Association for Information Science & Technology

Financial Statements
and Independent Auditor's Report

June 30, 2022 and 2021

Association for Information Science & Technology

Financial Statements
June 30, 2022 and 2021

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ROGERS & COMPANY

Rogers & Company PLLC
Certified Public Accountants

8300 Boone Boulevard
Suite 600
Vienna, Virginia 22182

703.893.0300 voice
703.893.4070 facsimile
www.rogerspllc.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Association for Information Science & Technology

Opinion

We have audited the accompanying financial statements of Association for Information Science & Technology (ASIS&T), which comprise the statement of financial position as of June 30, 2022; the related statements of activities, functional expenses, and cash flows for the year then ended; and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ASIS&T as of June 30, 2022, 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.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 ASIS&T and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of Management for the Financial Statements (continued)

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 ASIS&T's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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 generally accepted auditing standards 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 control. Misstatements, including omissions, 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 generally accepted auditing standards, 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 control 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 ASIS&T's internal control. 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 ASIS&T's ability to continue as a going concern for a reasonable period of time.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 control related matters that we identified during the audit.

Other Matter

The financial statements of ASIS&T as of and for the year ended June 30, 2021, were audited by other auditors whose report, dated February 7, 2022, expressed an unmodified opinion on those statements.

Rogers + Company PLLC

Vienna, Virginia
January 27, 2023

Association for Information Science & Technology

Statements of Financial Position
June 30, 2022 and 2021

	2022	2021
Assets		
Cash and cash equivalents	$ 329,645	$ 729,367
Investments	2,119,150	1,972,344
Contributions receivable	6,000	7,715
Accounts receivable	7,916	2,126
Prepaid expenses	54,456	98,849
Property and equipment, net	5,480	15,919
Deposits	7,003	7,003
Total assets	$ 2,529,650	$ 2,833,323
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	$ 58,777	$ 86,008
Deferred revenue	142,709	142,266
Total liabilities	201,486	228,274
Net Assets		
Without donor restrictions:		
Undesignated	2,150,232	2,394,595
Board-designated	176,868	209,681
Total without donor restrictions	2,327,100	2,604,276
With donor restrictions	1,064	773
Total net assets	2,328,164	2,605,049
Total liabilities and net assets	$ 2,529,650	$ 2,833,323

See accompanying notes.

Association for Information Science & Technology

Statement of Activities
For the Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenue and Support			
Publication royalties	$ 732,353	$ -	$ 732,353
Membership dues	133,414	-	133,414
Conferences and meetings	159,633	-	159,633
Grants and contributions	64,384	300	64,684
Sponsorships	25,025	-	25,025
Interest and dividends	62,105	-	62,105
Other revenue	20,942	-	20,942
Released from restrictions	9	(9)	-
Total operating revenue and support	1,197,865	291	1,198,156
Expenses			
Program services:			
Membership services	184,567	-	184,567
Conferences and meetings	410,448	-	410,448
Publications	202,052	-	202,052
DCMI Program	68,146	-	68,146
Chapters and Special Interest Groups	23,022	-	23,022
General programs	28,167	-	28,167
Awards (ASIST)	9,492	-	9,492
Strategic Initiatives	670	-	670
Total program services	926,564	-	926,564
Supporting services:			
Management and general	229,611	-	229,611
Total supporting services	229,611	-	229,611
Total expenses	1,156,175	-	1,156,175
Change in Net Assets from Operations	41,690	291	41,981
Non-Operating Activities			
Realized gain on investments	47,273	-	47,273
Unrealized loss on investments	(355,394)	-	(355,394)
Investment fees	(10,745)	-	(10,745)
Total non-operating activities	(318,866)	-	(318,866)
Change in Net Assets	(277,176)	291	(276,885)
Net Assets, beginning of year	2,604,276	773	2,605,049
Net Assets, end of year	$ 2,327,100	$ 1,064	$ 2,328,164

See accompanying notes.

Association for Information Science & Technology

Statement of Activities
For the Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Revenue and Support			
Publication royalties	$ 658,608	$ -	$ 658,608
Membership dues	134,913	-	134,913
Conferences and meetings	154,028	-	154,028
Grants and contributions	167,944	800	168,744
Sponsorships	22,071	-	22,071
Interest and dividends	43,034	-	43,034
Chapters and Special Interest Groups	2,667	-	2,667
Other revenue	18,618	-	18,618
Released from restrictions	27	(27)	-
Total operating revenue and support	1,201,910	773	1,202,683
Expenses			
Program services:			
Membership services	226,879	-	226,879
Conferences and meetings	315,504	-	315,504
Publications	148,848	-	148,848
DCMI Program	69,637	-	69,637
Chapters and Special Interest Groups	38,637	-	38,637
Total program services	799,505	-	799,505
Supporting services:			
Management and general	273,243	-	273,243
Total supporting services	273,243	-	273,243
Total expenses	1,072,748	-	1,072,748
Change in Net Assets from Operations	129,162	773	129,935
Non-Operating Activities			
Realized gain on investments	23,350	-	23,350
Unrealized gain on investments	179,335	-	179,335
Investment fees	(6,045)	-	(6,045)
Total non-operating activities	196,640	-	196,640
Change in Net Assets	325,802	773	326,575
Net Assets, beginning of year	2,278,474	-	2,278,474
Net Assets, end of year	$ 2,604,276	$ 773	$ 2,605,049

See accompanying notes.

Association for Information Science & Technology

Statement of Functional Expenses
For the Year Ended June 30, 2022

	Program Services									Supporting Services	
	Membership Services	Conference and Meetings	Publications	DCMI Program	Chapters and Special Interest	General Programs	Awards (ASIST)	Strategic Initiatives	Total Program Services	Management and General	Total Expenses
Personnel costs	$ 156,565	$ 205,087	$ 126,504	$ 13,639	$ -	$ 26,945	$ -	$ -	$ 528,740	$ 78,834	$ 607,574
Professional services	87	73,594	64,102	45,379	462	-	-	148	183,772	15,001	198,773
Accounting and audit fees	-	-	-	-	-	-	-	-	-	32,701	32,701
Payroll service fees	-	-	-	-	-	-	-	-	-	1,932	1,932
Equipment	1,719	1,719	860	430	-	430	-	-	5,158	3,439	8,597
Insurance	2,008	3,652	1,004	502	-	502	-	-	7,668	4,279	11,947
Office expenses	1,199	10,047	629	3,452	477	290	76	-	16,170	28,857	45,027
Occupancy	15,797	15,797	7,899	3,949	-	-	-	-	43,442	35,544	78,986
Travel	-	91,288	-	-	-	-	199	-	91,487	13,680	105,167
Awards and honoraria	-	248	-	-	8,245	-	9,217	-	17,710	535	18,245
Special projects	-	-	-	-	13,772	-	-	-	13,772	-	13,772
Training and education	-	734	-	-	-	-	-	-	734	4,426	5,160
Dues and subscriptions	-	-	-	15	-	-	-	-	15	1,523	1,538
Bank charges	5,104	6,194	10	258	66	-	-	-	11,632	2,989	14,621
Depreciation and amortization	2,088	2,088	1,044	522	-	-	-	522	6,264	4,175	10,439
Miscellaneous	-	-	-	-	-	-	-	-	-	1,696	1,696
Total Expenses	$ 184,567	$ 410,448	$ 202,052	$ 68,146	$ 23,022	$ 28,167	$ 9,492	$ 670	$ 926,564	$ 229,611	$ 1,156,175

See accompanying notes.

Association for Information Science & Technology

Statement of Functional Expenses
For the Year Ended June 30, 2021

	Program Services						Supporting Services	
	Membership Services	Conference and Meetings	Publications	DCMI Program	Chapters and Special Interest	Total Program Services	Management and General	Total Expenses
Personnel costs	$ 172,764	$ 246,366	$ 76,680	$ 23,722	$ 34,508	$ 554,040	$ 95,264	$ 649,304
Accounting and audit fees	-	-	-	-	-	-	11,759	11,759
Advertising	-	769	-	-	-	769	-	769
Awards and honoraria	18,710	-	-	-	-	18,710	-	18,710
Bank charges	6,375	6,376	-	-	-	12,751	-	12,751
Consultants	-	-	26,593	16,056	-	42,649	7,526	50,175
Design and editorial	-	-	39,408	23,793	-	63,201	11,153	74,354
Depreciation and amortization	2,158	4,315	270	539	270	7,552	3,236	10,788
Dues and subscriptions	-	-	-	-	-	-	3,244	3,244
Equipment	-	5,570	-	-	-	5,570	-	5,570
Insurance	-	-	-	-	-	-	9,266	9,266
Interest expense	-	-	-	-	-	-	1,081	1,081
Legal services	-	-	-	-	-	-	1,400	1,400
Maintenance	1,329	2,658	166	332	166	4,651	1,994	6,645
Miscellaneous	-	-	-	-	-	-	298	298
Occupancy	14,558	29,115	1,820	3,639	1,820	50,952	25,236	76,188
Office expenses	8,350	11,908	3,706	1,147	1,668	26,779	4,604	31,383
Postage and delivery	500	250	-	-	-	750	465	1,215
Printing and copying	500	300	-	-	-	800	1,163	1,963
Training and education	437	874	55	109	55	1,530	654	2,184
Telephone	1,198	2,396	150	300	150	4,194	1,797	5,991
Travel	-	4,607	-	-	-	4,607	-	4,607
Website	-	-	-	-	-	-	93,103	93,103
Total Expenses	$ 226,879	$ 315,504	$ 148,848	$ 69,637	$ 38,637	$ 799,505	$ 273,243	$ 1,072,748

See accompanying notes.

Association for Information Science & Technology

Statements of Cash Flows
For the Years Ended June 30, 2022 and 2021

	2022	2021
Cash Flows from Operating Activities		
Change in net assets	$ (276,885)	$ 326,575
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized loss (gain) on investments	308,121	(179,397)
Depreciation and amortization	10,439	10,788
Forgiveness of Paycheck Protection Program loan	-	(102,181)
Change in operating assets and liabilities:		
Decrease (increase) in:		
Contributions receivable	1,715	(7,715)
Accounts receivable	(5,790)	(2,126)
Prepaid expenses	44,393	56,979
Inventory	-	(2,586)
(Decrease) increase in:		
Accounts payable and accrued expenses	(27,231)	21,618
Deferred revenue	443	(15,171)
Net cash provided by operating activities	55,205	106,784
Cash Flows from Investing Activities		
Reinvestment of dividends	-	41,795
Purchases of investments	(869,427)	-
Proceeds from sales and maturities of investments	414,500	-
Purchases of property and equipment	-	(169,104)
Net cash used in investing activities	(454,927)	(127,309)
Net Decrease in Cash and Cash Equivalents	(399,722)	(20,525)
Cash and Cash Equivalents, beginning of year	729,367	749,892
Cash and Cash Equivalents, end of year	$ 329,645	$ 729,367

See accompanying notes.

Association for Information Science & Technology

Notes to Financial Statements
June 30, 2022 and 2021

1. Nature of Operations

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 services – 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.

Conference 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 DCMI conference and annual meeting provide opportunities for seasoned professionals, newcomers, students, apprentices, and early career professionals to share knowledge and experience. The meeting is a venue for practitioners in public and private sector initiatives to network and compare notes.

1. Nature of Operations (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) Participate in international, interdisciplinary, and interorganizational activities.

2. Summary of Significant Accounting Policies

Basis of Accounting and Presentation

ASIS&T's financial statements are prepared on the accrual basis of accounting. Net assets are reported based on the presence or absence of donor-imposed restrictions as follows:

- *Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Net assets without donor restrictions include both undesignated and Board-designated amounts.

2. Summary of Significant Accounting Policies (continued)

Basis of Accounting and Presentation (continued)

- *Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. ASIS&T reports contributions and grants restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions and grants are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Cash Equivalents

For the purpose of the statements of cash flows, ASIS&T considers as cash equivalents all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of 90 days or less at the time of purchase.

Investments

Investments are recorded at fair value based on quoted market prices or observable inputs other than market prices. Interest and dividends are reported as operating revenue in the accompanying statements of activities. Realized and unrealized gains and losses, along with investment fees, are reported as non-operating activities in the accompanying statements of activities. Dividends are recorded at the ex-dividend date. Donated investments are recorded at fair value on the date of donation.

Contributions Receivable

Contributions receivable represent unconditional amounts committed to ASIS&T. All contributions receivable are reflected at net realizable value and are due within one year. ASIS&T may provide an allowance for uncollectible contributions that is based on management's judgment considering historical information. At June 30, 2022 and 2021, all amounts are deemed to be fully collectible, and no allowance is deemed necessary.

2. Summary of Significant Accounting Policies (continued)

Accounts Receivable

All accounts receivable are due within one year, and are recorded at net realizable value. Management has determined that accounts receivable are fully collectible, and has not recorded an allowance for doubtful accounts as of June 30, 2022 and 2021.

Property and Equipment

Property and equipment acquisitions with a cost in excess of $500 and a projected useful life exceeding one year are capitalized and recorded at cost. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the individual assets, which range from three to eight years. Repairs and maintenance costs are expensed as incurred. Donated assets are capitalized at fair market value on the date of donation.

Revenue Recognition

Revenue Accounted for as Contracts with Customers

Revenue is recognized when ASIS&T satisfies a performance obligation by transferring a promised good to, or performing a service for, a customer. The amount of revenue recognized reflects the consideration ASIS&T expects to receive in exchange for satisfying distinct performance obligations. If a performance obligation does not meet the criteria to be considered distinct, ASIS&T combines it with other performance obligations until a distinct bundle of goods or services exists. Fees or amounts received in advance of satisfying contractual performance obligations are reflected as deferred revenue in the statements of financial position. Revenue is recognized either over time or at the point in time that contractual obligations are met.

Publication royalties consist of revenue earned through contract for the publication, distribution, and storage of its journal. ASIS&T earns royalties from the journal based on a percentage of gross revenues received from circulation. Royalties are paid to ASIS&T on a quarterly basis, which are recorded as deferred revenue until earned, and then recognized ratably over the applicable period. ASIS&T also receives a royalty true-up settlement at the end of each year. Additionally, 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 recorded as deferred revenue until earned over the applicable period. At June 30, 2022 and 2021, deferred revenue related to publication royalties totaled $0 and $51,770, respectively, and is included in deferred revenue in the accompanying statements of financial position.

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Revenue Accounted for as Contracts with Customers (continued)

ASIS&T's membership dues include access to various periodic publications, journals, and newsletters, and other membership benefits, such as access to the member-only section of the website, webinars, and discounts on certain services and events. The promises to deliver all of the performance obligations included in the membership dues, other than the period publications, are distinct; however, ASIS&T has determined that each individual benefit is not material in the context of the membership agreement and should be accounted for as a single performance obligation. All membership benefits are received and consumed simultaneously during the membership period. Such membership dues are recognized ratably over the applicable dues period, which is on an anniversary-year basis. Memberships received in advance of the membership dues period are deferred and recognized in the period to which they apply. At June 30, 2022 and 2021, deferred membership dues totaled $93,458 and $65,609, respectively, and are included in deferred revenue in the accompanying statements of financial position.

Revenue from conferences and meetings include revenue primarily from registration fees and exhibitor fees, which are recognized when the event takes place. Amounts received in advance are deferred until the event takes place and performance obligations are met. At June 30, 2022 and 2021, deferred revenue related to conferences and meetings totaled $29,251 and $10,237, respectively, and is included in deferred revenue in the accompanying statements of financial position.

Revenue Accounted for in Accordance with Contribution Accounting

Grants and contributions that are nonreciprocal are recognized as revenue when cash, securities, or other assets; an unconditional promise to give; or a notification of a beneficial interests is received. ASIS&T reports gifts of cash and other assets as restricted support if they are received or promised with donor stipulations that limit the use of the donated funds to one of ASIS&T's programs or to a future year. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Revenue Accounted for in Accordance with Contribution Accounting (continued)

Conditional contributions contain a donor-imposed condition that represents a barrier that must be overcome before ASIS&T is entitled to the assets transferred or promised. Failure to overcome the barrier gives the donor a right of return of the assets it has transferred or gives the promisor a right of release from its obligation to transfer its assets. Conditional contributions are recognized as revenue, either with or without donor restrictions, when donor-imposed conditions are substantially met, and any barriers are overcome. Donor restrictions are also satisfied when qualifying expenditures are incurred for the donor-specified program.

ASIS&T receives various forms of sponsorships as part of its conferences and meetings held during the year. Sponsorship benefits are nominal, and considered to be a conditional contribution. Revenue from sponsorships is recognized when the conference or meeting is held. At June 30, 2022 and 2021, deferred revenue related to sponsorships totaled $20,000 and $14,650, respectively, and is included in deferred revenue in the accompanying statements of financial position.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising Expenses

ASIS&T expenses advertising costs as incurred. Advertising expenses totaled $449 and $769 for the years ended June 30, 2022 and 2021, respectively.

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 amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2. Summary of Significant Accounting Policies (continued)

Measure of Operations

ASIS&T includes in its measure of operations all revenues and expenses that are an integral part of its programs and supporting activities, and excludes realized and unrealized gains and losses on investments, and investment fees.

Recently Issued Accounting Pronouncement

In February 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2016-02, *Leases.* The update requires a lessee to recognize a right-of-use asset and lease liability, initially measured at the present value of the lease payments, in its statements of financial position. The guidance also expands the required quantitative and qualitative lease disclosures. The guidance is effective beginning in the year ending June 30, 2023.

Reclassifications

Certain amounts in the fiscal year 2021 financial statements have been reclassified to conform to the fiscal year 2022 presentation. These reclassifications have no effect on the change in net assets previously reported.

Subsequent Events

In preparing these financial statements, ASIS&T has evaluated events and transactions for potential recognition or disclosure through January 27, 2023, the date the financial statements were available to be issued.

3. Liquidity and Availability

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, contributions and accounts receivable, 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.

3. Liquidity and Availability (continued)

Financial assets available for general expenditures within one year of the statements of financial position date, comprise the following at June 30:

	2022	2021
Cash and cash equivalents	$ 329,645	$ 729,367
Short-term investments	1,553,889	1,972,344
Contributions receivable	6,000	7,715
Accounts receivable	7,916	2,126
Less: Board-designated net assets	(176,868)	(209,681)
Less: net assets with donor restrictions	(1,064)	(773)
Total available for general expenditures	$ 1,719,518	$ 2,501,098

4. Concentrations of Credit Risk

Financial instruments that potentially subject ASIS&T to significant concentrations of credit risk consist of cash and cash equivalents, and investments. ASIS&T maintains cash deposit and transaction accounts, along with investments, at a financial institution, and these values, from time to time, exceed insurable limits under the Federal Deposit Insurance Corporation (FDIC) and Securities Investor Protection Corporation (SIPC). ASIS&T has not experienced any credit losses on its cash and cash equivalents, and investments to date as it relates to FDIC and SIPC insurance limits. Management periodically assesses the financial condition of the financial institution and believes that the risk of any credit loss is minimal.

5. Investments and Fair Value Measurements

ASIS&T follows FASB Accounting Standards Codification 820, *Fair Value Measurements and Disclosures,* for its financial assets. This standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value measurement standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or other valuation techniques) to determine fair value. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the entity's perceived risk of that instrument.

5. Investments and Fair Value Measurements (continued)

The inputs used in measuring fair value are categorized into three levels. Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets and liabilities and have the highest priority. Level 2 is based upon observable inputs other than quoted market prices, and Level 3 is based on unobservable inputs. ASIS&T recognizes transfers between levels in the fair value hierarchy at the end of the reporting period.

In general, and where applicable, ASIS&T uses quoted prices in active markets for identical assets to determine fair value. This pricing methodology applies to Level 1 and Level 2 investments.

The following table presents ASIS&T's fair value hierarchy for those investments measured on a recurring basis at June 30, 2022:

	Level 1	Level 2	Level 3	Total
Money market funds	$ 352,793	$ -	$ -	$ 352,793
Equities	337,642	-	-	337,642
Mutual funds	590,516	-	-	590,516
Exchange-traded funds	-	272,938	-	272,938
Corporate bonds	-	538,187	-	538,187
Government agency securities	-	27,074	-	27,074
Total investments	$ 1,280,951	$ 838,199	$ -	$ 2,119,150

The following table presents ASIS&T's fair value hierarchy for those investments measured on a recurring basis at June 30, 2021:

	Level 1	Level 2	Level 3	Total
Money market funds	$ 367,423	$ -	$ -	$ 367,423
Common stocks	257,399	-	-	257,399
Mutual funds	776,052	-	-	776,052
Corporate bonds	-	537,321	-	537,321
Government agency securities	-	34,149	-	34,149
Total investments	$ 1,400,874	$ 571,470	$ -	$ 1,972,344

5. Investments and Fair Value Measurements (continued)

Investment return consists of the following for the years ended June 30:

	2022	2021
Interest and dividends	$ 62,105	$ 43,034
Realized gain	47,273	23,350
Unrealized (loss) gain	(355,394)	179,335
Investment fees	(10,745)	(6,045)
Total investment return	$ (256,761)	$ 239,674

6. Property and Equipment

ASIS&T held the following property and equipment at June 30:

	2022	2021
Computers and office equipment	$ 149,220	$ 149,220
Furniture and fixtures	17,512	17,512
Website	36,731	36,731
Total property and equipment	203,463	203,463
Less: accumulated depreciation and amortization	(197,983)	(187,544)
Property and equipment, net	$ 5,480	$ 15,919

7. Paycheck Protection Program Loan

ASIS&T applied for a loan under the Paycheck Protection Program (PPP) pursuant to Division A, Title I of the CARES Act, which was enacted on March 27, 2020. The PPP is a loan designed to provide a direct incentive for small businesses to keep their workers on the payroll through the COVID-19 pandemic. After the loans are granted, the Small Business Administration (SBA) will forgive loans if all employee retention criteria are met, and the funds are used for eligible expenses.

The loan was granted to ASIS&T on May 13, 2020 in the amount of $101,100, with terms including a 1.00% fixed interest rate. The loan was scheduled to mature on May 13, 2022. In June 2021, the SBA approved full forgiveness of the loan and remitted the forgiveness amount to the financial institution, including applicable interest accruals, in the aggregate amount of $102,181. The forgiveness amount is recognized as revenue and included in grants and contributions in the accompanying statement of activities for the year ended June 30, 2021.

8. Board-Designated Net Assets

Board-designated net assets consist of the following at June 30:

	2022	2021
Lois Lunin Fund	$ 137,593	$ 166,370
Bob Williams History Fund	26,271	28,970
Info Share Fund	8,450	9,319
Scholarship Fund	4,554	5,022
Total Board-designated net assets	$ 176,868	$ 209,681

9. Net Assets with Donor Restrictions

Net assets with donor restrictions were all restricted for the Heritage Fund program at June 30, 2022 and 2021 in the amounts of $1,064 and $773, respectively.

10. Commitments and Contingencies

Operating Leases

In December 2013, ASIS&T entered into an operating lease agreement to rent office space for its operations. The lease commenced on February 1, 2014 and is scheduled to expire on January 31, 2024. The terms of the lease require monthly payments with a 4% annual increase. Fixed rent increases and lease incentives are recognized on a straight-line basis over the term of the lease. The difference between this expense and the required lease payments is not recorded as deferred rent in the accompanying statements of financial position due to immateriality. Occupancy expense totaled $78,986 and $76,188 for the years ended June 30, 2022 and 2021, respectively.

ASIS&T also leases office equipment under an operating lease, which commenced on March 29, 2018 and expires on March 29, 2023. The lease calls for fixed monthly payments during the term of the lease.

Future minimum lease payments under all operating leases are as follows for the years ending June 30:

	Office Space	Office Equipment	Total
2023	$ 82,146	$ 3,828	$ 85,974
2024	49,018	638	49,656
Total future minimum lease payments	$ 131,164	$ 4,466	$ 135,630

Venue Agreements

ASIS&T enters into agreements with venues and hotels to provide facilities and services for its conferences and meetings. The agreements contain various attrition clauses, whereby ASIS&T may be liable for liquidated damages in the event of cancellation. Management does not believe that any material losses will be incurred under these agreements.

Employment Contract

ASIS&T has a signed employment agreement with the Executive Director that contains terms requiring severance payments upon the occurrence of certain contractual events.

11. Functionalized Expenses

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Where feasible, ASIS&T allocates its expenses directly to specific programs or functions. ASIS&T also utilizes an indirect cost allocation methodology to allocate its expenses, such as salaries, employee benefits, payroll taxes, and other expenses, which are allocated on the basis of estimates of time and effort across specific programs or functions.

12. Retirement Plans

Defined Contribution Plan

ASIS&T maintains a defined contribution retirement plan qualified under Section 403(b) of the Internal Revenue Code (IRC). All full-time and part-time employees who meet certain age requirements and have completed at least 1,000 hours of service are eligible to participate in the plan. Employees may make salary deferral contributions to the plan, and ASIS&T contributes up to 5% of participating employees' qualifying compensation. ASIS&T contributed $16,887 and $13,438 to the plan during the years ended June 30, 2022 and 2021, respectively.

Deferred Compensation Plan

ASIS&T has a deferred compensation plan under IRC Section 457(b) for a key executive employee. Deferred compensation and investments designated for such deferrals are immediately vested and taxable upon termination of employment, retirement, death, or an unforeseeable emergency. ASIS&T may make discretionary matching contributions to the plan. ASIS&T contributed $2,498 and $2,089 to the plan during the years ended June 30, 2022 and 2021, respectively.

13. Income Taxes

ASIS&T is recognized as a tax-exempt organization under IRC Section 501(c)(3) and is exempt from income taxes except for taxes on unrelated business activities. No tax expense is recorded in the accompanying financial statements, as there was no significant net unrelated business taxable income. Management evaluated ASIS&T's tax positions and concluded that ASIS&T's financial statements do not include any uncertain tax positions.