

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**

**FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITOR'S REPORT**

**JUNE 30, 2020**

## TABLE OF CONTENTS

	<u>Page No.</u>
<b>INDEPENDENT AUDITOR'S REPORT</b>	1 - 2
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Position	3
Statement of Activities	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 17



## Independent Auditor's Report

To the Board of Directors  
Association for Information Science and Technology  
Silver Spring, MD

We have audited the accompanying financial statements of Association for Information Science and Technology, a nonprofit organization, which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the 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 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 accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the 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 financial statements referred to above present fairly, in all material respects, the financial position of Association for Information Science and Technology as of June 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note B to the financial statements, in the fiscal year 2020, Association for Information Science and Technology adopted new accounting guidance, Accounting Standards Update ("ASU") 2018-08, *Clarifying the Scope of the Accounting Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to this matter.

*Janet Maruca & McQuade PA*

Columbia, MD  
March 10, 2021

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2020**

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$	749,892
Inventory		2,586
Prepaid expenses		155,828
Total Current Assets		908,306

**OTHER ASSETS**

Property and equipment		26,705
Investments		1,622,720
Security deposit		7,003
Total Other Assets		1,656,428

**TOTAL ASSETS**

**\$ 2,564,734**

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable and accrued expenses	\$	64,390
Deferred revenue		157,437
Total Current Liabilities		221,827

**LONG -TERM LIABILITIES**

PPP loan		101,100
Total Liabilities		322,927

**NET ASSETS**

Without donor restrictions:		
Undesignated		1,850,617
Board designated		391,190
Total without donor restrictions		2,241,807

**TOTAL LIABILITIES AND NET ASSETS**

**\$ 2,564,734**

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

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2020**

**REVENUE AND SUPPORT**

**WITHOUT DONOR RESTRICTIONS**

Membership dues	\$ 148,284
Conference and meetings	167,336
Publications	688,361
Dublin Core Metadata Initiative ("DCMI") Program	83,737
Chapters and Special Interest Groups ("SIG")	13,773
Sponsorship	24,880
Investment income, net of fees	41,759
Other income	5,025
Total Revenue and Support	<u>1,173,155</u>

**EXPENSES**

Program Services:

Membership services	167,692
Conferences and meetings	485,876
Publications	117,737
Chapters and SIG	28,912
DCMI Program	115,843
Total Program Services	<u>916,060</u>

Support Services:

Management and general	303,330
Total Support Services	<u>303,330</u>
Total Expenses	<u>1,219,390</u>

**CHANGE IN NET ASSETS FROM OPERATIONS** (46,235)

**OTHER CHANGES**

Net depreciation in fair value of investments (8,510)

**CHANGE IN NET ASSETS** (54,745)

**NET ASSETS WITHOUT DONOR RESTRICTIONS**

Beginning of year	<u>2,296,552</u>
End of year	<u>\$ 2,241,807</u>

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

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2020**

	PROGRAM SERVICES					SUPPORT SERVICES		Total Expenses
	Membership Services	Conference and Meetings	Publications	Chapters and SIG	DCMI Program	Total Program Services	Management and General	
Personnel costs:								
Salaries	\$ 81,267	\$ 162,535	\$ 10,158	\$ 10,158	\$ 20,317	\$ 284,435	\$ 121,902	\$ 406,337
Payroll taxes	6,034	12,069	754	754	1,509	21,120	9,052	30,172
Benefits	13,971	27,942	1,746	1,746	3,493	48,899	20,957	69,856
Pension	3,253	6,505	407	407	813	11,385	4,878	16,263
Subtotal personnel costs	104,525	209,051	13,065	13,065	26,132	365,839	156,789	522,628
Accounting and audit fees	-	-	-	-	-	-	17,499	17,499
Advertising	-	1,788	-	-	-	1,788	-	1,788
Awards	21,914	-	-	-	-	21,914	-	21,914
Bank charges	6,637	6,636	-	-	-	13,273	-	13,273
Chapter development	-	-	-	11,644	-	11,644	-	11,644
Consultants	-	-	100,469	-	61,750	162,219	28,699	190,918
Depreciation and amortization	2,655	5,310	332	332	664	9,293	3,982	13,275
Dues and subscriptions	-	-	-	-	-	-	1,635	1,635
Facilities, food and beverages	-	183,625	-	-	-	183,625	-	183,625
Insurance	-	-	-	-	-	-	9,649	9,649
Legal services	-	-	-	-	-	-	810	810
Maintenance	3,891	7,781	486	486	973	13,617	5,836	19,453
Occupancy	14,558	29,115	1,820	1,820	3,639	50,952	21,836	72,788
Office expenses	158	316	20	20	40	553	237	790
Postage and delivery	500	5,343	-	-	-	5,843	500	6,343
Printing and copying	500	2,884	-	-	-	3,384	500	3,884
Professional fees	-	-	-	-	-	-	9,792	9,792
Supplies and small equipment	10,608	21,218	1,326	1,326	2,652	37,130	12,570	49,700
Training and education	589	1,179	74	74	147	2,063	884	2,947
Telephone	1,157	2,314	145	145	289	4,050	1,734	5,784
Travel	-	9,316	-	-	19,557	28,873	30,378	59,251
Total Expenses	<u>\$ 167,692</u>	<u>\$ 485,876</u>	<u>\$ 117,737</u>	<u>\$ 28,912</u>	<u>\$ 115,843</u>	<u>\$ 916,060</u>	<u>\$ 303,330</u>	<u>\$ 1,219,390</u>

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

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**STATEMENT OF CASH FLOWS**  
**YEAR ENDED JUNE 30, 2020**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ (54,745)
Adjustments to reconcile change in net assets to net cash use for operating activities	
Depreciation and amortization	13,275
Net depreciation in fair value of investments	8,510
Decrease (increase) in assets:	
Accounts receivable	5,570
Prepaid expenses	(7,887)
Increase in liabilities:	
Accounts payable and accrued expenses	2,753
Deferred revenue	9,553
Net Cash Used for Operating Activities	(22,971)

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchases of investments	(410,985)
Proceeds from the sale of investments	394,756
Purchase of fixed assets	(1,634)
Net Cash Used for Investing Activities	(17,863)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from PPP loan	101,100
Net Cash Provided by Financing Activities	101,100

**NET CHANGE IN CASH AND CASH EQUIVALENTS** 60,266

**CASH AND CASH EQUIVALENTS**

Beginning of year	689,626
Ending of year	\$ 749,892

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



**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE A – NATURE OF THE ORGANIZATION**

Association for Information Science and Technology (“ASIS&T”) is a nonprofit 501(c)(3) professional association organized for scientific, literary, and educational purposes. ASIS&T is dedicated to the creation, organization, dissemination, and application of knowledge concerning information and its transfer. The mission of ASIS&T is to foster and lead the advancement of information science and technology. ASIS&T is headquartered in the Washington, D.C. metropolitan area. ASIS&T’s membership base is primarily in North America; however, it also has members throughout the world.

ASIS&T offers the following program services:

Membership – ASIS&T is the only professional association that bridges the gap between information science practice and research. For nearly 80 years, ASIS&T has been leading the search for new and better theories, techniques, and technologies to improve access to information. ASIS&T’s members represent thousands of researchers, developers, practitioners, students, and professors in the field of information science and technology from 50 countries around the world. They have made ASIS&T an important part of their professional development. Members share a common interest in improving the ways society stores, retrieves, analyzes, manages, archives, and disseminates information.

Conferences and meetings – Each year, ASIS&T sponsors highly regarded meetings in the information science field focusing on the breadth of activities and endeavors of the information community with technical sessions covering virtually all the specialties of the information profession.

Publications – ASIS&T provides to its members several of the leading publications in the field of science; “*Annual Review of Information Science and Technology*”, “*Journal of the American Society for Information Science and Technology*”, and “*Bulletin of the American Society for Information Science and Technology*.”

Dublin Core Metadata Initiative Program (“DCMI”) – The DCMI community holds an annual meeting at which its participants discuss ongoing work in areas such as vocabulary management, website design, and RDF validation. Together, the conference and annual meeting provide opportunities for seasoned professionals, newcomers, students, apprentices, and early career professional to share knowledge and experience. The meeting is a venue for practitioners in public and private sector initiatives to network and compare notes.

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE A – NATURE OF THE ORGANIZATION – continued**

Chapters and Special Interest Groups – ASIS&T’s members have formed various chapters based on region and special interest groups throughout the country and abroad. The chapters provide the following to its members:

- 1) A variety of channels of communication within and outside the profession, including meetings and publications, and other services to help members in their professional development and career advancement.
- 2) The opportunity for people interested in one or more aspects of information transfer to meet socially, to exchange professional observations and experiences, and to share in the development of their mutual professional interests.
- 3) Representation in international, interdisciplinary, and interorganizational activities.
- 4) A more tailored membership experience within their own geographic and cultural context.

The special interest groups provide the following to its members:

- 1) Inform the Board of Directors and management of matters impacting its members.
- 2) Organize technical programs in areas of interest at conferences and other events.
- 3) Collect and disseminate information concerning its special interest.
- 4) Representation in international, interdisciplinary, and interorganizational activities.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting

ASIS&T prepares its financial statements on the accrual basis of accounting. Therefore, revenue and related assets are recognized when earned and expenses and related liabilities are recognized as the obligations are incurred.

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

Adoption of New Accounting Pronouncement

In June 2018, Financial Accounting Standards Board (“FASB”) issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. ASIS&T has implemented the provisions of ASU 2018-08 applicable to both contributions received and to contributions made in the accompanying financial statements under a modified prospective basis. Accordingly, there is no effect on net assets in connection with its implementation of ASU 2018-08.

Financial Statement Presentation

In accordance with the applicable FASB Accounting Standards Codification (“ASC”) Topic *Not-for-Profit Entities*, net assets, revenue, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of ASIS&T and changes therein, are classified and reported as follows:

*Net Assets without Donor Restrictions* - Net assets not subject to donor-imposed stipulations.

*Net Assets with Donor Restrictions* - Net assets subject to donor-imposed restrictions that will be met by either actions of ASIS&T and/or the passage of time, or that must be maintained permanently by ASIS&T. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities as net assets released from restrictions.

Cash and Cash Equivalents

ASIS&T considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents in certain accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000 per institution. At times, the accounts may exceed this limit; however, ASIS&T believes it is not exposed to any significant credit risk on cash or cash equivalents.

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Annually, management determines if an allowance for doubtful accounts is necessary based upon a review of outstanding receivables, historical collection information, and existing economic conditions. Accounts deemed uncollectible are charged off based on specific circumstances of the parties involved. No provision for allowance for doubtful accounts was deemed necessary.

Inventory

Inventory, consisting of publications and other items for sale, is recorded at the lower of cost or market using the first-in, first-out (FIFO) method.

Prepaid Expenses

Prepaid expenses represent costs associated with ASIS&T's activities paid prior to year-end whose benefit will be realized by ASIS&T as expenses are incurred.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Purchases of property and equipment over \$500 are capitalized. Property and equipment are depreciated using the straight-line method over the useful lives, which range from three to eight years. Leasehold improvements are amortized over ten years. Repairs and maintenance are expensed when incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation and amortization are removed from the accounts and any resulting gains or losses are included on the statement of activities and changes in net assets.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Net appreciation or depreciation in fair value of investments includes gains and losses on investments bought and sold as well as held during the year. Interest is recognized on the accrual basis. Dividends are recorded at the ex-dividend date. Donated investments are recorded at fair value on the date of donation.

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

Deferred Revenue

ASIS&T's deferred revenue represents membership dues, conference registration fees, and publication subscriptions for which services have not yet been provided.

Revenue Recognition

*Publications*

ASIS&T has a contract with Wiley – Blackwell (John Wiley and Sons, Inc.) in which ASIS&T turned over the publication, distribution, and storage of its journal. In addition, ASIS&T gave Wiley – Blackwell rights to all gross revenues earned from the journal, and in return, ASIS&T earns royalties from the journal based on a percentage of gross revenues received from circulation. Royalties are paid by Wiley – Blackwell in advance, on a quarterly basis, which are recorded as deferred revenue if not earned. ASIS&T also receives a royalty true-up settlement at the end of each year.

At the beginning of each calendar year, ASIS&T receives a stipend, which equals approximately \$100,000 for its publication editor. The stipend received, which relates to future periods, is treated as deferred revenue. ASIS&T's contract with Wiley – Blackwell will expire in 2022.

*Membership Dues*

Membership dues are recognized as revenue in the applicable membership period. Revenue received from dues, which relates to future periods, is treated as deferred revenue.

*Conference and Meetings*

Conference and meetings revenue include amounts paid by or on behalf of participants, exhibitors, and sponsors. Registrations, exhibitor fees, and educational program fees are based on published fixed rates and are collected either at the time of registration, in advance of the meeting or event resulting in a deferred revenue balance, or at the time that the meeting or event takes place, in which case, these fees are recognized immediately as revenue.

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued**

Revenue Recognition (continued)

*Contributions*

Contributions, including unconditional promises to give, are recognized as revenue in the period in which they are made. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions received with donor restrictions are recorded as revenue with donor restrictions based on the donor's intent. When a time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Methods Used for Allocation of Expenses from Management and General Activities

The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include professional fees, facilities, and supplies, which are allocated on the basis of salaries and labor based on the amount of estimated time and effort expended.

Use of Estimates

The preparation of financial statements in accordance 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, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. However, management does not believe that the actual results will be materially different from those estimates.

Reclassifications

Certain amounts in the 2019 financial statements have been reclassified to conform to the 2020 financial statement presentation, which included reclass certain cash and investment accounts to the right grouping. The reclassification had no effect on the previously reported net assets or change in net assets.

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE C – INCOME TAXES**

ASIS&T is a 501(c)(3) organization exempt from federal income tax under Section 501(a) of the Internal Revenue Code (the “Code”) and is not a private foundation. Under the provisions of the Code, ASIS&T is, however, subject to tax on business income unrelated to its exempt purpose. As of June 30, 2020, ASIS&T had no liability for tax on unrelated business income. ASIS&T files information returns and other tax returns as required.

ASIS&T recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. ASIS&T believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements.

ASIS&T’s information returns are subject to examination by the Internal Revenue Service after a period of three years from the date they were filed, except under certain circumstances. ASIS&T’s information returns for the fiscal years ended June 30, 2017 through June 30, 2019, are open for a tax examination by the Internal Revenue Service, although no request has been made as of the date of these financial statements.

**NOTE D – AVAILABLE RESOURCES AND LIQUIDITY**

ASIS&T regularly monitors liquidity requirements to ensure that ongoing operating needs and other contractual commitments are met, in addition to striving to maximize the investment of its available funds. Timing of revenue receipts also ensures the availability of necessary operational funds. Sources of liquidity available to ASIS&T include financial assets consisting of cash and cash equivalents, and its investment portfolio. Although ASIS&T does not intend to spend from its board designated reserves other than amounts appropriated for expenditure, funds could be made available through board resolutions, if necessary.

In determining the adequacy of liquidity sources to cover general operating expenditures over a 12-month period, ASIS&T considers all expenditures related to its program services and general and administrative activities, to be general operating expenditures. As of June 30, 2020, total financial assets held by ASIS&T and the amounts of those financial assets that could readily be made available within one year of the balance sheet date to meet general expenditures were as follows:

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE D – AVAILABLE RESOURCES AND LIQUIDITY – continued**

Cash and cash equivalents	\$	749,892
Investments		1,622,720
Total financial assets		2,372,612
Less: board designated reserves		(391,190)
Total Financial Assets Available to Meet Cash Needs for General Expenditures within One Year	\$	1,981,422

**NOTE E – INVESTMENTS AND FAIR VALUE MEASUREMENTS**

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The 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). Level 1 of the fair value hierarchy under FASB ASC 820 is described as inputs to the valuation methodology that are unadjusted quoted prices for identical assets or liabilities in active markets that ASIS&T has the ability to access.

The asset 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 the use of unobservable inputs.

The three levels of the fair value hierarchy are described as follows:

- Level 1*      Inputs are based on unadjusted quoted prices for identical assets traded in active markets that ASIS&T has the ability to access.
- Level 2*      Inputs are based on 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, or inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3*      Inputs are unobservable and significant to the fair value measurement.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values.



**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE E – INVESTMENTS AND FAIR VALUE MEASUREMENTS – continued**

Furthermore, although ASIS&T’s management 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 is a description of the valuation methodologies used to measure investments at fair value: money market funds are valued by carrying amount, which approximates fair value; and mutual funds and common stocks are valued at the observable closing price reported in the active market in which the individual securities are traded. The fair values of corporate bonds and government agency securities have been provided by ASIS&T’s investment manager and custodian banks, and use a variety of pricing sources to determine market valuation, including indexes for each sector of the market.

The following table sets forth by level, within the fair value hierarchy, ASIS&T’s investments at fair value on a recurring basis as of June 30, 2020:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Market Funds	\$ 348,340	\$ -	\$ -	\$ 348,340
Common Stocks	193,732	-	-	193,732
Mutual Funds	481,533	-	-	481,533
Corporate Bonds	-	562,733	-	562,733
Government Agency Securities	-	36,382	-	36,382
Total	<u>\$ 1,023,605</u>	<u>\$ 599,115</u>	<u>\$ -</u>	<u>\$ 1,622,720</u>

**NOTE F – PROPERTY AND EQUIPMENT**

The following is a summary of property and equipment as of June 30, 2020:

Computers and office equipment	\$ 149,220
Furniture and fixtures	17,511
Website	<u>36,731</u>
Total Fixed Assets	203,462
Less: accumulated depreciation	<u>(176,757)</u>
Furniture and Equipment, Net	<u>\$ 26,705</u>

Depreciation and amortization expense for the year ended June 30, 2020, totaled \$13,275.

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE G – LONG TERM DEBT**

*PPP Loan*

On May 13, 2020, ASIS&T secured \$101,100 with PNC Bank, National Association (the “Lender”) under the Small Business Administration’s Paycheck Protection Program (“PPP”) that authorized forgivable loans to small businesses. This loan can be used to cover certain expenses during the COVID-19 crisis. The loan amounts will be forgiven as long as the loan proceeds are used to cover payroll costs, rent, certain mortgage interest and utility costs over a period specified in the loan document after the loan is made. If not used for the purpose above, the loan is due on May 13, 2022, along with interest calculated at a rate of 1% per annum. Management believes that the full amount of the loan will be forgiven. As of June 30, 2020, the PPP loan balance totaled \$101,100.

**NOTE H – RETIREMENT PLAN**

ASIS&T sponsors two retirement plans (the “Plans”). The 457(f) plan provides deferred compensation to designated senior level employees through a non-qualified plan. The other Plan provides retirement benefits to its employees through a defined contribution retirement plan that operates under section 403(b) of the Internal Revenue Code. The 403(b) plan covers all full-time employees and part-time employees who have completed at least 1,000 hours of service. Employees may make salary deferred contributes to the 403(b) plan, and ASIS&T will contribute up to five percent 5% of the employees’ salary. During the year ended June 30, 2020, ASIS&T’s contributions to the 457(f) plan and 403 (b) plan totaled \$2,398 and \$11,432, respectively.

**NOTE I – BOARD DESIGNATED NET ASSETS**

As of June 30, 2020, the Board of Directors designated net assets to the following funds:

Local Chapter Funds	\$ 132,882
Special Interest Group Funds	62,113
History for Information Science Fund	27,985
Info Share Fund	9,570
Scholarship Fund	4,538
SIGIII Digital Scholarship Fund	4,102
Lois Lunin Fund	150,000
Total	<u>\$ 391,190</u>

**ASSOCIATION FOR INFORMATION SCIENCE AND TECHNOLOGY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2020**

**NOTE J - COMMITMENTS**

In December 2013, ASIS&T entered into a 10-year lease agreement for office space. The lease became effective on February 1, 2014 and expires on February 1, 2024. ASIS&T also leases office equipment, which became effective on March 29, 2018 and expires on February 29, 2023. The minimum future commitments for the remaining term of the leases for the years ending June 30, are as follows:

	<u>Facilities</u>	<u>Office Equipment</u>	<u>Total</u>
2021	\$ 75,948	\$ 3,828	\$ 79,776
2022	78,986	3,828	82,814
2023	82,146	638	82,784
2024	49,018	-	49,018
Total	<u>\$ 286,098</u>	<u>\$ 8,294</u>	<u>\$ 294,392</u>

Lease expenses paid for facilities and office equipment for the year ended June 30, 2020, totaled \$72,788 and \$10,913, respectively.

**NOTE K – RISKS AND UNCERTAINTIES**

ASIS&T invests in various securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term and that such changes could materially affect the amounts reported in the statement of financial position and statement of activities.

**NOTE L - SUBSEQUENT EVENTS**

In preparing these financial statements, ASIS&T has evaluated events and transactions for potential recognition or disclosure through March 10, 2021, the date the financial statements were available to be issued. There were no additional events or transactions that were discovered during the evaluation that required further recognition or disclosure.