EXHIBIT C

Notes for FY18 Budget to Forecast and FY19 Budget

1. **Annual meeting income/expenses.** Income includes registration fees, exhibitor fees, program advertising, grants (TFBA, AIIrS), hotel concessions and reimbursements from research centers. Income was higher in Boston because of record registration fees. Expenses were higher because of higher AV costs and very expensive F&B expenditures.

2. **Other educational events.** ASOR has not held other events in three years due to capacity issues—related to supervising ASOR CHI. Friends of ASOR has discussed a trip to Israel in the spring, and other events are possible if we do not have a renewal from the DOS. The benefit to our bottom line is minimal, but these events attract public members to ASOR and encourage greater participation from our public members.

3. **Fellowship income and expenses.** Most of the fellowship income and expenses are detailed in the Temporarily Restricted column and in the Permanently Restricted column. The numbers listed here will not appear in the final budget to actual spreadsheet (that doesn't include those columns).

4. **Support for Online Media and FOA income/expenses.** The Temporarily Restricted account has been depleted, so no funds are available for FY19. We anticipate a gift of $10,000 in FY19 to support News@ASOR.

5. **Nies Trust income and expenses.** We anticipate about $17,000 of income for FY19. This TR account managed by the Baghdad Committee has been overspent in prior years, so we will need to allocate between $5,000 to $7,500 from the Opportunity Fund in FY18 to pay a deficit from overspending for JCS. Andy has been in touch with the Editor of JCS and the Baghdad Committee Chair in order to avoid a deficit in future year.

6. **Cultural Heritage Initiatives (CHI).** Almost all of the expenses and revenue flows through the CHI Temporarily Restricted account, so they only do not appear on this spreadsheet. The Department of State has changed the way in which cooperatives are funded, so FY 2018 will contain reimbursements rather than funds received in advance. That will remain the same for FY19 if we receive renewed funding.

7. **Money from ASOR CHI for continuing salaries.** This line item includes revenue to pay Andy Vaughn's salary and any other continuing staff whose salaries are normally listed in the "salaries" expenditure line under expenses.

8. **Subscription and membership and journal revenue and expenses.** The forecast for FY18 is lower than budgeted due to lower institutional subscriptions. In order to better carry out our mission and to address the continuing shortfall in subscription revenue, we are proposing a publishing partnership with University of Chicago Press. The budget for FY19 includes a royalty from UCP for the second half of the fiscal year. FY19 includes subscriptions from the first half of the fiscal year and membership revenues from the entire year.

9. **Royalties and advertising**. Income for FY19 will be solely JSTOR going forward.

10. **Opportunity Fund for journals.** See the description above for the use of up to $7,500 from the OF to pay the deficit in the Nies Trust TR account.

11. **OF designated for books.** These are in/out revenues and expenses.

12. Annual Fund. FY18 is coming in above budget. Our thanks to the many Board members who made contributions to date, and we will rely continued generosity to see a balanced budget in Fiscal Year 2018. We have forecast lower amounts for FY19 because we will likely encourage donors to make gifts to the building fund.

13. Institutional memberships. Institutional memberships have leveled out to about 72 or 73 member institutions.

14. Endowment distribution. There is a slight increase each year in the endowment distribution due to positive market returns and steady, but modest, contributions to the endowment.

15. **Interest income** has grown some due to an increase in rates and to an advantageous change in our investment strategies.

16. Administrative fees/misc. income. Slightly higher than the budget. Forecast for FY19 is based on expected values for FY 2019 of designated accounts.

17. **Designated gifts for endowment.** We anticipate encouraging gifts to the building fund rather than endowment.

18. Other designated gifts. These are gifts to support development travel, fundraising events, and other development expenses.

19. **Use of prior year unrestricted balance**. This is an allowance for paying of incentive pay to current staff and for relocation expenses for ASOR to move to Alexandria, VA. We hope that this total will be less, but this is a plausible amount.

20. Rent. This anticipates likely rent support from Virginia Theological Seminary.

21. Other In-kind gifts. In/out items that do not affect the profit/loss of the organization.

22. Designated categories in Archaeology and Policy Support.

23. Website. This amount listed in the forecast for FY18 and budget for FY19 approximately equals expenditure for the hours that we have paid to our website contractor.

24. Salaries. This amount was lower than budgeted due to support received from the CHI project and because we did not fill certain open positions because we faced higher moving and rent expenses than budgeted.

25. Allocable Expenses. Almost all of the expenses were within the budget or slightly lower.

26. Development expenses for special events or travel. These expenses are supported, in part, through designated gifts. This expense line does not include income or expenses that we may receive from a successful NEH application.

27. Depreciation. Allowance for items identified in the audit.