Exhibit F: Notes for FY22 Budget to Actual (November 2022)

Summary: In the notes to Budget and Forecast at the May meeting we forecast a very **small operational deficit ($15.79) for Fiscal Year 2022.** The forecast was predicated on the likelihood that ASOR continuing staff (Vaughn, Koller, Ostovich, and Abeln) would be able to work on federal grants for a projected number of hours / days in the last 10 weeks of the fiscal year. That assumption for staff time on federal grants was contingent on COVID conditions permitting this work to take place before the end of the fiscal year. In fact, as the Budget to Actual indicates the budget had an operational surplus of $68,207.00.

In May we also addressed the increase in the FY22 budget from the board-approved $1.6 million to a forecast $2.1 million, a forecast borne out by the actual income of $2.3 million. Contributions to the endowment accounts were much higher than anticipated, particularly gifts to Dana #3, Geraty, Meyers, and Strange/Midkiff as the investment spreadsheet (Exhibit C) makes clear. Further the federal grants, predicted to total $308,000 actually totaled $364,474.

Budget to Actual Analysis

In most instances income and expenses in a category have been brought together in the hope of clarifying how funds are spent. As appropriate variances from budget are explained. Categories are followed by the line number in the budget to actual document. The treasurer recommends that about 90% of the text is the notes be converted into a separate document on how the ASOR budget works and the notes address only those elements of the budget to actual or the budget to forecast that constitute variances.

Annual Meeting (3 and 34): Both direct revenue and direct expenses were lower because we had fewer attendees in Chicago than budgeted. Income includes registration fees, exhibitor fees, program advertising, grants (TFBA), hotel concessions and reimbursements from research centers. Excluding staff time, the Annual Meeting net was favorable by $4,000.

Other Education Events (4 and 35). Webinar revenue was lower than budgeted for FY22. As noted in the Treasurer’s report there were fewer webinars, and no fund-raising webinar events. There appeared to be a preference among viewers for controversial biblical subjects as opposed to reports on archaeology in the MENA region. We also dedicated less staff time to the webinars as the Executive Director focused on grant applications which generated more revenue.

Memberships (6 and 7) Both individual and institutional memberships ultimately exceeded budget with individual memberships at an all-time high. Whether institutional memberships will remain at this level remains uncertain.

Publications (9-11 and 42-44). UCP subscription income (9) remains steady as do the royalties and advertising (11) from JSTOR. We are hopeful that the addition of *Maarav* as a fourth journal will help us actually "earn" our guaranteed royalties. Book Sales (10) remain low, but revenue in FY 22 was favorable because in FY21 we moved from recognizing revenue and expenses when books were sold.

$ BASOR, NEA, JCS (42). These are expenses directly related to the production of the journals and include editorial and assistant stipends (e.g., BASOR, NEA) and travel to the annual meeting (NEA). For JCS, the only direct cost is a contribution of $7500 to ASOR's costs that reduces the expense of staff salaries for ASOR.

$ JSTOR, journal, member and FOA expenses (43). This includes JSTOR fees, $1500 per month for the ANE Today editor, email (Informz) expenses, and other direct (non-salary) membership expenses.

$ Book production (44). Starting with FY21, ASOR recognizes book expenses, such as subventions, when incurred rather than when the books are sold.

Contributions

$ Annual Fund - Undesignated (13). The trustees' apprehension at the May board meeting that ASOR might not realize the Annual Fund budget of $125,000 was not realized as donors contributed an additional nearly $52,000 by the end of FY 22 for a total of almost $142,000.

$ Board Designated Building Fund (14, 61). Contributions did not meet budget by just under $20,000. Distributions from the fund began in January 2022 to support upkeep and maintenance for the Strange Center and some operational costs.

$ Diversity (15, 50). Budgeted for $50,000 in new gifts we received $18,200 for all purposes related to diversity and show those funds as both revenue and expenses. We released $26,973 from TR, an amount that includes funds received and segregated for diversity in prior years. The main expenditure here was for diversity videos in conjunction with AITC.

$ Development (16). Not quite $500 received of the $5,000 in the budget.

$ Donations to permanent restricted endowments (17) Contributions significantly surpassed the budget of $113,500 with almost $420,000 in donations to Wright-Meyers, Strange Midkiff, BIPOC, Dana #3 and Geraty. These endowments support a variety of fellowships. Distributions from the funds are released from the endowments to be distributed according to the donor's terms in the founding documents. They cover Dig scholarship, excavation grants and Member fellowships

* Dig Scholarships (46) awarded: in FY22 were much higher at $126,167 than budgeted in part because some scholarships were held over from prior years and in part because there were increased endowment distribution. $202,720.28 in dig scholarships were placed in endowments (Wright-Meyers, Strange Midkiff, Carol and Eric Meyers, BIPOC and Dana #3).
* Excavation Grants (47) (Harris, Seger, Shepard) like Dig Scholarships are supported by funds from endowments and show as both funds awarded and placed in endowment accounts.
* Member fellowships (48) These were not awarded in FY21 because of the global pandemic. Increase in FY22 due to funds carried over in the temporarily restricted account. Also includes inaugural Mason Fellowship and contributions to the account.
* Designated funds placed in endowment (51) Budgeted at $151,000. The exceptionally generous gift to the Dana #2 endowment of $213,785 and the $130,000 to the Building Fund more than doubled the amount placed in the endowment accounts.

$ Donations to Temporary Restricted (18, 52) These are contributions directed to specific items such as Publications, student support, online resources and FOA. The $10,670 raised for the Levantine Ceramics Project in FY22, ASOR March Madness and contributions of $30,676.16 to support membership fees constitute most of the revenues. The rest was spread across a variety of causes. These expenses are tracked in the TR spreadsheet.

$ Grants and Contracts (19, 39, 40) These are gifts and non-federlal grants to ASOR's Cultural Heritage Initiative (CHI). These funds are placed in the TR account. ASOR CHI does not use unrestricted dollars, and these funds often offset ASOR staff salaries. For FY22, we budgeted for the inclusion of the legacy gift from P. E. MacAllister and a 5% distribution rate beginning in 2021. Also includes Board-Designated Kershaw and Building Funds.

$ Federal Grants (20, 37, 38): ASOR was awarded about $1 million in federal grants between August and September 2021. The budget to actual does not reflect that amount because funds are recognized only as they are spent and reimbursed. The $364,473.99 realized is significantly higher than the $110,000 budgeted. The federal revenue includes income for both direct and indirect dollars. Direct expenses (37) cover both salaries thereby replacing dollars for ASOR staff and non-salary expenses that ASOR might otherwise incur (e.g., DropBox and Adobe licenses—of course these are used for government grant activities). The indirect funds are beneficial for ASOR's bottom line and are not marked as an expense. We use the In-kind revenue (38) to track volunteers contributing cost-share to federal grants and do not anticipate including this in future grants.

- $ Nies Trust in TR (21 and 49) There are three revenue items which are placed in the temporary restricted account and have corresponding expenses: (a) funds received from Citibank; (b)funds released from the TR account for direct expenses authorized by the Baghdad Committee and (c) funds ($7500) released to support staff work on JCS.

Interest and Administrative income (22). Favorable by $6000 because of increases in named endowments which accounted for nearly $21,000 of this income. Interest income was less than $200.

Reimbursements (23) Asor received funds from ACOR and other groups for building expenses, for direct postage costs, and for utilities / phones. A designated gift now supports Archaeology in the Community's (AITC) occupancy in the Strange Center.

In-Kind (24). ASOR benefits from in-kind gifts from Arnold and Porter for various legal needs.

Released from Endowment Accounts

- $ Operating Distribution from endowmen (26). Actual is almost $60,000 less than budget, a benefit of funds from other sources such as the Federal Grant direct expenses.
- $ Permanently Restricted (27)
- $ Temporary Restricted (28),

Forgiveness PPP Loan (30) ASOR received forgiveness of a Second Draw forgivable loan, but we forecasted that forgiveness in the FY21 budget. The audited financials for FY22 will reflect the forgiveness of $118,800—and resulting increase in our unrestricted assets available for operations.

Organizational Support

- $ Chair support (including LCP). (54) This expense line item identifies direct expense support for activities of committees chaired by a member of the CCC, and it identifies programs that directly support ASOR archaeological and program support. These expenses often use unrestricted revenue rather than program-specific revenue.
- $ Meetings and travel (55): Meetings were higher than budgeted because ASOR paid for some hotel rooms using Marriott gift cards purchased in prior years, and ASOR paid for other Board Meeting expenses not originally budgeted. However, designated gifts to support meeting more than offset this increase (we had budgeted $0.00 for meeting support). There were no expenses in FY22 for archaeological travel even though budgeted.
- $ Website. We should probably rename this line for the FY23 budget. Our new accounting firm puts expenses for the website in other areas. The expenses here are DropBox and other licenses used specifically to increase online resources.
- $ Presidential discretionary expenses. This enables the President to support

something not budgeted. Not utilized very much in FY22.

Operating Expenses

$ Salaries and benefits (60). The actual is below budget because of allocation of some salaries to CHI (federal grants), diversity gift support, and JCS support.

$ Building expenses (61)

$ Office Administrative, and Utilities/Telephone (62). Our new auditing firm has placed more items in these categories. They also include maintenance and property taxes. The Board designated Building Fund now provides support for these expenses. In addition, reimbursement revenue reduces ASOR's direct cost for these line items.

$ Postage, etc. (63). We spent significantly less on postage

$ Bank Charges (64). These are investment administrative expenses.

$ Insurance (65). Non-building insurance policies, including liability, travel, errors and omissions. This is primarily professional liability insurance.

$ Auditing and accounting (66). Thanks for the volunteer work of Sheldon Fox, our auditing charges from Romeo and Wiggins were reduced in FY21 and FY22. We increased our accounting support in November with the retention of Charity CFO and Todd Mann Management Group ($1500 per month for both). The increase in accounting oversight has not greatly reduced staffing costs, but we now have external oversight of our banking and investments accounts.

$ Equipment and supplies (67). This category includes more items than in past years including computers, stationary, and supplies for the Strange Center. It also includes direct mailing expenses.

$ Abila database (68). This line item is ASOR's membership database and customer relationship module.

$ Office events, Jibrin, consulting (69). Reduced in FY22, and primarily includes $1500 of the total $1692 for Clearview Fiduciary for investment advice and analysis.

$ Dues, etc. (70) Membership and support of National Humanities Alliances, American Council of Learned Societies, etc. ACLS dues were lowered by 50% in FY22.

$ Travel. (71) Greatly reduced in FY22 (short-term reduction).

$ Legal Services (72) In-kind legal expense

$ Other in-kind (73)

$ Development. (74) Includes development expenses and bank charges on gitfs.