ROGERS & COMPANY

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October 14, 2024

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

REQUIRED COMMUNICATIONS (Governance)

We have audited the financial statements of Association for Information Science & Technology (ASIS&T) as of and for the year ended June 30, 2024, and we will issue our report thereon dated October 10, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated June 7, 2024, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involves judgment about the number of transactions to be examined and the areas to be tested.

Our audit included obtaining an understanding of ASIS&T and its environment, including the system of internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of the audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to ASIS&T or to acts by management or employees acting on behalf of ASIS&T. We typically communicate significant findings at the audit's conclusion, though some issues may warrant earlier communication, especially if they pose significant challenges requiring assistance or could lead to a modified opinion.

Our Responsibility in Relation to the Financial Statement Audit (continued)

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Any internal control related matters required by professional standards are communicated in the Consideration of Internal Control (Management Letter) section of this letter.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, along with other relevant members of our firm, has complied with all relevant ethical requirements regarding independence. We have applied safeguards related to the tax services, financial statement preparation services, and any other nonattest services we provided including, but not limited to, an assessment of management's skill, knowledge, and experience.

Significant Risks Identified

Professional standards require that we, as auditors, identify significant risks that impact the audit based upon the nature of the organization and design our audit procedures to adequately address those risks. As part of the audit process, we have identified the following significant risks, which are being communicated solely to comply with auditing standards and do not represent any specific findings and/or concerns related to the audit:

- Override of internal controls by management

- Improper revenue recognition due to fraud

Our audit was designed to adequately address the above risks, and no issues were noted that impacted our ability to render an opinion on the financial statements.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by ASIS&T are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2024, other than Accounting Standards Update 2016-13, *Financial Instruments – Credit Losses*. We noted no transactions entered into by ASIS&T during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Qualitative Aspects of the Entity's Significant Accounting Practices (continued)

Significant Accounting Policies (continued)

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimates of the allocation of expenses on a functional basis and allowance for doubtful grants and contributions receivable. We evaluated the methods, assumptions, and data used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosure of liquidity and availability in Note 3 to the financial statements and the disclosure of commitments and contingencies in Note 9 to the financial statements.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known *uncorrected* misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no uncorrected misstatements noted during our audit.

In addition, professional standards require us to accumulate all significant, *corrected* misstatements identified during the audit and communicate them to the appropriate level of management. There were no such misstatements noted during the audit.

Qualitative Aspects of the Entity's Significant Accounting Practices (continued)

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 10, 2024. This is a standard letter we are required to obtain prior to issuing our report on the financial statements. A copy of that letter has been retained by management and made available for review by the governing body.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to ASIS&T's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as ASIS&T's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

CONSIDERATION OF INTERNAL CONTROL (Management Letter)

In planning and performing our audit of the financial statements of ASIS&T as of and for the year ended June 30, 2024, in accordance with auditing standards generally accepted in the United States of America, we considered ASIS&T's system of internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of ASIS&T's internal control. Accordingly, we do not express an opinion on the effectiveness of ASIS&T's internal control.

CONSIDERATION OF INTERNAL CONTROL (Management Letter) (continued)

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of ASIS&T's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

SUMMARY

This information is intended solely for the use of the Board of Directors and Management of ASIS&T and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Rogers + Company PLLC

ROGERS & COMPANY PLLC

Association for Information Science & Technology

Financial Statements
and Independent Auditor's Report

June 30, 2024 and 2023

Association for Information Science & Technology

Financial Statements
June 30, 2024 and 2023

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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 statements of financial position as of June 30, 2024 and 2023; the related statements of activities, functional expenses, and cash flows for the years 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, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 audits. 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.

Rogers + Company PLLC

Vienna, Virginia
October 10, 2024

Association for Information Science & Technology

Statements of Financial Position
June 30, 2024 and 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 232,915	$ 170,980
Investments	2,280,299	2,256,650
Accounts receivable	9,434	-
Contributions receivable	-	3,000
Prepaid expenses	70,163	93,312
Property and equipment, net	614	-
Deposits	-	7,003
Total assets	$ 2,593,425	$ 2,530,945
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	$ 66,862	$ 89,503
Deferred revenue	147,890	134,449
Total liabilities	214,752	223,952
Net Assets		
Without donor restrictions:		
Undesignated	2,158,787	2,115,394
Board-designated	218,822	190,535
Total without donor restrictions	2,377,609	2,305,929
With donor restrictions	1,064	1,064
Total net assets	2,378,673	2,306,993
Total liabilities and net assets	$ 2,593,425	$ 2,530,945

Association for Information Science & Technology

Statement of Activities
For the Year Ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Publication royalties	$ 605,240	$ -	$ 605,240
Conferences and meetings	375,140	-	375,140
Membership dues	156,117	-	156,117
Interest and dividends	77,772	-	77,772
Grants and contributions	72,671	-	72,671
Sponsorships	33,220	-	33,220
Other revenue	14,175	-	14,175
Total revenue and support	1,334,335	-	1,334,335
Expenses			
Program services:			
Membership services	144,488	-	144,488
Conferences and meetings	503,434	-	503,434
Publications	193,052	-	193,052
DCMI Program	69,082	-	69,082
Chapters and Special Interest Groups	16,453	-	16,453
General programs	81,261	-	81,261
Awards (ASIS&T)	12,717	-	12,717
Strategic Initiatives	31	-	31
Total program services	1,020,518	-	1,020,518
Supporting services:			
Management and general	388,091	-	388,091
Total supporting services	388,091	-	388,091
Total expenses	1,408,609	-	1,408,609
Change in Net Assets Before Other Items	(74,274)	-	(74,274)
Other Items			
Unrealized and realized gain on investments	157,008	-	157,008
Investment fees	(11,054)	-	(11,054)
Total other items	145,954	-	145,954
Change in Net Assets	71,680	-	71,680
Net Assets, beginning of year	2,305,929	1,064	2,306,993
Net Assets, end of year	$ 2,377,609	$ 1,064	$ 2,378,673

Association for Information Science & Technology

Statement of Activities
For the Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Publication royalties	$ 632,945	$ -	$ 632,945
Conferences and meetings	249,664	-	249,664
Membership dues	149,525	-	149,525
Interest and dividends	66,432	-	66,432
Grants and contributions	70,759	-	70,759
Sponsorships	46,800	-	46,800
Other revenue	37,811	-	37,811
Total revenue and support	1,253,936	-	1,253,936
Expenses			
Program services:			
Membership services	173,960	-	173,960
Conferences and meetings	460,247	-	460,247
Publications	216,422	-	216,422
DCMI Program	72,320	-	72,320
Chapters and Special Interest Groups	13,862	-	13,862
General programs	95,947	-	95,947
Awards (ASIS&T)	10,248	-	10,248
Strategic Initiatives	274	-	274
Total program services	1,043,280	-	1,043,280
Supporting services:			
Management and general	303,037	-	303,037
Total supporting services	303,037	-	303,037
Total expenses	1,346,317	-	1,346,317
Change in Net Assets Before Other Items	(92,381)	-	(92,381)
Other Items			
Unrealized and realized gain on investments	81,386	-	81,386
Investment fees	(10,176)	-	(10,176)
Total other items	71,210	-	71,210
Change in Net Assets	(21,171)	-	(21,171)
Net Assets, beginning of year	2,327,100	1,064	2,328,164
Net Assets, end of year	$ 2,305,929	$ 1,064	$ 2,306,993

Association for Information Science & Technology

Statement of Functional Expenses
For the Year Ended June 30, 2024

	Program Services									Supporting Services	
	Membership Services	Conferences and Meetings	Publications	DCMI Program	Chapters and Special Interest Groups	General Programs	Awards (ASIST)	Strategic Initiatives	Total Program Services	Management and General	Total Expenses
Personnel costs	$ 122,668	$ 170,351	$ 104,697	$ 10,132	$ -	$ 79,727	$ -	$ -	$ 487,575	$ 214,068	$ 701,643
Professional services	-	81,391	73,150	48,223	3,572	-	-	-	206,336	10,907	217,243
Accounting and audit fees	-	-	-	-	-	-	-	-	-	39,388	39,388
Payroll service fees	-	-	-	-	-	-	-	-	-	2,731	2,731
Equipment	18	18	11	4	-	7	-	-	58	15	73
Insurance	2,824	2,824	1,694	565	-	1,130	-	-	9,037	1,016	10,053
Office expenses	1,146	12,774	905	2,210	-	397	-	-	17,432	32,564	49,996
Occupancy	12,545	-	12,545	-	-	-	-	-	25,090	25,091	50,181
Travel	-	164,912	-	6,530	-	-	-	-	171,442	38,806	210,248
Venue expenses	-	59,976	-	-	-	-	-	-	59,976	-	59,976
Awards and honoraria	898	123	-	-	12,668	-	12,694	-	26,383	159	26,542
Training and education	-	-	-	-	-	-	-	-	-	3,115	3,115
Dues and subscriptions	-	-	-	-	-	-	-	-	-	720	720
Bank charges	4,312	10,988	4	1,403	213	-	23	-	16,943	1,338	18,281
Depreciation and amortization	77	77	46	15	-	-	-	31	246	61	307
Miscellaneous	-	-	-	-	-	-	-	-	-	18,112	18,112
Total Expenses	$ 144,488	$ 503,434	$ 193,052	$ 69,082	$ 16,453	$ 81,261	$ 12,717	$ 31	$ 1,020,518	$ 388,091	$ 1,408,609

See accompanying notes.

Association for Information Science & Technology

Statement of Functional Expenses
For the Year Ended June 30, 2023

	Program Services									Supporting Services	
	Membership Services	Conferences and Meetings	Publications	DCMI Program	Chapters and Special Interest Groups	General Programs	Awards (ASIST)	Strategic Initiatives	Total Program Services	Management and General	Total Expenses
Personnel costs	$ 146,207	$ 215,757	$ 131,444	$ 14,185	$ -	$ 70,905	$ -	$ -	$ 578,498	$ 113,938	$ 692,436
Professional services	461	71,711	73,060	46,664	2,324	24,000	-	-	218,220	19,861	238,081
Accounting and audit fees	-	-	-	-	-	-	-	-	-	36,093	36,093
Payroll service fees	-	-	-	-	-	-	-	-	-	2,644	2,644
Equipment	1,002	1,002	501	250	-	250	-	-	3,005	2,004	5,009
Insurance	2,120	2,120	1,060	530	1,019	530	-	-	7,379	4,239	11,618
Office expenses	1,096	15,145	1,499	1,368	-	262	17	-	19,387	29,539	48,926
Occupancy	16,429	16,429	8,215	8,215	-	-	-	-	49,288	32,858	82,146
Travel	-	127,700	-	-	388	-	-	-	128,088	39,872	167,960
Awards and honoraria	300	2,549	-	-	9,526	-	10,214	-	22,589	227	22,816
Special projects	-	-	-	-	450	-	-	-	450	-	450
Training and education	-	-	-	-	-	-	-	-	-	5,456	5,456
Dues and subscriptions	-	-	76	-	-	-	-	-	76	2,458	2,534
Bank charges	5,249	6,738	19	834	155	-	17	-	13,012	2,021	15,033
Depreciation and amortization	1,096	1,096	548	274	-	-	-	274	3,288	2,191	5,479
Miscellaneous	-	-	-	-	-	-	-	-	-	9,636	9,636
Total Expenses	$ 173,960	$ 460,247	$ 216,422	$ 72,320	$ 13,862	$ 95,947	$ 10,248	$ 274	$ 1,043,280	$ 303,037	$ 1,346,317

Association for Information Science & Technology

Statements of Cash Flows
For the Years Ended June 30, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities		
Change in net assets	$ 71,680	$ (21,171)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Unrealized and realized gain on investments	(145,954)	(81,386)
Depreciation and amortization	307	5,479
Change in operating assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(9,434)	7,916
Contributions receivable	3,000	3,000
Prepaid expenses	23,149	(38,855)
Deposits	7,003	-
(Decrease) increase in:		
Accounts payable and accrued expenses	(22,641)	30,726
Deferred revenue	13,441	(8,260)
Net cash used in operating activities	(59,449)	(102,551)
Cash Flows from Investing Activities		
Purchases of property and equipment	(921)	-
Purchases of investments	(505,839)	(416,061)
Proceeds from sales and maturities of investments	628,144	359,947
Net cash provided by (used in) investing activities	121,384	(56,114)
Net Increase (Decrease) in Cash and Cash Equivalents	61,935	(158,665)
Cash and Cash Equivalents, beginning of year	170,980	329,645
Cash and Cash Equivalents, end of year	$ 232,915	$ 170,980

Association for Information Science & Technology

Notes to Financial Statements
June 30, 2024 and 2023

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.

Conferences 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. Management fees received from ASIS&T's arrangement to manage DCMI's operations totaled $12,000 for both years ended June 30, 2024 and 2023, and are included in other revenue in the accompanying statements of activities.

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

<u>Basis of Accounting and Presentation</u>

ASIS&T's financial statements and footnotes are prepared in accordance with generally accepted accounting principles in the United States of America (GAAP). 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 revenue in the accompanying statements of activities. Realized and unrealized gains, along with investment fees, are reported as other items 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.

Accounts Receivable

All accounts receivable are due within one year, and are recorded at net realizable value. Accounts receivable primarily consist of revenue from contracts with customers which have initial terms of one year or less. Accounts receivable represents affiliate fees, university affiliation fees, independent external monitoring fees, and other fees that are owed to ASIS&T. All the amounts are carried at original invoice amounts less an allowance for credit losses. The allowance for credit losses is based upon historical write-offs in combination with current economic conditions and a forecast of future economic conditions.

2. Summary of Significant Accounting Policies (continued)

Accounts Receivable (continued)

Any change in the assumptions used in analyzing a specific account receivable might result in an additional allowance for credit losses being recognized in the period in which the change occurs. However, ASIS&T has historically had insignificant write-offs due to bad debts. Management has determined that accounts receivable are fully collectible, and has not recorded an allowance for doubtful accounts as of June 30, 2024 and 2023.

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, 2024 and 2023, all amounts are deemed to be fully collectible, and no allowance is deemed necessary.

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.

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Revenue Accounted for as Contracts with Customers (continued)

Publication royalties consist of revenue earned through contract for the publication, distribution, and storage of its journal and is recognized ratably over the applicable period. At June 30, 2024 and 2023, deferred revenue related to publication revenue totaled $0 and $2,250, respectively, and is 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, 2024 and 2023, deferred revenue related to conferences and meetings totaled $22,788 and $33,740, respectively, and is included in deferred revenue in the accompanying statements of financial position.

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. All membership benefits are received and consumed simultaneously during the membership period. 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, 2024 and 2023, deferred membership dues totaled $101,052 and $93,059, respectively, and are included in deferred revenue in the accompanying statements of financial position.

Prices for the revenue streams noted above are specific to distinct performance obligations and do not consist of multiple transactions. They do not include significant financing components as the performance obligations are typically satisfied within a year of receipt of payment. ASIS&T did not have any impairment or credit losses on any receivables or contract assets arising from contracts with customers. Accounts receivable and deferred revenue at July 1, 2022 totaled $9,434 and $147,890, respectively.

2. Summary of Significant Accounting Policies (continued)

Revenue Recognition (continued)

Revenue Accounted for in Accordance with Contribution Accounting

Grants and contributions that are unconditional and nonreciprocal are recognized as revenue when cash, securities, or other assets; an unconditional promise to give; or an unconditional notification of a beneficial interest is received.

Conditional contributions contain a donor-imposed 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 when donor-imposed barriers are substantially met. ASIS&T reports conditional contributions that have a donor-imposed restriction that is satisfied as the barrier is overcome as increases in net assets without donor restrictions.

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, 2024 and 2023, deferred revenue related to sponsorships totaled $24,050 and $5,400, 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 $0 and $795 for the years ended June 30, 2024 and 2023, respectively.

Use of Estimates

The preparation of financial statements in conformity with GAAP 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)

Reclassifications

Certain amounts in the 2023 financial statements have been reclassified to conform to the 2024 presentation. These reclassifications have no effect on the net assets or change in net assets.

Adopted Accounting Pronouncement

In 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses* (Topic 326), *Measurement of Credit Losses on Financial Instruments.* This ASU addresses measurement and reporting of credit losses related to accounts receivable, notes receivable, leases receivable, and held-to-maturity debt securities. The ASU mandates the current expected credit loss model, which measures and reports expected losses over the contractual life of an asset. The measurement of expected life credit losses will be based on relevant information, not just past events (including historical experience and current conditions), but also the "reasonable and supportable" forecasts that affect collectability of the reported amount. This guidance is effective for ASIS&T for the year ended June 30, 2024. ASIS&T adopted the standard using a modified retrospective approach, which did not affect ASIS&T's opening balance of net assets. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

Subsequent Events

In preparing these financial statements, ASIS&T has evaluated events and transactions for potential recognition or disclosure through October 10, 2024, 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. Although ASIS&T does not intend to spend from its Board-designated reserves, 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:

	2024	2023
Cash and cash equivalents	$ 232,915	$ 170,980
Investments	2,280,299	2,256,650
Accounts receivable	9,434	-
Contributions receivable	-	3,000
Less: Board-designated net assets	(218,822)	(190,535)
Less: net assets with donor restrictions	(1,064)	(1,064)
Total available for general expenditures	$ 2,302,762	$ 2,239,031

4. Concentration 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 (ASC) 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 investments. Additionally, ASIS&T invests in corporate bonds and government agency securities, which are valued based on quoted prices for instruments that are identical or similar in markets that are not active and for which all significant inputs are observable, either directly or indirectly, in active markets. As such, these assets are classified as Level 2.

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

	Level 1	Level 2	Level 3	Total
2024:				
Money market funds	$ 271,974	$ -	$ -	$ 271,974
Equities	354,986	-	-	354,986
Equity and fixed income mutual and exchange-traded funds	956,281	-	-	956,281
Corporate bonds	-	670,549	-	670,549
Government agency securities	-	26,509	-	26,509
Total investments	$ 1,583,241	$ 697,058	$ -	$ 2,280,299
2023:				
Money market funds	$ 407,172	$ -	$ -	$ 407,172
Equities	352,665	-	-	352,665
Equity and fixed income mutual and exchange-traded funds	942,135	-	-	942,135
Corporate bonds	-	528,535	-	528,535
Government agency securities	-	26,143	-	26,143
Total investments	$ 1,701,972	$ 554,678	$ -	$ 2,256,650

5. Investments and Fair Value Measurements (continued)

Net investment return consists of the following for the years ended June 30:

	2024	2023
Interest and dividends	$ 77,772	$ 66,432
Unrealized and realized gain	157,008	81,386
Less: investment fees	(11,054)	(10,176)
Total investment return, net	$ 223,726	$ 137,642

6. Property and Equipment

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

	2024	2023
Computers and office equipment	$ 150,141	$ 149,220
Furniture and fixtures	17,512	17,512
Website	36,731	36,731
Total property and equipment	204,384	203,463
Less: accumulated depreciation and amortization	(203,770)	(203,463)
Property and equipment, net	$ 614	$ -

7. Board-Designated Net Assets

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

	2024	2023
Lois Lunin Fund	$ 174,268	$ 147,900
Bob Williams History Fund	26,064	26,577
Info Share Fund	11,585	8,898
Scholarship Fund	6,905	7,160
Total Board-designated net assets	$ 218,822	$ 190,535

8. Net Assets With Donor Restrictions

Net assets with donor restrictions were all restricted for the Heritage Fund program at both June 30, 2024 and 2023 in the amount of $1,064.

9. Commitments and Contingencies

Operating Leases

ASIS&T previously entered into an operating lease agreement to rent office space for its operations that expired January 31, 2024. The lease called for fixed monthly payments during the term of the lease. The lease was not renewed upon expiration. Occupancy expense totaled $50,181 and $82,146 for the years ended June 30, 2024 and 2023, respectively.

ASIS&T also leased office equipment under an operating lease, which commenced on March 29, 2018 and expired on March 29, 2023. The lease called for fixed monthly payments during the term of the lease. The lease was not renewed upon expiration.

In February 2016, the FASB issued ASU 2016-02, ASC 842, *Leases.* The leases are not considered a long-term lease. Adoption of ASC 842 is not applicable to the leases.

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.

10. 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 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.

11. 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 $24,121 and $21,916 to the plan during the years ended June 30, 2024 and 2023, 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 $2,122 and $3,333 to the plan during the years ended June 30, 2024 and 2023, respectively.

12. 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. ASIS&T has been determined to not be a private foundation. Management evaluated ASIS&T's tax positions and concluded that ASIS&T's financial statements do not include any uncertain tax positions.