

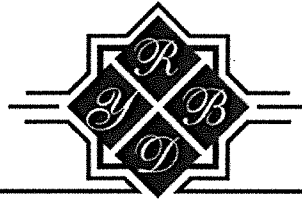
ORAL HISTORY ASSOCIATION

FINANCIAL STATEMENTS

DECEMBER 31, 2015

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RHODES, YOUNG, BLACK & DUNCAN
ACCOUNTANTS AND CONSULTANTS

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Oral History Association
Atlanta, GA 30303

We have reviewed the accompanying financial statements of Oral History Association (a nonprofit organization), which comprise the statement of financial position as of December 31, 2015, and the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

MEMBERS
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Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Supplemental Information

Our review was made primarily for the purpose of expressing a conclusion that there are no material modifications that should be made to the financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. The supplementary information including in the accompanying schedule of functional expenses is presented only for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we did not become aware of any material modifications that should be made to such information.

July 14, 2016

Rhodes, Young, Black + Duncan

**ORAL HISTORY ASSOCIATION
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2015**

ASSETS

Current Assets	
Cash	\$ 150,590
Accounts receivable	20,423
Prepaid expenses	<u>1,837</u>
Total Current Assets	<u>172,850</u>
Noncurrent Assets	
Investments	<u>380,964</u>
Total Assets	<u><u>\$ 553,814</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts payable	\$ 6,631
Unearned revenue	<u>50,054</u>
Total Current Liabilities	<u>56,685</u>
Net Assets	
Unrestricted	<u>497,129</u>
Total Net Assets	<u>497,129</u>
Total Liabilities and Net Assets	<u><u>\$ 553,814</u></u>

See independent accountants' review report and accompanying notes.

**ORAL HISTORY ASSOCIATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Unrestricted Net Assets	
Unrestricted Revenue and Support	
Publications	\$ 114,437
Membership dues	45,761
Annual meeting	78,440
Contributions	8,303
Workshops	11,028
In-kind income	100,454
Net realized and unrealized income	2,674
Total unrestricted revenue and support	<u>361,097</u>
Expenses	
Program services	252,159
Supporting services	
Fundraising	20,033
Management and general	84,881
Total expenses	<u>357,073</u>
Increase in unrestricted net assets	<u>4,024</u>
Net assets at the beginning of the year	<u>493,105</u>
Net assets at end of year	<u><u>\$ 497,129</u></u>

See independent accountants' review report and accompanying notes.

**ORAL HISTORY ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2015**

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Increase in unrestricted net assets	\$ 4,024
Adjustments to reconcile increase in net assets to net cash provided (used) by operating activities:	
Net realized and unrealized gain on investments	(2,597)
Changes in current assets and liabilities:	
Accounts receivable	31,953
Accounts payable	(27,970)
Unearned revenue	3,099
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>8,509</u>
 <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Proceeds from redemption of investments	16,863
Purchase of investments	<u>(21,098)</u>
NET CASH USED BY INVESTING ACTIVITIES	<u>(4,235)</u>
NET INCREASE IN CASH	4,274
CASH AT THE BEGINNING OF THE YEAR	<u>146,316</u>
CASH AT END OF YEAR	<u><u>\$ 150,590</u></u>

See independent accountants' review report and accompanying notes.

**ORAL HISTORY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 1. Nature of Operations and Summary of Significant Accounting Policies:

Description of Organization:

Oral History Association ("the Organization") is a 501(c)(3) organization incorporated in the state of New York. The Organization is a membership organization that provides a means for effective cooperation among people concerned with documenting and preserving oral history. The Organization engages with policy makers, educators, and others to help foster best practices and encourages support for oral history and oral historians and publishes a journal as well as newsletters and pamphlets.

Basis of Accounting:

The financial statements of the Organization have been prepared under U.S. generally accepted accounting principles.

Use of Estimates:

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, the reported revenues and expenses. Actual results could differ from those estimates.

Unearned Revenue:

Membership income is deferred and recognized over the period to which the related income relates. Lifetime memberships are recognized over a period of 20 years.

Accounts Receivable:

Accounts receivable represent amounts that have been billed but not collected as of the date of the financial statements. All accounts receivable represent amounts owed by the Organization's publisher under a publishing agreement. Accounts receivable are stated at the amount management expects to be collected from the outstanding balance. As of December 31, 2015, management has determined that, based on historical experience, all amounts are fully collectible and no allowance for doubtful accounts is necessary.

Revenues and contributions:

Revenue associated with membership is recognized when earned. Program revenue is recognized when the associated services are earned. Contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period received. Contributions are considered to be unrestricted unless specifically restricted by the donor. The Organization reports contributions in the temporarily or permanently restricted net asset class if they are received with donor stipulations as to their use. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are released and reclassified to unrestricted net assets in the statement of revenues, expenses and changes in net assets.

See independent accountants' review report.

**ORAL HISTORY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 1. Nature of Operations and Summary of Significant Accounting Policies (continued):

Expense Allocation:

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

Investments:

The Organization carries investments in marketable securities with readily determinable fair values at their fair values in the statement of financial position. Realized and unrealized gains and losses are included in the change in net assets in the accompanying statement of activities.

Fair Value:

The Organization complies with FASB ASC 820 Fair Value Measurements and Disclosures (ASC 820), which provides a framework for measuring fair value. The guidance defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The guidance requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs.

Valuation inputs used to determine fair value are arranged in a hierarchy that categorizes the inputs into three broad levels, which are as follows:

Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 inputs are directly or indirectly observable valuation inputs for the asset or liability, excluding Level 1 inputs.

Level 3 inputs are unobservable inputs for the asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

The Organization's investments in available for sale securities are valued using Level 1 inputs and are based on unadjusted quoted market prices within active markets. As of December 31, 2015 the Organization has no Level 2 or Level 3 investments and there were no transfers between the levels.

**ORAL HISTORY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 1. Nature of Operations and Summary of Significant Accounting Policies (continued):

Net Assets:

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to any donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed restrictions on their use that may be met either by actions of the Organization or the passage of time. As of December 31, 2015, there were no temporarily restricted net assets.

Permanently restricted net assets – Net assets subject to donor-imposed or other legal restrictions requiring the principal be maintained permanently by the Organization. As of December 31, 2015, there were no permanently restricted net assets.

Board-designated Endowment:

As of December 31, 2015, the Board of Trustees had designated \$380,964 of unrestricted net assets as a general endowment fund to support the mission of the Organization. This amount is classified as “Investments” on the accompanying statement of financial position. Since that amount resulted from an internal designation and is not donor-restricted, it is classified and reported as unrestricted net assets.

The Organization has a spending policy of appropriating for distribution each year 5% of its board-designated endowment fund's average fair value of the prior 12 quarters through the calendar year-end preceding the fiscal year in which the distribution is planned. In establishing this policy, the Organization considered the long-term expected investment return on its endowment. Accordingly, over the long term, the Organization expects the current spending policy to allow its general endowment fund to grow at an average of 5% annually. This is consistent with the Organization's objective to maintain the purchasing power of the endowment assets as well as to provide additional real growth through investment return.

To achieve that objective, the Organization has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and debt securities, that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 5%, while growing the fund. Accordingly, the Organization expects its endowment assets, over time, to produce an average rate of return of approximately 8% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

**ORAL HISTORY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 1. Nature of Operations and Summary of Significant Accounting Policies (continued):

Composition of and changes in endowment net assets for the year ended December 31, 2015 were as follows:

Board-designated endowment net assets, beginning of year	\$ 374,132
Contributions	8,303
Lifetime memberships	12,795
Investment income	4,674
Net depreciation in investments	(2,077)
Amounts appropriated for expenditure	<u>(16,863)</u>
Board-designated endowment net assets, end of year	<u><u>\$ 380,964</u></u>

Tax Status:

The Organization has received a letter effective June 1968, from the Internal Revenue Service stating that the Organization has been recognized as exempt from Federal Income Taxes under Section 501(c)(3) of the Internal Revenue Code and that the Organization is an organization of the type described in Section 509(a)(2) of the Internal Revenue Code and is not a private foundation. It is similarly recognized as tax exempt in the State of Georgia. Therefore, no income tax provision has been included in the financial statements.

The Organization applies the guidance on accounting for uncertain tax positions in FASB ASC 740 Income Taxes (“FASB AS 740”). There were no unrecognized tax benefits or related liabilities at December 31, 2015.

The Organization is no longer subject to income tax examinations for calendar years up to and including 2012.

Note 2. Memorandum of Understanding:

The Organization operates under a memorandum of understanding as amended (“MOU”) with Georgia State University (“University”) whereby University provides office space and furnishings, computer equipment and software, necessary office equipment and salaries for the executive director and a program associate. Under the MOU the Organization pays an annual fee to the University to offset a portion of these costs with the remainder of the costs incurred by the University being contributed as an in-kind donation. For the year ended December 31, 2015 the annual fee was \$36,639.

The fair value of donated salaries associated with the MOU was \$60,134 and the fair value of donated rent was \$40,320 for the year ended December 31, 2015 and the Organization recorded in-kind revenue, salary expense and rent expense for the year ended December 31, 2015. The MOU became effective January 1, 2013 and has an initial term of five years ending December 31, 2017. Annual fees under the MOU are \$45,000 per year for 2016 and 2017.

**ORAL HISTORY ASSOCIATION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Note 3. Investments:

Investments are carried at fair value, and realized and unrealized gains and losses are reflected in the statement of activities and changes in net assets. The investments have been valued using Level 1 inputs, which are based on unadjusted quoted market prices within active markets.

The investment portfolio consisted of the following at December 31, 2015:

Cash, Money Market and Treasury Funds

Vanguard Prime Money Market Fund	\$ 154,395
Total Cash, Money Market and Treasury Funds	<u>154,395</u>

Mutual Funds

Vanguard 500 Index Fund	226,569
Total Mutual Funds	<u>226,569</u>

Total	<u><u>\$ 380,964</u></u>
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Investment activities for the year ended December 31, 2015 are as follows:

Investments, beginning of year	\$ 374,132
Purchase of investments	21,098
Sales of investments	(16,863)
Dividends reinvested	4,674
Realized and unrealized losses	<u>(2,077)</u>
Investments, end of year	<u><u>\$ 380,964</u></u>

Note 4. Subsequent Events

Management has evaluated through July 14, 2016, the date the financial statements were available to be issued.

SUPPLEMENTAL INFORMATION

**ORAL HISTORY ASSOCIATION
SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015**

	Program Services	Support Services		Total
		Management and General	Fundraising	
<u>Expenses</u>				
Advertising	\$ 5,018	\$ -	\$ 5,018	\$ 10,036
Annual meeting	64,059	-	-	64,059
Bank charges	3,246	1,249	499	4,994
Council meetings	9,661	-	-	9,661
Dues and subscriptions	2,140	-	-	2,140
Events	622	-	-	622
Insurance	171	213	43	427
Office expense	-	1,197	-	1,197
Professional fees	-	1,990	-	1,990
Publications	100,203	-	-	100,203
Rent expense	16,128	20,160	4,032	40,320
Royalties	415	-	-	415
Scholarships	9,590	-	-	9,590
Technology	3,919	1,508	603	6,030
Telephone	423	-	47	470
Travel	1,134	-	114	1,248
Workshops	6,398	-	-	6,398
Salaries	29,032	58,564	9,677	97,273
Total expenses	<u>\$ 252,159</u>	<u>\$ 84,881</u>	<u>\$ 20,033</u>	<u>\$ 357,073</u>

See independent accountants' review report.