

Exhibit B

ASOR Audited Balance Sheet Comparison As of June 30, 2020

	2009	2018	2019	2020◇	after PPP forgiveness 2020
NET ASSETS					
without donor restrictions					
-Available for Operations	\$ (29,855)	\$ 568,407	\$ 222,015	\$ 423,259	\$ 541,959
-Board designated Pub.	\$ 133,560	\$ 137,690	\$ 123,705	\$ 120,591	\$ 120,591
-Fixed assets, net	\$ 3,966	\$ 19,102	\$ 1,117,270	\$ 1,096,032	\$ 1,096,032
Subtotal	\$ 107,671	\$ 725,199	\$ 1,462,990	\$ 1,639,882	\$ 1,758,582
with donor restrictions					
-Other than endowments	\$ 353,016	\$ 220,739	\$ 193,444	\$ 293,581	\$ 293,581
-Held under endowments	\$ 462,111	\$ 1,799,252	\$ 1,933,554	\$ 2,735,950	\$ 2,735,950
Subtotal	\$ 815,127	\$ 2,019,991	\$ 2,126,998	\$ 3,029,531	\$ 3,029,531
TOTAL NET ASSETS	\$ 922,798	\$ 2,745,190	\$ 3,589,988	\$ 4,669,413	\$ 4,788,113

Balanced budget goal: Unrestricted net assets for operations need to stay positive for a balanced budget. Our FY20 increase was \$201,244, but this does not mean that we had a \$201,000 operational gain. We should have seen an increase of \$325,000 (= \$547,015) after paying off our building line-of-credit. We also anticipate receiving PPP loan forgiveness (\$118,700). Once received, we will have a slight deficit (net of line-of-credit) of \$5,000 (\$542,000 compared to \$547,000). This near break-even amount is due to the generosity of donors who contributed \$137,000 to the Annual Fund (we only had \$58,000 in May at the Board Meeting). We have mostly stayed level since FY18, which is extraordinary considering we were evicted from Boston University, moved to Alexandria, used some of the unrestricted assets for office relocation and purchase expenses, and are in the middle of a pandemic. As we discussed in May, we should remain cautious because our unrestricted surplus may be needed to offset COVID-19 shortages. The good news is, we are stable and can weather this pandemic crisis.

\$222,015
\$325,000
\$547,015

Comparison from 2009 (previous economic crisis) to 2020: Our Total Net Assets have increased by almost \$3.8 million over 11 years. Generous gifts to named endowments, P.E. MacAllister's \$500,000 legacy gift, and the James F. Strange Center gifts are the reasons for the large increases in FY20.

Building Fund: About \$125,000 of "with donor restrictions—Other than endowments" funds (see above) were intended to be a "Board-designated building fund." Even though the Board voted in November 2019, to open a separate account, it became evident during the audit that we did not adequately specify that only distributions (and not the corpus) should be used. In order to establish properly a board-designated quasi-endowment, we plan to contact a few donors to re-designate some prior gifts. All future gifts will go into this Board-designated building fund (quasi-endowment). After we complete that process, the funds will be reclassified from "Other than endowments," to the "Board-designated without donor restrictions" section of the balance sheet (similar to "Board designated Pub.").

Exhibit C: Budget to actual (Operating Net for FY 2020)

		FY20 Budget	FY20 Actual
Income:			
	Annual Meeting:		
1	-Registration fees and other income	\$ 255,000.00	\$ 242,207.79
2	-Other educational events	\$ 10,000.00	\$ -
	Archaeological and Policy Support:		
3	-Dig Scholarships awarded in Fiscal Yr (Heritage, Sheeler, Platt, memb)	\$ 42,000.00	\$ 11,786.00
3	-Dig Scholarship funds placed in endow (MacAllister, Strange/Midkiff, Meyers)	\$ 30,000.00	\$ 218,577.25
3	-Excavation Grants Awarded in Fiscal Yr (Harris, Seger, Gold distribution)	\$ 12,500.00	\$ 16,200.00
3	-Excavation grant funds placed in endowment (Harris, Seger, Geraty)	\$ 20,000.00	\$ 23,715.00
3	-Fellowships for members in Fiscal Yr (e.g., travel to collections; Dever)	\$ 11,000.00	\$ 11,020.00
3	-Fellowships for memb placed in endow (Mason; travel to collections; Dever)	\$ 15,000.00	\$ 10,720.02
5	-Nies Trust income	\$ 19,000.00	\$ 20,194.44
6	Cultural Heritage Initiatives (CHI)		
6	-DOS net revenue	\$ 40,000.00	\$ 71,680.24
6	-CHI in-kind revenue	\$ 25,000.00	\$ -
7	-CHI non-federal revenue	\$ 110,000.00	\$ 24,056.00
7	-CHI (non-federal) revenue for indirect	\$ 40,000.00	\$ -
	Journals/Memberships:		
8	-Subscriptions (UCP)	\$ 125,000.00	\$ 117,722.00
8	-Memberships	\$ 200,000.00	\$ 181,054.71
9	-Royalties and advertising	\$ 35,000.00	\$ 33,160.32
	Books:		
10	-Funds from Opportunity Fund	\$ 15,000.00	\$ -
10	-Sales revenue designated for Opportunity Fund	\$ 20,000.00	\$ 7,879.76
	Undesignated Revenue:		
11	-Annual fund contributions	\$ 125,000.00	\$ 146,053.06
12	-Institutional memberships	\$ 70,000.00	\$ 60,978.43
13	-Distribution from Endowment	\$ 26,000.00	\$ 27,824.00
14	-Interest and admin income	\$ 17,500.00	\$ 9,052.17
	Other Designated Revenue:		
15	-Designated gifts for Endowment for Operations	\$ 500.00	\$ 500,280.00
16	-Designated gifts for Building, Furnishings, and Maintenance	\$ 400,000.00	\$ 431,197.21
17	-Other designated gifts (archives, non-annual meeting and non-dig student)	\$ 12,000.00	\$ 20,669.77
18	-Designated for development and fundraising	\$ 1,500.00	\$ 575.78
19	-Use of prior year unrestricted for relocation and severance	\$ -	\$ -
20	-Reimbursement in lieu of rent and reimbursements for building	\$ 6,000.00	\$ 14,765.97
20'	-Forecasted Reimburseent of PPP Loan		\$ 118,700.00
21	-Legal services (in-kind)	\$ 30,000.00	\$ 13,630.00
22	-Other In-kind	\$ 25,000.00	\$ -
	Total Income	\$ 1,738,000.00	\$ 2,333,699.92

Exp			
	Annual Meeting:		
1	-Registration fees and other income	\$ 120,000.00	\$ 84,335.46
2	-Other educational events	\$ 10,000.00	\$ -
	Archaeological and Policy Support:		
3	-Dig Scholarships awarded in Fiscal Yr (Heritage, Sheeler, Platt, memb)	\$ 42,000.00	\$ 11,786.00
3	-Dig Scholar. funds placed in endow (MacAllister, Strange/Midkiff, Meyers)	\$ 30,000.00	\$ 218,577.25
3	-Excavation Grants Awarded in Fiscal Yr (Harris, Seger, Gold distribution)	\$ 12,500.00	\$ 16,200.00
3	-Excavation grant funds placed in endowment (Harris, Seger, Geraty)	\$ 20,000.00	\$ 23,715.00
3	-Fellowships for members in Fiscal Yr (e.g., travel to collections; Dever)	\$ 11,000.00	\$ 11,020.00
3	-Fellowships for memb placed in endow (Mason; travel to collections; Dever)	\$ 15,000.00	\$ 10,720.02
5	-Nies Trust expenses	\$ 6,500.00	\$ 20,194.44
23	-Chair support (incl. LCP)	\$ 15,000.00	\$ 18,126.38
23	-Travel for archaeological support (non designated gift supported)	\$ 2,000.00	\$ 791.75
23	-Meetings	\$ 4,000.00	\$ 1,767.60
23	-Website (moved from allocable exp.)	\$ 9,500.00	\$ 855.76
23	-Presidential discretionary expenses	\$ 3,000.00	\$ 2,723.06
23	-Designated expenses to arch. and policy support	\$ 12,250.00	\$ 15,341.00
	Journals		
8	-BASOR, NEA, JCS	\$ 52,500.00	\$ 42,925.50
8	-JSTOR, journal, membership, FOA	\$ 32,500.00	\$ 19,952.46
	Cultural Heritage Initiatives		
	-CHI salaries and benefits and all direct expenses (not in-kind)	\$ -	\$ 77,982.84
6	-DOS contractual (documented in-kind)	\$ 25,000.00	\$ -
7	-Salary for non-fed CHI, incl direct time	\$ 80,000.00	\$ -
7	-Non-federal all other project expenses	\$ 30,000.00	\$ -
7	CHI general expenses		\$ -
	Books:		
11	-Book production	\$ 15,000.00	\$ 15,728.48
11	-Transfer of book revenue to Opportunity Fund	\$ 20,000.00	\$ 10,000.00
17	Designated gifts deposited into building fund	\$ 400,000.00	\$ 431,197.21
	Designated gifts deposited into Endowment for Operations	\$ 500.00	\$ 500,280.00
	Allocable Expenses		
24	-Salaries and benefits	\$ 575,000.00	\$ 664,885.08
25	-Rent expense, incl. subvention and taxes	\$ -	\$ 6,228.50
19	- Moving Expenses (includes severance and relocation costs)	\$ 12,000.00	\$ -
25	-Telephone and Utilities and Maintenance	\$ 16,000.00	\$ 25,530.21
25	-Postage, Postage mach. and Copier	\$ 8,000.00	\$ 9,682.16
25	-Bank charges	\$ 10,000.00	\$ 6,073.43
25	-Insurance	\$ 15,000.00	\$ 11,426.51
25	-Audit	\$ 25,000.00	\$ 28,382.57
25	-Equipment and supplies (incl. computers)	\$ 1,500.00	\$ 7,217.97
25	-Avecetra expenses	\$ 10,000.00	\$ 8,400.00
25	-Office events, Jibrin, Payroll services, consulting	\$ 5,000.00	\$ 6,920.64
25	-Dues, etc.	\$ 11,500.00	\$ 2,374.60
25	-Travel	\$ 10,000.00	\$ 50.62
21	-Legal services	\$ 30,000.00	\$ 13,630.00
22	-Other In-kind	\$ 25,000.00	\$ -
26	-Development	\$ 10,000.00	\$ 13,733.42
27	-Depreciation	\$ 5,000.00	\$ -
	Total Expenses	\$ 1,737,250.00	\$ 2,338,755.92
	GRAND TOTAL	\$ 750.00	\$ (5,056.00)

Exhibit D
Notes for FY 2020 Budget to Actual

General comments on FY 2020 Budget to Actual:

Bottom line: Thanks to generosity of our Board and members, we ended up the fiscal year with \$5,000 operating loss. This is amazing because Annual Fund contributions were below \$75,000 at the time of the Spring Board Meeting. The PPP loan and extremely generous support from Trustees and donors pushed over the top. Moreover, we would have had a surplus of \$8,000 if it had not been for adjusting entries that we made prior to the beginning of our audit.

Adjusting entries. Thanks to the help of Sheldon Fox for reviewing of our Trial Balance and General Ledger, and also thanks to the excellent work of Britta Abeln for detective work in tracking down past entries (some going back five or six years), we cleaned up our balance sheet and General Ledger. Our goal was to make all adjusting entries before the audit began so that we could save audit fees. Our auditors were also able to do a better job of examining our finances because there are not many adjustments.

We accomplished just that, in Fiscal Year 2019 (the prior year), Romeo and Wiggins had to make about 20 adjusting journal entries (AJE's). This year, they only made four, and three of them were planned (e.g., entering book expenses that are not received until October and entering depreciation which they track).

Unfavorable impact of adjusting entries that ASOR made prior to start of audit. ASOR made 19 entries to clean up things going back more than five years. These entries ranged from 28 cents to -\$15,000. The largest entry was unfavorable by -\$15,000, and that was to correct book sales that were overstated in FY19. This overstatement was not caught by ASOR nor during audit. There were 18 other entries ranging from 28 cents to \$3,600 (favorable) and -\$1,950 (unfavorable). The total of these 18 adjusting entries was \$1,250 favorable. The net of all adjusting entries before the audit started was -\$13,750 (unfavorable). In this sense, our operating loss of \$5,000 would have been an operating gain of \$8,000 without the adjusting entries. Finally, I need to stress that I'm counting the forgivable PPP loan of \$118,700, but it's listed as a (forgivable) liability on our balance sheet.

Summary: We would have finished the year with a slight surplus if not for the adjusting entry from a prior year. As seen in Exhibit B, we will still have a "rainy day fund" of \$542,000 if the PPP loan is forgiven. Our net assets without donor restrictions increased by almost \$300,000 (after PPP). Our total net assets increased almost \$1.2 million (after PPP). Just as importantly, we have reached an all-time membership high. You, our trustees, have been amazing in helping us continue to meet our mission and to excel during a pandemic.

Some observations that might be helpful in reviewing the budget to actual:

- The gray and blue highlighted areas are items that do not impact our operational budget. They do in many cases increase permanently restricted balances (endowments) or temporarily restricted balances. I did not attempt to show the details in these accounts, but they are listed in the balance sheet found on the audit.
- Memberships were lower than budgeted, in part because we classified part of contributing and sustaining membership as unrestricted gifts (which they are).
- Annual Fund: About \$12,000 came from reclassifying part of memberships named above. You, our trustees, were extremely generous in helping us meet and exceed our \$125,000 goal. This is the biggest reason that we stayed level with our operating budget.
- The PPP loan is listed as revenue whereas it's listed as a liability in the Audit—it hasn't been received, so it is a liability until received.
- Interest and admin revenue, and Books: both were lower because of adjusting entries from prior years.

1. Annual meeting income/expenses. Income includes registration fees, exhibitor fees, program advertising, grants (TFBA), hotel concessions and reimbursements from research centers. Income was better in San Diego than Denver. The VAM (2020) will be a good bit lower than 2019. We did have 1085 registrants for the VAM 2020, but the registration fees were lower.

2. Other educational events. None were held in FY2020, but we have launched FOA webinars in 2020. The webinar proceeds go 100% to scholarships.

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. New rows for funds placed in endowment and for annual distributions have been added this fiscal year. These rows are QuickBooks categories that helped with FY20's audit.

4. Support for Online Media and FOA. No longer used in FY20 or FY21.

5. Nies Trust income and expenses. We anticipate about \$19,500 of income for FY20 and slightly less in FY21. The amount spent from this line item is lower because grants were deferred to 2021.

6. Cultural Heritage Initiatives (CHI). We combined federal and non-federal grants for presentation. We tracked the federal grants on a separate spreadsheet for government reports, but our audit only requires showing CHI as a whole.

7. Funds for non-federal CHI grants. Only listed the revenue. CHI expenses are combined for federal and non-federal.

8. Subscription and membership and journal revenue and expenses. Subscription revenues are the guarantees from UCP. Subscriptions are down about 5% with UCP, but we have a guaranteed royalty. We had forecast that we'd see revenue go up in 2021 from guarantees, but that will not happen because of institutional cuts due to COVID-19. We hope to reach \$200,000 in membership revenue for FY2021.

9. Royalties and advertising. Income for FY20 is based be solely JSTOR, as the other royalties are run through our UCP publishing agreement. The amount from JSTOR saw a decrease for the first time in several years.

10. OF designated for books. These were previously in/out revenues and expenses. We have changed how we handle these in our audit, but the forecasts are based on past methods. The adjustment for prior year sales was unfavorable by \$15,000. We plan to move completely to a cash method for books in Fiscal Year 2021. That adjustment will probably mean that \$10,000 to \$15,000 of deferred expenses will be recognized in FY2021. It will be a wash in future years because revenues will go towards our bottom line rather than deferred expenses. This changes will save a good bit in audit fees, and it will save staff time as well.

11. Annual Fund. FY19 was reduced because we anticipated asking for gifts for the building. The Board approved an increase in the Annual Fund for FY 2020, and our trustees were amazing in helping us meet this goal. The Development Committee is working on meeting \$125,000 again for FY2021.

12. Institutional memberships. Institutional memberships have dropped to 62, and we are concerned about further reductions if universities and colleges cut their budget. The good news is that institutional memberships are already low and thus not a large percentage of our revenue.

13. Endowment distribution. There is a slight increase each year in the endowment distribution due to steady, but modest, contributions to the endowment. We had a large influx into the endowment (\$500,000) due to a legacy gift from P.E. MacAllister. **I am recommending an increase in our endowment distribution percentage (from 3.5% to 5%).** This increase is consistent with our prior plans for the endowment once we reached approximately \$1.5 million.

14. Interest income and administrative fees: interest rates are near zero, so our income from this category will drop to near for FY21. Interest revenue for FY20 was near budgeted amount before adjusting entries. Most of the adjusting entries went to misc. revenue, so this line item was lower than forecasted.

15. Designated gifts for endowment. We had an extremely large gift to the endowment in FY20 from P. E. MacAllister. We may have a legacy gift of \$200,000 in FY21.

16. Designated gifts for building purchase, furnishing, and maintenance. We have added a new category based on our tremendous success to date. During the course of the audit, it became clear that we need to pass a Board Resolution to specify more clearly that the Building Fund is a Board-Designated Fund and not Temporary Restricted. A TR fund would mean that all of the capital could be spent, and the Board Designated Fund could specify that only distributions would be spent on building expenses. There will be a separate motion to create this fund and to “retire” the prior TR fund.

17. Other designated gifts. These include gifts to the Gitin Pottery volume, Archaeology travel, and other non-development specified gifts.

18. Designated gifts for development. These are gifts to support development travel, fundraising events, and other development expenses. This also included non-deductible payments for the Legacy Circle Dinner at the Annual Meeting.

19. Use of prior year unrestricted balance. This is an allowance for relocation expenses for ASOR to move to Alexandria, VA. The Board allocated \$100,000, and to date we have used \$35,000 in FY19. The Board may need to consider increasing this allocation given lower revenues from the VAM and from effects from COVID-19. The good news is that our balance sheet is stable, and we can (and should) plan for the long-run.

20. Rent subvention and rental income. The reimbursements in lieu of rent is from FY20 is from ACOR/CAARI.

20'. PPP Loan Forgiveness. The loan was for \$118,700. We anticipate having the entire amount forgiven. I have shown that in the operating budget calculations.

21. Legal services (in-kind). This is a new category because it is a significant line item each year. We anticipate a higher number in 2021 because of counsel needed with COVID, hotel contracts, and the change of ASOR's name.

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

23. Designated categories in Archaeology and Policy Support.

Levantine Ceramic Project: This is the largest amount in this line, and we have not been successful in locating donations or other financial support.

24. Salaries. This forecast amount for FY20 includes salaries that will be forgiven from the PPP loan. Salaries for FY21 will be lower. We had a salary freeze for the Executive Director, but all other staff received modest raises for FY21. Benefits remained the same for FY21. No furloughs are planned for FY21 or beyond.

25. Allocable Expenses. Almost all of the expenses were within the budget or slightly lower. Telephone and Utilities were higher because some other categories (esp. moving) were moved to this line item. The audit was higher than budgeted, but we hope to return to lower levels in FY21.

26. Development expenses for special events or travel. The amount for FY20 is higher than the budget, but it is low compared to the amount of donations received.

27. Depreciation. This is not an operating expense, so I excluded it here. The audited balance sheet lists depreciation at around \$21,000 (so fixed assets decreased by that amount).

Exhibit E: Net Investment Spreadsheet as of June 30, 2020

			FY19	FY20				FY20	FY20
ASOR Fellowships and Grants:	30-Jun-06	30-Jun-15	30-Jun-19	30-Jun-20	Net Chang	Contrib.	Distrib.	To Date	% Rtn
Harris Fell. - Sequoia Fund	\$ 107,880.50	\$ 68,736.68	\$ -					\$ -	
Harris Fell. - Charles Schwab		\$ 85,630.99	\$ 141,779.75	\$ 137,786.96	\$ (3,992.79)		\$ 5,278.00	\$ 1,285.21	0.9%
1) Total Harris Fellowship		\$ 154,367.67	\$ 141,779.75	\$ 137,786.96	\$ (3,992.79)	\$ -	\$ 5,278.00	\$ 1,285.21	0.9%
Platt Fellowship - Sequoia Fund	\$ 243,337.69	\$ 128,325.54	\$ -		\$ -	\$ -		\$ -	
Platt Fell. - Charles Schwab		\$ 158,702.09	\$ 252,755.25	\$ 243,943.50	\$ (8,811.75)		\$ 11,383.00	\$ 2,571.25	1.0%
2) Total Platt Fellowship		\$ 287,027.63	\$ 252,755.25	\$ 243,943.50	\$ (8,811.75)	\$ -	\$ 11,383.00	\$ 2,571.25	1.0%
3) Wright/Meyers Fund	\$ 34,391.75	\$ 81,631.04	\$ 85,839.66	\$ 85,270.05	\$ (569.61)	\$ 2,000.00	\$ 3,197.00	\$ 627.39	0.7%
4) PE MacAllister Fellowship		\$ 120,636.46	\$ 150,250.49	\$ 147,447.02	\$ (2,803.47)	\$ 1,200.00	\$ 5,504.00	\$ 1,500.53	1.0%
5) Strange / Midkiff Fellowship		\$ 51,112.78	\$ 118,927.03	\$ 117,410.10	\$ (1,516.93)	\$ 850.00	\$ 3,858.00	\$ 1,491.07	1.3%
6) Carol and Eric Meyers		\$ 56,403.78	\$ 168,629.77	\$ 169,414.93	\$ 785.16	\$ 5,000.00	\$ 5,746.00	\$ 1,531.16	0.9%
7) Joe D. Seger Excavation Fund			\$ 62,612.83	\$ 60,986.87	\$ (1,625.96)		\$ 2,229.00	\$ 603.04	1.0%
8) Dana Fund			\$ 101,237.75	\$ 295,103.65	\$ 193,865.90	\$ 209,356.19	\$ 4,457.00	\$ (11,033.29)	-3.6%
9) Geraty Fund			\$ -	\$ 61,870.30	\$ 61,870.30	\$ 62,400.00	\$ 806.00	\$ 276.30	0.4%
Total ASOR Fellowships	\$ 385,609.94	\$ 751,179.36	\$ 1,082,032.53	\$ 1,319,233.38	\$ 237,200.85	\$ 280,806.19	\$ 41,652.00	\$ (1,147.34)	-0.1%
ASOR Endowment for Operations:									
1) Endowment - Scott & String	\$ 210,866.85	\$ 454,092.35	\$ 851,524.87	\$ 906,833.63	\$ 55,308.76		\$ 27,823.96	\$ 41,466.05	4.9%
Endow - BB&T (formally Sequoia)	\$ 118,222.79	\$ 221,036.22	\$ -	\$ 458,643.79	\$ 458,643.79		\$ 41,666.67	\$ 30.46	
Total ASOR Endowment	\$ 329,089.64	\$ 675,128.57	\$ 851,524.87	\$ 1,365,477.42	\$ 55,308.76	\$ -	\$ 69,490.63	\$ 41,466.05	4.9%
2) Publications OF	\$ 86,851.80	\$ 98,773.28	\$ 123,705.42	\$ 120,591.50	\$ (3,113.92)		\$ 2,500.00	\$ (613.92)	-0.5%
INVESTMENTS SUBTOTAL	\$ 801,551.38	\$ 1,525,081.21	\$ 2,057,262.82	\$ 2,805,302.30	\$ 289,395.69	\$ 824,002.86	\$ 124,941.50	\$ 50,333.80	2.4%
1) Temp. Restricted	\$ 117,910.89								
Citizens Savings TR portion		\$ 331,123.19							
Schwab Account- TR portion			\$ 327,125.47	\$ 322,231.96					
Building - Sch (TR for FY20)				\$ 109,881.94					
BB&T Savings (Dept State)				\$ 35,640.58					
				\$ 467,754.48					
2) ASOR General Fund	\$ 40,933.34	\$ 129,536.67	\$ 303,835.63	\$ 469,090.94					
Citizens Savings		\$ 427,303.08	\$ -	\$ -					
BB&T Checking			\$ 336,712.86	\$ 185,316.86					
Citizens Bank Checking	\$ 843.00	\$ 2,535.34	\$ 8,225.39	\$ -					
TOTAL GENERAL FUND		\$ 559,375.09	\$ 648,773.88	\$ 654,407.80					
3) BB&T PPP Loan				\$ (118,700.00)					
4) Journals Escrow Account	\$ 131,151.77								
CASH (TR and GF) SUBTOTAL			\$ 975,899.35	\$ 1,003,462.28					
1) J. Strange Center			\$ 1,100,000.00	\$ 1,100,000.00					
2) BB&T Line of Credit Loan			\$ (325,000.00)	\$ -					
REAL PROPERTY SUBTOTAL			\$ 775,000.00	\$ 1,100,000.00					
GRAND TOTAL	\$ 1,092,390.38	\$ 2,415,579.49	\$ 3,808,162.17	\$ 4,908,764.58					
Nies Fund - Citigroup	\$ 445,045.00	\$ 497,147.68	\$ 521,301.78	\$ 505,639.10	\$ (15,662.68)		\$ 20,194.44	\$ 4,531.76	0.9%

Exhibit F: Summary of Investment Returns

ASOR - General Endowment - Total - Scott & Stringfell
 Summary Returns Peer Analysis
 September 30, 2020



Net Returns 09/30/2020	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Your Fund	5.3%	4.2%	12.0%	7.1%	8.0%	NA
Your Custom Benchmark	6.7%	2.8%	10.2%	7.2%	9.6%	NA
60/40 MSCI ACWI/Bar Cap Agg	5.2%	3.8%	9.4%	6.7%	8.2%	6.9%

ClearView Universe (Sample size)	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Universe - All	3rd Quartile (77)	1st Quartile (74)	1st Quartile (71)	1st Quartile (46)	2nd Quartile (39)	NA
Size Peers \$0 - \$10,000,000	3rd Quartile (31)	1st Quartile (29)	1st Quartile (28)	2nd Quartile (17)	2nd Quartile (15)	NA
Asset Allocation Peers Equity Allocation Range 65% - 85%	4th Quartile (34)	1st Quartile (33)	1st Quartile (32)	1st Quartile (23)	2nd Quartile (20)	NA
Member Type Peers Not-for-Profit	3rd Quartile (37)	1st Quartile (36)	1st Quartile (36)	1st Quartile (19)	2nd Quartile (17)	NA
Organization Category Peers Endowments	3rd Quartile (24)	1st Quartile (24)	1st Quartile (22)	1st Quartile (14)	2nd Quartile (12)	NA

Investment Metrics Universe (Sample size) Data source: Investment Metrics, LLC	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Universe - All F&E	3rd Quartile (1157)	1st Quartile (1141)	1st Quartile (1135)	1st Quartile (1035)	2nd Quartile (926)	NA
Size Peers \$0 - \$10,000,000	2nd Quartile (288)	1st Quartile (281)	1st Quartile (280)	1st Quartile (233)	2nd Quartile (189)	NA
Asset Allocation Peers Equity Allocation Range 75% - 85%	4th Quartile (36)	1st Quartile (36)	1st Quartile (36)	2nd Quartile (31)	4th Quartile (27)	NA
Member Type Peers Not-for-Profit	3rd Quartile (607)	1st Quartile (603)	1st Quartile (600)	1st Quartile (545)	2nd Quartile (491)	NA
Organization Category Peers Endowments	3rd Quartile (449)	1st Quartile (443)	1st Quartile (440)	1st Quartile (411)	2nd Quartile (368)	NA

- data sample size < 5
 NA data not available

ASOR - Wright Meyers - Total - Schwab
 Summary Returns Peer Analysis
 September 30, 2020



Net Returns 09/30/2020	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Your Fund	5.6%	-0.3%	6.4%	5.9%	8.9%	9.2%
Your Custom Benchmark	6.7%	2.8%	10.2%	7.2%	9.6%	8.0%
60/40 MSCI ACWI/Bar Cap Agg	5.2%	3.8%	9.4%	6.7%	8.2%	6.9%

ClearView Universe (Sample size)	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Universe - All	2nd Quartile (77)	4th Quartile (74)	3rd Quartile (71)	3rd Quartile (46)	1st Quartile (39)	1st Quartile (22)
Size Peers \$0 - \$10,000,000	2nd Quartile (31)	4th Quartile (29)	4th Quartile (28)	3rd Quartile (17)	1st Quartile (15)	1st Quartile (8)
Asset Allocation Peers Equity Allocation Range 65% - 85%	3rd Quartile (34)	4th Quartile (33)	3rd Quartile (32)	3rd Quartile (23)	1st Quartile (20)	1st Quartile (13)
Member Type Peers Not-for-Profit	2nd Quartile (37)	4th Quartile (36)	4th Quartile (36)	2nd Quartile (19)	1st Quartile (17)	1st Quartile (12)
Organization Category Peers Endowments	2nd Quartile (24)	4th Quartile (24)	3rd Quartile (22)	3rd Quartile (14)	1st Quartile (12)	1st Quartile (5)

Investment Metrics Universe (Sample size) Data source: Investment Metrics, LLC	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Universe - All F&E	2nd Quartile (1157)	4th Quartile (1141)	3rd Quartile (1135)	2nd Quartile (1035)	1st Quartile (926)	1st Quartile (647)
Size Peers \$0 - \$10,000,000	2nd Quartile (288)	4th Quartile (281)	3rd Quartile (280)	2nd Quartile (233)	1st Quartile (189)	1st Quartile (90)
Asset Allocation Peers Equity Allocation Range 75% - 85%	4th Quartile (36)	4th Quartile (36)	3rd Quartile (36)	4th Quartile (31)	2nd Quartile (27)	1st Quartile (15)
Member Type Peers Not-for-Profit	2nd Quartile (607)	4th Quartile (603)	3rd Quartile (600)	2nd Quartile (545)	1st Quartile (491)	1st Quartile (348)
Organization Category Peers Endowments	2nd Quartile (449)	4th Quartile (443)	3rd Quartile (440)	2nd Quartile (411)	1st Quartile (368)	1st Quartile (261)

- data sample size < 5
 NA data not available

Exhibit G

“List of Amendments and Action Items”

1. Investment Policy: amendment to include “managed equities” in list of authorized investment types.
 - a. Rationale: In the course of our audit, Romeo and Wiggins determined that part of the Scott and Stringfellow portfolio is what they would classify as “managed equities.” That is, these are securities that are part of a managed portfolio by three different investment managers that Scott and Stringfellow purchase, similar to how ASOR or other investors may purchase a mutual fund. However, the monthly statements show purchase of individual securities, and these three money managers have the discretion to reallocate securities. After talking with our auditors, and after discussing this with past Treasurer Sheldon Fox, I recommend the following amendment:
 - b. Current Language with new, amended language found in blue font:

Authorized and Unauthorized Investments

Authorized Investment Types

- Cash or cash equivalents, including money market instruments and certificates of deposit.
- Fixed income obligations of the U.S. government, its agencies, or corporations.
- Mutual funds or exchange traded funds that own fixed income or equity securities.
- *A collection of equities and / or fixed income securities managed by investment professionals. Such managed securities will confirm to ASOR’s allocation targets and ranges, and trading decisions for individual securities will not be made by ASOR management.*

Unauthorized Investment Types

- Individual equity securities.
 - Hedge funds.
 - Private equity funds.
 - Commodities.
 - Real estate.
2. Motion to Establish the Herbert Warren Mason Endowment (see Exhibit H for language).
 3. Motion to Establish a Board-Designated Building Fund (see Exhibit I for language).
 4. Amendment to “Appendix I—Investment Targets and Ranges” in Investment Policy:

- a. Add “Herbert Warren Mason Endowment (including accumulated earnings)” with the same percentages as other named funds (45% Large Cap; 15% Small Cap; 20% International Equities; 15% Fixed Income; 5% Cash).
 - b. Add “Board-Designated Building Fund (including accumulated earnings)” with the same percentages as other named funds (45% Large Cap; 15% Small Cap; 20% International Equities; 15% Fixed Income; 5% Cash).
5. Amendment to “Appendix II—Spending Policies in Investment Policy
- a. Add “Herbert Warren Mason” with 5% distribution rate
 - b. Add “Board-Designated Building Fund” with a 5% distribution rate (after the fund reaches \$500,000)
 - c. Amend percentage of “ASOR General Endowment” from 3.5% to 5%
 - i. Rationale: Dating back to 1998, there was discussion about increasing the distribution rate to 5% when the endowment reached a certain market value. Andy’s memory is that there were discussions about increasing at \$1 million and then again at \$1.5 million, but there is not a paper trail. There was no decision made. Please see the Finance Committee Report for further discussion and for Andy’s recommendation. Because distributions are based on the value from the last 12 quarters, there will be a three-year “phase-in” for recent \$500,000 gift from P.E. MacAllister. Thus, the increased distributions will be phased in over three years.
 - ii. Note: As of 6/30/2020, the Endowment for Operations had a market value of \$1,365,477, or approximately half of \$2,735,950 of “Held under endowments” listed in Exhibit B. The market value as of 11/30/2020 was 1,497,333.19

Exhibit H: Motion to establish the Herbert Warren Mason Endowment

The ASOR Board endorses and formally approves the establishment of the Herbert Warren Mason Endowment, in consideration of the following:

- Whereas ASOR instituted a campaign in 2017 and following to raise funds to establish a permanently restricted endowment account known as the Hebert Warren Mason Endowment; and
- Whereas multiple donors have contributed amounts, ranging from \$10 to \$15,000, to establish the account; and
- Whereas the aggregate contributions to the Herbert Warren Mason Endowment now exceed \$50,000; and
- Whereas the funds contributed to date are invested according to the ASOR “Investment and Spending Policy” (posted on the ASOR website), the policy that governs the investment and disbursement of funds in permanently restricted accounts; and
- Whereas the major donors to the Herbert Warren Mason Endowment and the literature for the campaign requested that the funds from the endowment be used to support biennially (as distributions permit) a \$5,000 grant to a scholar/poet/writer/artist whose project proposal comes closest in scope to Herbert Mason’s oeuvre pursuant to the following guidelines (*i.e.*, Herbert Warren Mason Fellowships):
 1. The project manuscript be transmitted in English.
 2. The monetary award be used to (i) support travel expenditures to special collections, (ii) obtain access to rare or hard to find research materials and art illustrations, and (iii) further scholarly studies.
- Therefore, BE IT RESOLVED that the ASOR Board of Trustees formally designates all funds contributed by multiple donors to the Herbert Warren Mason Endowment (both prior to and after this resolution) as the permanently designated corpus amount (or historic dollar amount) of the endowment; and
- BE IT FURTHER RESOLVED that the Herbert Warren Mason Endowment be invested and disbursed according to ASOR’s “Investment and Spending Policy,” which the Board of Trustees may modify from time to time in the future; and
- BE IT FURTHER RESOLVED that while the ASOR Board of Trustees prefers that recipients of the Mason Fellowships carry out work as described above and according to the original guidelines, these preferences shall not be binding on ASOR if circumstances make compliance in the future difficult or impractical because of unforeseen circumstances. If necessary, the ASOR Board shall be empowered to modify the guidelines as needed, while making reasonable efforts to carry out the original wishes of the donors and the original guidelines of the Herbert Warren Mason Fund.

Exhibit I: Motion to establish Board-Designated Building Fund

The ASOR Board endorses and formally approves the establishment of Board-Designated Building Fund, in consideration of the following:

- Whereas ASOR instituted a campaign in 2018 and following to raise funds for the purchase, maintenance, and upkeep of a permanent office home for ASOR in Alexandria (now called the James F. Strange Center); and
- Whereas multiple donors have contributed amounts, ranging from \$10 to more than \$500,000, to establish purchase, maintain, and upkeep the James F. Strange Center; and
- Whereas ASOR has purchased the property at 209 Commerce Street, Alexandria, VA, for the purpose of a permanent office home, and ASOR has raised funds in excess of the purchase price of the property and paid off all loans and lines-of-credit for said property; and
- Whereas the ASOR Board voted on November 24, 2019, to establish a separate brokerage account with Charles Schwab for the purpose of producing distributions to support the ongoing maintenance and upkeep of the James F. Strange Center; and
- Whereas the market value of said account was above \$125,000 at the end of Fiscal Year 2020; and
- Whereas ASOR's Fiscal Year 2020 audit resulted in feedback from ASOR's auditors that the Schwab Account should be consider entirely Temporarily Restricted by the donor(s) (both the corpus amount and earnings could be used for building expenses) based on the fundraising documentation; and
- Whereas the original intent of the fundraising was for donations in excess of the building's purchase price to create a quasi-endowment that was a Board-Designated fund to produce earning or distributions to support ASOR's office home; and
- Whereas donors who contributed amounts (including earnings, if any) now held in said Schwab account have or will provide authorization to reclassify their gifts as Board-designated (pending Board approval);
- Therefore, BE IT RESOLVED: the ASOR Board of Trustees formally *retires* the original Building Fund (donor restricted for purchase, upkeep, and maintenance), and ASOR will no longer accept contributions to that fund.
- Further, BE IT RESOLVED: the ASOR Board formally establishes a Board-Designated building, quasi-endowment fund made up of all previous and future funds donated for the purpose of supporting the Building, in excess of the original purchase price of the building and other specified expenditures. The original strategy will be the same. This Board-Designated Account will generate annual income to cover part or all of the costs of occupancy and maintenance of the Strange Center. The Board-Designated Building Fund will be invested and disbursed according to ASOR's "Investment and Spending Policy," which the Board of Trustees may modify from time to time. As a board-designated fund, if ASOR's occupancy needs change in the future, the ASOR Board may redesignate these funds for other purposes.