestricted:		
Net fixed assets	606,788	417,929	Undesignated	636,430	550,329
			Designated	2,019,087	1,765,286
Other assets			Total unrestricted	2,655,517	2,315,615
Investments - long term	3,358,404	3,398,314	Temporarily restricted	650,183	545,986
Deposits	715	715	Permanently restricted	481,370	481,370
Total other assets	3,359,119	3,399,029	Total net assets	3,787,071	3,342,970
Total assets	<u>\$ 4,856,765</u>	<u>\$ 4,421,414</u>	Total liabilities and net assets	<u>\$ 4,856,765</u>	<u>\$ 4,421,414</u>

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

STATEMENTS OF ACTIVITIES

For the years ended June 30, 2010 and 2009

	2010				2009			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE AND SUPPORT								
Membership dues	\$ 1,153,705	\$ -	\$ -	\$ 1,153,705	\$ 1,200,779	\$ -	\$ -	\$ 1,200,779
Annual conference	849,321	-	-	849,321	1,048,656	-	-	1,048,656
American Historical Review	569,931	-	-	569,931	566,928	-	-	566,928
Publications	562,785	-	-	562,785	616,654	-	-	616,654
Program service fees	70,300	-	-	70,300	58,332	-	-	58,332
Grants and contributions	33,480	62,638	-	96,118	29,885	27,300	-	57,185
Interest and dividends	81,152	21,748	-	102,900	42,117	12,547	-	54,664
Realized gains and losses on investments	85,443	22,467	-	107,910	(494,052)	(131,871)	-	(625,923)
Unrealized losses on investments	184,139	48,418	-	232,557	237,521	64,131	-	301,652
Net assets released from restriction	51,074	(51,074)	-	-	49,494	(49,494)	-	-
Total revenue and support	3,641,330	104,197	-	3,745,527	3,356,314	(77,387)	-	3,278,927
EXPENSES								
Programs:								
American Historical Review	446,179	-	-	446,179	486,279	-	-	486,279
Annual Meeting	742,430	-	-	742,430	772,487	-	-	772,487
Membership	270,293	-	-	270,293	318,900	-	-	318,900
Publications	829,531	-	-	829,531	861,076	-	-	861,076
Grants and programs	102,896	-	-	102,896	51,480	-	-	51,480
Special Funds and Prizes	81,712	-	-	81,712	40,670	-	-	40,670
Total programs	2,473,041	-	-	2,473,041	2,530,892	-	-	2,530,892
Support services:								
General and Administrative	234,318	-	-	234,318	379,399	-	-	379,399
Council	594,067	-	-	594,067	634,114	-	-	634,114
Total support services	828,385	-	-	828,385	1,013,513	-	-	1,013,513
Total expenses	3,301,426	-	-	3,301,426	3,544,405	-	-	3,544,405
Change in net assets	339,904	104,197	-	444,101	(188,091)	(77,387)	-	(265,478)
Net assets, beginning of year	2,315,614	545,986	481,370	3,342,970	2,503,705	623,373	481,370	3,608,448
Net assets, end of year	\$ 2,655,518	\$ 650,183	\$ 481,370	\$ 3,787,071	\$ 2,315,614	\$ 545,986	\$ 481,370	\$ 3,342,970

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

STATEMENTS OF CASH FLOWS

For the years ended June 30, 2010 and 2009

	2010	2009
Cash flows from operating activities:		
Change in net assets:	\$ 444,101	\$ (265,478)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	57,726	50,571
Unrealized (gain) on investments	(232,557)	(301,652)
Accounts receivable	(15,825)	38,556
Grants and pledges receivable	11,192	6,100
Interest and dividends receivable	143	5,057
Inventory	(2,291)	3,905
Prepaid expenses	(16,405)	(19,325)
Accounts payable	38,581	(19,894)
Accrued expenses	16,728	3,275
Deferred revenue	(64,059)	(109,876)
Total adjustments	(206,767)	(343,283)
Net cash provided (used) by operating activities	237,334	(608,761)
Cash flows from investing activities		
Purchase of investments	(1,088,133)	(4,188,175)
Sale of investments	1,359,845	4,560,166
Purchase of fixed assets	(245,830)	(49,078)
Net cash provided by investing activities	25,882	322,913
Net increase (decrease) in cash and equivalents	263,216	(285,848)
Cash and equivalents, beginning of year	230,970	516,818
Cash and equivalents, end of year	\$ 494,186	\$ 230,970
Supplemental disclosure of cash flow information:		
Cash paid for income taxes	\$ -	\$ -
Cash paid for interest	\$ -	\$ -

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

1. DESCRIPTION OF THE ORGANIZATION

The American Historical Association (the Association) is a District of Columbia non-stock corporation founded in 1884 and incorporated by Congress in 1889 for the promotion of historical studies, the collection and preservation of historical manuscripts, and the dissemination of historical research.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

Cash and Equivalents

The Association considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents.

Pledges Receivable

Pledges receivable represents amounts which have been promised but not yet received. Pledges beyond one year are discounted to reflect the present value of the pledge.

Investments

Investments are recorded at market value. Realized and unrealized gains and losses on investments are reported on the statement of activities as they occur.

Inventory

Inventory consists of publications and is stated at the lower of cost or market, based on the FIFO (first-in, first-out) method of accounting.

AMERICAN HISTORICAL ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fixed Assets

Furniture and equipment are reported at cost. Assets and capital lease purchases are depreciated over a three to five year estimated life using the straight line method. Depreciation expense for the years ended June 30, 2010 and 2009 was \$57,726 and \$50,571, respectively.

Accounts Receivable

Accounts receivable is recorded net of an allowance for uncollectible receivables, based on management's evaluation of outstanding accounts receivable at year end. The allowance for uncollectible receivables was \$36,422 and \$64,845 for the years ended June 30, 2010 and 2009, respectively.

Deferred Revenue

The Association records income for membership dues, subscriptions, registration fees and publication advertising which have been paid in advance as deferred revenue.

Endowment Funds

The Financial Accounting Standards Board issues Staff Position No. FAS 117-1, *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to and Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and Enhanced Disclosures for All Endowment Funds (the FSP)*. The FSP provides guidance on the net asset classification of donor restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006. The FSP also improves disclosures about an organization's endowment funds (both donor restricted endowment funds and board designated endowment funds) whether or not the organization is subject to UPMIFA.

AMERICAN HISTORICAL ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

Net assets are reported by the Association in accordance with Financial Accounting Standards Board (FASB) 116 and 117. Accordingly, net assets have been reported using the following categories.

Unrestricted

Unrestricted net assets represent resources over which the Council has discretionary control and are used to carry out operations of the Association in accordance with their bylaws.

The Council's designated fund, included as part of the unrestricted net assets, was established to accumulate a reserve for the Association.

Temporarily Restricted

Temporarily restricted net assets represent contributions and grants, which have been restricted by donors for specific programs or activities. Restrictions, which have been met by the passage of time or expenditure of net assets, are reported as revenues released from restrictions on the statement of activities. For the years ended June 30, 2010 and 2009, the Association received \$132,938 and \$85,632 in temporarily restricted contributions and grants, respectively.

Permanently Restricted Funds

Permanently restricted net assets represent contributions which have been restricted by donors indefinitely. Investment income generated from the principal of the permanently restricted net assets is used to fulfill programs and the general operations of the Association. For the years ended June 30, 2010 and 2009 the Association did not receive any permanently restricted contributions. The balance of the permanently restricted funds were \$481,370 and \$481,370 for the years ended June 30, 2010 and 2009, respectively.

AMERICAN HISTORICAL ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Gifts and bequests of property

Gifts and bequests of property are recorded at the earlier of the date received or when the bequest is no longer subject to probate and its value can be reasonably estimated. Gifts and bequests are valued at their estimated fair market value on the date they are recorded.

Donated Services and Materials

Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, and are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. Contributed services and promises to give services that do not meet the above criteria are not recognized. During 2010 and 2009, the Association did not receive any donated materials or services.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Taxes

The Association is a nonprofit organization, which is exempt from federal income taxes under the provision of Section 501(c)(3) of the Internal Revenue Code. However, the Association is subject to unrelated business income tax for activities conducted outside its tax exempt purpose. The Association conducted unrelated business activities that resulted in net operating losses during 2010 and 2009, respectively, accordingly no provision for income taxes was recorded.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

AMERICAN HISTORICAL ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

3. INVESTMENTS

The value of investments was as follows:

	June 30, 2010		June 30, 2009	
	<u>Cost</u>	<u>Market</u>	<u>Cost</u>	<u>Market</u>
U.S. Treasury notes and bonds	\$ 889,900	\$ 972,953	\$ 1,223,322	\$ 1,272,410
Equity mutual Funds	1,234,631	1,686,353	1,418,041	1,696,547
Fixed income mutual Funds	680,013	699,098	96,545	97,200
Certificates of deposit	-	-	332,157	332,157
Total	<u>\$ 2,804,544</u>	<u>\$ 3,358,404</u>	<u>\$ 3,070,065</u>	<u>\$ 3,398,314</u>

The market value of stocks is estimated based on quoted market prices for those investments. None of the investments are held for trading purposes.

4. FAIR VALUE MEASUREMENTS

FASB Statement No. 157, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB Statement No. 157 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 Inputs to the valuation methodology include

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

AMERICAN HISTORICAL ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

4. FAIR VALUE MEASUREMENTS (Continued)

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The assets or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize and the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2010.

Mutual funds: Valued at the net asset value (NAV) of shares at year end.

Cash and equivalents: Valued at cost.

Equity Securities: Valued at the closing price reported on the active market on which the individual securities are traded.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following sets forth by level, within the fair value hierarchy, the Association's assets at fair value as of June 30, 2010:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Treasury notes and bonds	\$ 972,953	\$ 972,953	\$ -	\$ -
Equity mutual Funds	1,686,353	1,686,353	-	-
Fixed income mutual funds	699,098	699,098	-	-
Total	<u>\$ 3,358,404</u>	<u>\$ 3,358,404</u>	<u>\$ -</u>	<u>\$ -</u>

AMERICAN HISTORICAL ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

5. ENDOWMENT AND BOARD-DESIGNATED FUNDS

The Association endowment includes both donor-restricted endowment funds and funds designated by the Council to function as endowments/board-designated funds. As required by GAAP, net assets associated with endowment funds, including funds designated by the Council to function as endowments, are classified and reported based on the existence or absence of donor imposed restrictions.

Interpretation of Relevant Law

Based on its interpretation of the provisions of UPMIFA and the FSP described in Note 1, the Association feels that retaining its existing policies regarding net asset classification of its donor restricted endowment funds is appropriate. Distribution of any gift, bequest or fund is governed by the Association's governing documents and donor agreements. Thirty-nine percent of the Association endowment funds make available the use of principal which are able to be utilized for the intended purpose of the fund. As a result of the ability to distribute corpus, the Association has determined that these donor restricted contributions received subject to the governing documents and subject to UPMIFA are classified as temporarily restricted until appropriated, at which time the appropriation is reclassified to unrestricted net assets. Board designated endowments do not possess external spending restrictions and therefore are classified as unrestricted net assets. Endowment funds that require the corpus remain restricted in perpetuity represent eight percent of the Association's endowment funds are classified as permanently restricted.

Funds with Deficiencies

From time to time, the fair value of assets associated with an individual donor-restricted endowment fund may fall below the level that the donor or UPMIFA requires the Association to retain as a fund of perpetual duration. There were no deficiencies as of June 30, 2010.

Return Objectives and Risk Parameters

The Association has adopted investment and spending policies for endowment and board-designated assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the

AMERICAN HISTORICAL ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

5. ENDOWMENT AND BOARD-DESIGNATED FUNDS (Continued)

purchasing power of the endowment assets. Endowment assets included those assets of donor-restricted funds that the Association must hold until appropriated as well as board-designated funds. Under this policy, as approved by the Council, the board-designated assets are invested in funds with a primary objective of safety and liquidity. The objective of the restricted assets is to maintain the real purchasing power in order to support the Association's programs, initiatives and operations.

Strategies Employed for Achieving Objectives

To satisfy its long-term, rate-of-return objectives, the Association 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). As a result, the Association has elected to adopt a well-diversified asset allocation consisting of equity and fixed income securities. The Association's current asset allocation for endowment funds targets a composition of between 40 to 80 percent in equities and 20 to 60 percent in fixed income funds.

Spending Policy and How the Investment Objectives Relate to Spending Policy

Expenditures from the board-designated net assets are released as approved by the Association's Council. The earnings on the temporarily restricted net assets are reinvested. Temporarily restricted net assets are released from restricted funds and are used in accordance with donor stipulations.

The changes in endowment net assets for the year ended June 30, 2010 are detailed for income, expenses, investment earnings, investment expenses and transfers on the supplemental statement of net assets by classification.

6. COMMITMENTS

The Association has entered into agreements for rental of space for the annual meeting. The Association is required to pay a portion of the anticipated room revenues in the event that the conference is canceled. Cancellation insurance has been obtained by the Association to offset any potential future losses. The Association anticipates that all minimum room rental requirements will be met.

AMERICAN HISTORICAL ASSOCIATION

NOTES TO FINANCIAL STATEMENTS

June 30, 2010 and 2009

7. RETIREMENT PLAN

The Association maintains a qualifying defined contribution retirement plan for qualifying full-time employees under Internal Revenue Code Section 403(b). The Association contributes up to a maximum of 10 percent of the employee's total annual compensation to the plan each year. The contributions are fully vested and nonforfeitable. For the years ended June 30, 2010 and 2009, contributions to the plan were \$108,766 and \$87,323, respectively. There were no contributions due to the plan at June 30, 2010 and 2009, respectively.

8. CONCENTRATION OF RISK

The Association maintains cash balances in a financial institution which is insured by the Federal Deposit Insurance Corporation for amounts up to \$250,000. The Association is exposed to concentrations of credit risk at times when cash balances exceed the FDIC limit. The Association has not experienced any losses and believes they are not exposed to significant risk.

SUPPLEMENTAL INFORMATION

AMERICAN HISTORICAL ASSOCIATION
SUPPLEMENTAL STATEMENT OF EXPENSES BY PROGRAM

For the year ended June 30, 2010

	Programs						Support Services			Total Support Services	Total
	American Historical Review	Annual Meeting	Membership	Publications	Grants and Programs	Special Funds and Prizes	Total Programs	General and Administrative	Council		
Salaries and fringe benefits	\$ 21,083	\$ 242,465	\$ 122,394	\$ 376,092	\$ 40,641	\$ 3,392	\$ 806,067	\$ 436,561	\$ 340,464	\$ 777,025	\$ 1,583,092
Bad debts	-	-	-	-	-	-	-	-	-	-	-
Bank fees and service charges	-	22,956	47,390	16,423	-	44	86,813	6,770	-	6,770	93,583
Communications	11	1,342	-	-	-	-	1,353	36,574	-	36,574	37,927
Contractors	381,594	28,011	2,311	17,270	-	450	429,636	7,186	-	7,186	436,822
Contributions and coalition	-	-	-	-	-	-	-	121,215	-	121,215	121,215
Depreciation	3,726	-	-	-	-	-	3,726	54,000	-	54,000	57,726
Dues and subscriptions	-	-	-	-	-	-	-	4,827	-	4,827	4,827
Equipment rental and maintenance	-	14,000	-	-	-	-	14,000	19,346	-	19,346	33,346
Insurance	-	6,002	-	-	-	-	6,002	13,391	-	13,391	19,393
Meetings and conferences	2,906	175,550	-	-	6,722	-	185,178	3,464	18,774	22,238	207,416
Miscellaneous	45	738	-	2,624	493	-	3,900	2,135	-	2,135	6,035
Office expense	4,701	2,255	-	-	-	-	6,956	11,572	17,051	28,623	35,579
Postage and delivery	7,199	34,790	23,338	70,560	-	-	135,887	2,269	-	2,269	138,156
Printing and duplicating	-	47,719	9,163	134,767	-	-	191,649	2,173	-	2,173	193,822
Prizes, grants and honorariums	-	500	-	-	33,198	74,495	108,193	1,500	-	1,500	109,693
Professional fees	-	-	-	-	-	-	-	96,748	-	96,748	96,748
Publicity and advertising	-	-	-	-	-	-	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-	-	-	19,574	-	19,574	19,574
Storage	-	-	-	9,859	-	-	9,859	8,984	-	8,984	18,843
Supplies	1,400	-	-	-	-	-	1,400	-	-	-	1,400
Taxes, licenses and permits	-	-	-	-	-	-	-	(24,411)	-	(24,411)	(24,411)
Travel	12,210	35,897	-	-	-	1,546	49,653	8,339	34,964	43,303	92,956
Utilities	-	-	-	-	-	-	-	17,684	-	17,684	17,684
Total expense, before overhead allocation	434,875	612,225	204,596	627,595	81,054	79,927	2,040,272	849,901	411,253	1,261,154	3,301,426
Overhead allocation	11,304	130,205	65,697	201,936	21,842	1,785	432,769	(615,583)	182,814	(432,769)	-
Total expense	\$ 446,179	\$ 742,430	\$ 270,293	\$ 829,531	\$ 102,896	\$ 81,712	\$ 2,473,041	\$ 234,318	\$ 594,067	\$ 828,385	\$ 3,301,426

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION
SUPPLEMENTAL STATEMENT OF EXPENSES BY PROGRAM

For the year ended June 30, 2009

	Programs						Support Services			Total Support Services	Total
	American Historical Review	Annual Meeting	Membership	Publications	Grants and Programs	Special Funds and Prizes	Total Programs	General and Administrative	Council		
Salaries and fringe benefits	\$ 34,658	\$ 135,318	\$ 154,141	\$ 352,105	\$ 17,239	\$ -	\$ 693,461	\$ 532,141	\$ 325,974	\$ 858,115	\$ 1,551,576
Bad debts	-	-	-	-	-	-	-	11,962	-	11,962	11,962
Bank fees and service charges	-	27,889	-	1,184	-	115	29,188	71,104	-	71,104	100,292
Communications	14	-	-	220	-	-	234	30,097	-	30,097	30,331
Contractors	388,784	15,393	3,006	3,100	-	-	410,283	6,269	-	6,269	416,552
Contributions and coalition	-	-	1,680	-	-	-	1,680	141,995	-	141,995	143,675
Depreciation	-	-	-	-	-	-	-	50,571	-	50,571	50,571
Dues and subscriptions	-	-	80	-	-	-	80	18,371	-	18,371	18,451
Equipment rental and maintenance	306	18,000	381	-	-	-	18,687	23,428	-	23,428	42,115
Insurance	-	5,944	-	-	-	-	5,944	2,265	-	2,265	8,209
Meetings and conferences	4,647	245,527	-	-	48	55	250,277	4,226	3,668	7,894	258,171
Miscellaneous	1,347	1,485	-	4,084	-	-	6,916	8,991	587	9,578	16,494
Office expense	8,260	1,885	-	-	-	-	10,145	26,490	11,768	38,258	48,403
Postage and delivery	8,573	57,509	21,387	78,955	-	-	166,424	8,353	-	8,353	174,777
Printing and duplicating	-	93,439	28,420	164,482	-	-	286,341	943	390	1,333	287,674
Prizes, grants and honorariums	-	6,750	-	-	19,168	39,550	65,468	2,850	-	2,850	68,318
Professional fees	-	-	-	-	-	-	-	94,148	15,000	109,148	109,148
Publicity and advertising	-	-	-	-	-	950	950	-	-	-	950
Repairs and maintenance	-	-	-	-	-	-	-	20,550	-	20,550	20,550
Storage	-	-	-	6,041	-	-	6,041	7,133	-	7,133	13,174
Supplies	1,400	-	-	-	-	-	1,400	1,105	-	1,105	2,505
Taxes, licenses and permits	-	-	-	-	-	-	-	14,637	-	14,637	14,637
Travel	13,631	66,923	-	-	2,751	-	83,305	7,238	44,399	51,637	134,942
Utilities	-	-	-	-	-	-	-	20,928	-	20,928	20,928
Total expense, before overhead allocation	461,620	676,062	209,095	610,171	39,206	40,670	2,036,824	1,105,795	401,786	1,507,581	3,544,405
Overhead allocation	24,659	96,425	109,805	250,905	12,274	-	494,068	(726,396)	232,328	(494,068)	-
Total expense	\$ 486,279	\$ 772,487	\$ 318,900	\$ 861,076	\$ 51,480	\$ 40,670	\$ 2,530,892	\$ 379,399	\$ 634,114	\$ 1,013,513	\$ 3,544,405

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

SUPPLEMENTAL STATEMENT OF NET ASSETS BY CLASSIFICATION

For the year ended June 30, 2010

	Beginning of Year		Investment				End of Year		Transfers	Total							
	Permanently Restricted	Temporarily Restricted	Unrestricted		Income, Realized Gains, and Unrealized Losses	Investment Fees	Unrestricted										
			Designated	Undesignated	Unrestricted	Total	Income	Expense	Unrealized Losses	Fees		Permanently Restricted	Temporarily Restricted	Designated	Undesignated	Unrestricted	Total
Prize Funds																	
Herbert Baxter Adams Prize Fund	\$ 5,000	\$ 16,942	\$ -	\$ -	\$ -	\$ 21,942	\$ -	\$ (1,000)	\$ 2,918	\$ (114)	\$ -	\$ 5,000	\$ 18,746	\$ -	\$ -	\$ -	\$ 23,746
Martin A. Klein Prize in African History	-	17,884	-	-	-	17,884	38,238	-	5,085	(198)	-	-	61,009	-	-	-	61,009
Ancient History Prize Fund - James H. Breasted Fund	10,800	2,397	-	-	-	13,197	-	(1,000)	1,724	(67)	-	10,800	3,054	-	-	-	13,854
George Louis Beer Prize Fund	5,000	56,129	-	-	-	61,129	-	(1,500)	8,268	(322)	-	5,000	62,575	-	-	-	67,575
Beveridge Family Prize Fund	20,000	1,946	-	-	-	21,946	-	(3,432)	2,785	(108)	-	20,000	1,191	-	-	-	21,191
Paul Birdsall Prize Fund	10,000	9,287	-	-	-	19,287	-	-	2,653	(103)	-	10,000	11,837	-	-	-	21,837
Albert Corey Prize Fund	25,000	33,290	-	-	-	58,290	-	-	8,003	(311)	-	25,000	40,982	-	-	-	65,982
Premio Del Rey Prize Fund	10,800	10,010	-	-	-	20,810	-	-	2,830	(110)	-	10,800	12,730	-	-	-	23,530
John H. Dunning Prize Fund	2,000	22,626	-	-	-	24,626	-	(1,000)	3,316	(129)	-	2,000	24,813	-	-	-	26,813
John K. Fairbank Prize Fund	7,990	36,733	-	-	-	44,723	-	(1,500)	6,013	(234)	-	7,990	41,012	-	-	-	49,002
Morris D. Forkosch Prize Fund	16,000	15,390	-	-	-	31,390	-	(1,500)	4,200	(163)	-	16,000	17,927	-	-	-	33,927
Leo Gershoy Prize Fund	10,000	35,241	-	-	-	45,241	-	(1,500)	6,102	(237)	-	10,000	39,606	-	-	-	49,606
William Gilbert Prize Fund	10,000	8,054	-	-	-	18,054	-	(1,000)	2,388	(93)	-	10,000	9,349	-	-	-	19,349
Clarence H. Haring Prize Fund	3,000	23,229	-	-	-	26,229	-	-	3,581	(139)	-	3,000	26,671	-	-	-	29,671
Joan Kelly Prize Fund	18,692	13,821	-	-	-	32,513	-	(1,500)	4,333	(169)	-	18,692	16,485	-	-	-	35,177
J. Russell Major Prize Fund	25,000	11,831	-	-	-	36,831	-	(1,544)	4,952	(193)	-	25,000	15,046	-	-	-	40,046
Howard R. Marraro Prize Fund	10,000	11,389	-	-	-	21,389	-	(1,000)	2,874	(112)	-	10,000	13,151	-	-	-	23,151
George L. Mosse Prize Fund	27,088	-	-	-	-	27,088	-	-	2,343	(91)	-	27,088	2,252	-	-	-	29,340
James A. Rawley Award	20,000	6,338	-	-	-	26,338	-	(1,500)	3,493	(136)	-	20,000	8,195	-	-	-	28,195
Nancy Roelker Award	18,000	7,229	-	-	-	25,229	-	(1,000)	3,404	(133)	-	18,000	9,500	-	-	-	27,500
Andrew D. White Prize Fund	-	11,314	-	-	-	11,314	-	-	1,547	(60)	-	-	12,801	-	-	-	12,801
Wesley-Logan Prize Fund	-	7,725	-	-	-	7,725	-	(1,000)	973	(38)	-	-	7,660	-	-	-	7,660
Herbert Feis Prize Fund	-	10,770	-	-	-	10,770	-	(1,500)	1,371	(53)	-	-	10,588	-	-	-	10,588
John E. Fagg Prize Fund	-	1,250	-	-	-	1,250	-	(1,000)	88	(3)	-	-	335	-	-	-	335
Total prize funds	254,370	370,826	-	-	-	625,196	38,238	(23,476)	85,244	(3,316)	-	254,370	467,516	-	-	-	721,886
Grant Programs																	
National Aeronautics and Space Administration Fellowship Program	-	-	-	-	-	-	24,400	(24,405)	5	-	-	-	-	-	-	-	-
Oxford University Press - Guide Historical Literature	-	96,393	-	-	-	96,393	-	-	964	-	-	-	97,357	-	-	-	97,357
Total grant programs	-	96,393	-	-	-	96,393	24,400	(24,405)	969	-	-	-	97,357	-	-	-	97,357

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

SUPPLEMENTAL STATEMENT OF NET ASSETS BY CLASSIFICATION

For the year ended June 30, 2010

	Beginning of Year		Unrestricted		Total		Income	Expense	Investment Income, Realized Gains, and Unrealized Losses	Investment Fees	Transfers	End of Year		Unrestricted		Total	
	Permanently Restricted	Temporarily Restricted	Designated	Undesignated	Unrestricted	Total						Designated	Undesignated	Unrestricted	Total		
Special Funds																	
Albert J. Beveridge Memorial Fund	100,000	-	128,883	-	128,883	228,883	-	(5,700)	30,950	(1,205)	-	100,000	-	152,928	-	152,928	252,928
Littleton-Griswold Fund	25,000	-	106,141	-	106,141	131,141	-	(8,695)	17,376	(676)	-	25,000	-	114,146	-	114,146	139,146
David M. Matteson Fund	87,000	44,019	136,557	-	136,557	267,576	-	-	36,653	(1,427)	-	87,000	44,019	171,783	-	171,783	302,802
125th Anniversary Fund	-	-	1,020	-	1,020	1,020	7,068	-	619	(24)	-	-	-	8,683	-	8,683	8,683
Endowment Fund	-	-	458,157	-	458,157	458,157	36,712	(12,006)	65,791	(2,561)	-	-	-	546,093	-	546,093	546,093
Michael Kraus Fund	15,000	34,748	-	-	-	49,748	-	-	6,809	(265)	-	15,000	41,292	-	-	-	56,292
Bernadotte Schmitt Endowment Fund	-	-	415,469	-	415,469	415,469	-	(30,050)	54,825	(2,134)	-	-	-	438,110	-	438,110	438,110
Total special funds	227,000	78,767	1,246,227	-	1,246,227	1,551,994	43,780	(56,451)	213,023	(8,292)	-	227,000	85,311	1,431,743	-	1,431,743	1,744,054
General Funds																	
Working Capital Fund	-	-	103,100	-	103,100	103,100	-	-	14,104	(549)	-	-	-	116,655	-	116,655	116,655
Property, Plant and Equipment Fund	-	-	415,958	-	415,958	415,958	-	-	56,948	(2,217)	-	-	-	470,689	-	470,689	470,689
Undesignated Fund	-	-	-	550,329	550,329	550,329	3,195,742	(3,179,885)	73,079	(2,835)	-	-	-	-	636,430	636,430	636,430
Total general funds	-	-	519,058	550,329	1,069,387	1,069,387	3,195,742	(3,179,885)	144,131	(5,601)	-	-	-	587,344	636,430	1,223,774	1,223,774
Total net assets	\$ 481,370	\$ 545,985	\$ 1,765,285	\$ 550,329	\$ 2,315,614	\$ 3,342,970	\$ 3,302,160	\$ (3,284,217)	\$ 443,367	\$ (17,209)	\$ -	\$ 481,370	\$ 650,183	\$ 2,019,087	\$ 636,430	\$ 2,655,517	\$ 3,787,071

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

SUPPLEMENTAL STATEMENT OF NET ASSETS BY CLASSIFICATION

For the year ended June 30, 2009

	Beginning of Year		Unrestricted				Income	Expense	Investment Income, Realized Gains, and Unrealized Losses	Investment Fees	Transfers	End of Year		Unrestricted		Total Unrestricted	Total
	Permanently Restricted	Temporarily Restricted	Designated	Undesignated	Unrestricted	Total						Designated	Undesignated				
Prize Funds																	
Herbert Baxter Adams Prize Fund	\$ 5,000	\$ 20,020	\$ -	\$ -	\$ -	\$ 25,020	\$ -	\$ (1,000)	\$ (1,897)	\$ (180)	\$ -	\$ 5,000	\$ 16,942	\$ -	\$ -	\$ -	\$ 21,942
Martin A. Klein Prize in African History	-	17,309	-	-	-	17,309	2,000	-	(1,301)	(124)	-	-	17,884	-	-	-	17,884
Ancient History Prize Fund - James H. Breasted Fund	10,800	3,584	-	-	-	14,384	-	-	(1,084)	(103)	-	10,800	2,397	-	-	-	13,197
George Louis Beer Prize Fund	5,000	63,298	-	-	-	68,298	-	(1,500)	(5,177)	(492)	-	5,000	56,129	-	-	-	61,129
Beveridge Family Prize Fund	20,000	5,583	-	-	-	25,583	-	(1,500)	(1,951)	(186)	-	20,000	1,946	-	-	-	21,946
Paul Birdsall Prize Fund	10,000	12,127	-	-	-	22,127	-	(1,000)	(1,680)	(160)	-	10,000	9,287	-	-	-	19,287
Albert Corey Prize Fund	25,000	39,103	-	-	-	64,103	-	(500)	(4,851)	(461)	-	25,000	33,290	-	-	-	58,290
Premio Del Rey Prize Fund	10,800	12,969	-	-	-	23,769	-	(1,000)	(1,789)	(170)	-	10,800	10,010	-	-	-	20,810
John H. Dunning Prize Fund	2,000	24,852	-	-	-	26,852	-	-	(2,033)	(193)	-	2,000	22,626	-	-	-	24,626
John K. Fairbank Prize Fund	7,990	42,418	-	-	-	50,408	-	(1,500)	(3,822)	(364)	-	7,990	36,733	-	-	-	44,723
Morris D. Forkosch Prize Fund	16,000	19,858	-	-	-	35,858	-	(1,500)	(2,710)	(258)	-	16,000	15,390	-	-	-	31,390
Leo Gershoy Prize Fund	10,000	40,986	-	-	-	50,986	-	(1,500)	(3,876)	(369)	-	10,000	35,241	-	-	-	45,241
William Gilbert Prize Fund	10,000	9,687	-	-	-	19,687	-	-	(1,491)	(142)	-	10,000	8,054	-	-	-	18,054
Clarence H. Haring Prize Fund	3,000	25,604	-	-	-	28,604	-	-	(2,168)	(206)	-	3,000	23,229	-	-	-	26,229
Joan Kelly Prize Fund	18,692	18,407	-	-	-	37,099	-	(1,500)	(2,819)	(268)	-	18,692	13,821	-	-	-	32,513
J. Russell Major Prize Fund	25,000	16,804	-	-	-	41,804	-	(1,500)	(3,171)	(302)	-	25,000	11,831	-	-	-	36,831
Howard R. Marraro Prize Fund	10,000	14,407	-	-	-	24,407	-	(1,000)	(1,843)	(175)	-	10,000	11,389	-	-	-	21,389
George L. Mosse Prize Fund	27,088	-	-	-	-	27,088	-	-	-	-	-	27,088	-	-	-	-	27,088
James A. Rawley Award	20,000	10,361	-	-	-	30,361	-	(1,500)	(2,304)	(219)	-	20,000	6,338	-	-	-	26,338
Nancy Roelker Award	18,000	10,603	-	-	-	28,603	-	(1,000)	(2,168)	(206)	-	18,000	7,229	-	-	-	25,229
Andrew D. White Prize Fund	-	12,323	-	-	-	12,323	-	-	(922)	(88)	-	-	11,314	-	-	-	11,314
Wesley-Logan Prize Fund	-	9,526	-	-	-	9,526	-	(1,000)	(732)	(70)	-	-	7,725	-	-	-	7,725
Herbert Feis Prize Fund	-	12,838	-	-	-	12,838	-	(1,000)	(976)	(93)	-	-	10,770	-	-	-	10,770
John E. Fagg Prize Fund	-	2,458	-	-	-	2,458	-	(1,000)	(190)	(18)	-	-	1,250	-	-	-	1,250
Total prize funds	254,370	445,127	-	-	-	699,497	2,000	(20,500)	(56,619)	(5,386)	-	254,370	370,826	-	-	-	625,196
Grant Programs																	
National Aeronautics and Space Administration Fellowship Program	-	-	-	-	-	-	25,300	(25,300)	-	-	-	-	-	-	-	-	-
Oxford University Press - Guide Historical Literature	-	94,968	-	-	-	94,968	-	-	1,425	-	-	-	96,393	-	-	-	96,393
Total grant programs	-	94,968	-	-	-	94,968	25,300	(25,300)	1,425	-	-	-	96,393	-	-	-	96,393

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

SUPPLEMENTAL STATEMENT OF NET ASSETS BY CLASSIFICATION

For the year ended June 30, 2009

	Beginning of Year		Unrestricted		Total	Total	Income	Expense	Investment Income, Realized Gains, and Unrealized Losses	Investment Fees	Transfers	End of Year		Total	Total		
	Permanently Restricted	Temporarily Restricted	Designated	Undesignated								Designated	Undesignated				
Special Funds																	
Albert J. Beveridge Memorial Fund	100,000	-	151,829	-	151,829	251,829	-	(2,050)	(19,081)	(1,815)	-	100,000	-	128,883	-	128,883	228,883
Littleton-Griswold Fund	25,000	-	120,192	-	120,192	145,192	-	(2,000)	(11,004)	(1,047)	-	25,000	-	106,141	-	106,141	131,141
David M. Matteson Fund	87,000	44,019	160,777	-	160,777	291,796	-	-	(22,116)	(2,104)	-	87,000	44,019	136,557	-	136,557	267,576
125th Anniversary Fund	-	-	-	-	-	-	2,139	(1,119)	-	-	-	-	-	-	1,020	-	1,020
Endowment Fund	-	-	494,302	-	494,302	494,302	20,130	(13,000)	(39,516)	(3,759)	-	-	-	458,157	-	458,157	458,157
Michael Kraus Fund	15,000	39,259	-	-	-	54,259	-	-	(4,120)	(392)	-	15,000	34,748	-	-	-	49,748
Bernadotte Schmitt Endowment Fund	-	-	455,253	-	455,253	455,253	-	(2,000)	(34,502)	(3,282)	-	-	-	415,469	-	415,469	415,469
Total special funds	227,000	83,278	1,382,353	-	1,382,353	1,692,631	22,269	(20,169)	(130,339)	(12,399)	-	227,000	78,767	1,246,227	-	1,246,227	1,551,994
General Funds																	
Working Capital Fund	-	-	112,450	-	112,450	112,450	-	-	(8,538)	(812)	-	-	-	103,100	-	103,100	103,100
Property, Plant and Equipment Fund	-	-	453,624	-	453,624	453,624	-	-	(34,394)	(3,272)	-	-	-	415,958	-	415,958	415,958
Undesignated Fund	-	-	-	555,277	555,277	555,277	3,494,276	(3,453,100)	(42,118)	(4,006)	-	-	-	-	550,329	550,329	550,329
Total general funds	-	-	566,074	555,277	1,121,351	1,121,351	3,494,276	(3,453,100)	(85,050)	(8,090)	-	-	-	519,058	550,329	1,069,387	1,069,387
Total net assets	\$ 481,370	\$ 623,373	\$ 1,948,428	\$ 555,277	\$ 2,503,705	\$ 3,608,448	\$ 3,543,845	\$ (3,519,069)	\$ (270,582)	\$ (25,874)	\$ -	\$ 481,370	\$ 545,986	\$ 1,765,286	\$ 550,329	\$ 2,315,615	\$ 3,342,970

See accompanying notes and independent auditors' report.

AMERICAN HISTORICAL ASSOCIATION

SUPPLEMENTAL STATEMENTS OF GENERAL OPERATIONS

For the years ended June 30, 2010, 2009 and 2008

	2010	2009	2008
REVENUE AND SUPPORT			
Membership dues	\$ 1,153,705	\$ 1,200,779	\$ 1,176,571
Annual Conference	849,321	1,048,656	1,014,423
American Historical Review	569,931	566,928	650,541
Publications	562,785	616,654	640,897
Administrative income	11,073	17,245	14,413
Contributions	33,480	29,885	20,810
Interest allocation from designated investments	100,000	100,000	100,000
Total revenue and support	3,280,295	3,580,147	3,617,655
EXPENSES			
Programs:			
American Historical Review	434,875	461,620	536,184
Annual Meeting	612,225	676,062	530,872
Membership	204,596	209,095	203,343
Publications	627,595	610,171	555,946
Total programs	1,879,291	1,956,948	1,826,345
Support services:			
General and Administrative	849,901	1,105,795	968,710
Council	411,253	401,786	390,739
Total support services	1,261,154	1,507,581	1,359,449
Total expenses	3,140,445	3,464,529	3,185,794
Change in net assets	\$ 139,850	\$ 115,618	\$ 431,861

See accompanying notes and independent auditors' report.