

**THE SUSAN B. ANTHONY HOUSE  
D/B/A NATIONAL SUSAN B. ANTHONY  
MUSEUM & HOUSE**

**FINANCIAL STATEMENTS**

**MAY 31, 2022**

**THE SUSAN B. ANTHONY HOUSE  
D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE**

**TABLE OF CONTENTS**

---

<b><u>AUDITED FINANCIAL STATEMENTS</u></b>	<b><u>PAGE</u></b>
INDEPENDENT AUDITORS' REPORT	1 - 2
STATEMENTS OF FINANCIAL POSITION	3
STATEMENT OF ACTIVITIES (WITH COMPARATIVE TOTALS FOR 2021)	4
STATEMENT OF FUNCTIONAL EXPENSES (WITH COMPARATIVE TOTALS FOR 2021)	5
STATEMENTS OF CASH FLOWS	6
NOTES TO FINANCIAL STATEMENTS	7 - 18

## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees  
The Susan B. Anthony House  
d/b/a National Susan B. Anthony Museum & House  
Rochester, New York

### Opinion

We have audited the accompanying financial statements of The Susan B. Anthony House d/b/a National Susan B. Anthony Museum & House (a nonprofit organization), which comprise the statements of financial position as of May 31, 2022, and the related statements of activities, cash flows and functional expenses for the year 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 The Susan B. Anthony House d/b/a National Susan B. Anthony Museum & House as of May 31, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit 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 The Susan B. Anthony House d/b/a National Susan B. Anthony Museum & House and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. 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 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.

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 The Susan B. Anthony House d/b/a National Susan B. Anthony Museum & House'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 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 The Susan B. Anthony House d/b/a National Susan B. Anthony Museum & House'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 The Susan B. Anthony House d/b/a National Susan B. Anthony Museum & House's ability to continue as a going concern for a reasonable period of time.

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.

### **Report on Summarized Comparative Information**

The financial statements of The Susan B. Anthony House d/b/a National Susan B. Anthony Museum & House's financial statements as of and for the year ended May 31, 2021, were audited by other auditors whose report dated July 7, 2022, expressed an unmodified opinion on those audited statements.

*EFPR Group, CPAs, PLLC*

EFPR Group, CPAs, PLLC  
Rochester, New York  
June 7, 2023

**THE SUSAN B. ANTHONY HOUSE**  
**D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE**  
**Statements of Financial Position**  
**May 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,593,329	\$ 925,382
Restricted cash	-	55,056
Accounts receivable	160,707	65,149
Current portion of contributions receivable	294,527	381,076
Inventory	23,762	30,041
Other assets	12,079	9,253
Total current assets	2,084,404	1,465,957
<b>Property and Equipment</b>		
Property and equipment	1,209,132	1,111,589
Less accumulated depreciation	(705,123)	(676,736)
Property and equipment - net	504,009	434,853
<b>Other Assets</b>		
Beneficial interest in assets held by community foundation	443,804	446,053
Contributions receivable - net	42,305	44,405
Total other assets	486,109	490,458
<b>Total Assets</b>	<b>\$ 3,074,522</b>	<b>\$ 2,391,268</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 53,312	\$ 6,588
Current portion of note payable	23,839	22,474
Accrued expenses	40,094	18,909
Deferred grant revenue	-	87,339
Total current liabilities	117,245	135,310
<b>Note Payable - Net of Current Portion</b>	16,605	40,448
<b>Total Liabilities</b>	133,850	175,758
<b>Net Assets</b>		
Without donor restrictions	737,110	642,051
With donor restrictions	2,203,562	1,573,459
Total net assets	2,940,672	2,215,510
<b>Total Liabilities and Net Assets</b>	<b>\$ 3,074,522</b>	<b>\$ 2,391,268</b>

The accompanying notes are an integral part of these financial statements.

THE SUSAN B. ANTHONY HOUSE  
D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE  
Statement of Activities  
For the Year Ended May 31, 2022  
(With Comparative Totals for the Year Ended May 31, 2021)

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>Total 2022</u>	<u>Total 2021</u>
<b>Support and Revenue</b>				
Support				
Donations	\$ 494,829	\$ 920,424	\$ 1,415,253	\$ 1,147,387
Donations - Corporate	33,494	-	33,494	666
Membership	89,904	-	89,904	92,957
Government grants	196,839	-	196,839	166,400
Non-government grants	22,000	-	22,000	17,500
In-kind donations	27,500	-	27,500	17,550
Total support	<u>864,566</u>	<u>920,424</u>	<u>1,784,990</u>	<u>1,442,460</u>
Revenue				
Special events	140,937	-	140,937	197,102
Program	18,401	-	18,401	19,951
Admissions	56,403	-	56,403	29,655
Museum shop sales	56,955	-	56,955	47,246
Other income	104,865	-	104,865	4,223
Interest and dividends	1,142	-	1,142	1,266
Net assets released from restriction	232,821	(232,821)	-	-
Total revenue	<u>611,524</u>	<u>(232,821)</u>	<u>378,703</u>	<u>299,443</u>
<b>Total Support and Revenue</b>	<u>1,476,090</u>	<u>687,603</u>	<u>2,163,693</u>	<u>1,741,903</u>
<b>Expenses</b>				
Program	1,020,860	-	1,020,860	421,526
General and administrative	126,676	-	126,676	136,239
Fundraising	233,495	-	233,495	254,869
<b>Total Expenses</b>	<u>1,381,031</u>	<u>-</u>	<u>1,381,031</u>	<u>812,634</u>
<b>Change in Net Assets Before Other Item</b>	95,059	687,603	782,662	929,269
<b>Other Item</b>				
Change in beneficial interest in assets held by community foundation	-	(57,500)	(57,500)	91,155
<b>Change in Net Assets</b>	95,059	630,103	725,162	1,020,424
<b>Net Assets - Beginning</b>	<u>642,051</u>	<u>1,573,459</u>	<u>2,215,510</u>	<u>1,195,086</u>
<b>Net Assets - Ending</b>	<u>\$ 737,110</u>	<u>\$ 2,203,562</u>	<u>\$ 2,940,672</u>	<u>\$ 2,215,510</u>

The accompanying notes are an integral part of these financial statements.

**THE SUSAN B. ANTHONY HOUSE**  
**D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE**  
**Statement of Functional Expenses**  
**For the Year Ended May 31, 2022**  
**(With Comparative Totals for the Year Ended May 31, 2021)**

	<u>Program</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total 2022</u>	<u>Total 2021</u>
Advertising and public relations	\$ 8,741	\$ -	\$ 5,468	\$ 14,209	\$ 6,372
Bank and credit card fees	5,106	3,356	-	8,462	9,750
Campus expansion	393,941	-	100,362	494,303	80,557
Conferences, seminars and meetings	811	1,165	102	2,078	170
Conservation/collection expense	1,886	-	-	1,886	1,270
Depreciation	23,991	4,396	-	28,387	27,852
Development software	7,500	-	7,500	15,000	17,120
Employee benefits	25,682	3,246	8,953	37,881	33,496
Insurance	8,472	3,494	-	11,966	11,912
Interest expense	-	3,120	-	3,120	4,493
Legal and accounting	-	11,567	-	11,567	10,500
Miscellaneous	51,545	4,565	-	56,110	12,153
Museum shop	31,380	-	-	31,380	25,538
Occupancy	18,802	5,575	-	24,377	27,632
Organizational membership fees/dues	4,684	-	-	4,684	3,071
Payroll and payroll taxes	282,725	52,352	107,424	442,501	402,128
Postage	1,772	1,494	989	4,255	2,729
Professional outside services	31,007	18,595	-	49,602	33,190
Printing and publications	4,578	2,393	1,070	8,041	4,966
Program expenses	3,585	-	-	3,585	6,919
Repairs and maintenance	9,479	1,519	-	10,998	10,955
Software as service	15,192	3,269	849	19,310	16,032
Special events	74,757	-	-	74,757	44,642
Supplies	3,425	4,592	-	8,017	5,695
Telephone, internet and internet licenses	11,365	1,978	778	14,121	13,334
Volunteer services	434	-	-	434	158
Total functional expenses	<u>\$1,020,860</u>	<u>\$ 126,676</u>	<u>\$ 233,495</u>	<u>\$1,381,031</u>	<u>\$ 812,634</u>

The accompanying notes are an integral part of these financial statements.

**THE SUSAN B. ANTHONY HOUSE**  
**D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE**  
**Statements of Cash Flows**  
**For the Years Ended May 31, 2022 and 2021**

	<u>2022</u>	<u>2021</u>
<b>Cash Flows from Operating Activities</b>		
Change in net assets	\$ 725,162	\$ 1,020,424
Adjustments		
Depreciation	28,387	27,852
Change in beneficial interest in assets held by community foundation	37,538	(105,359)
Change in assets and liabilities		
Accounts receivable	(95,558)	24,970
Grants receivable	-	7,129
Contributions receivable - net	88,649	(248,895)
Inventory	6,279	(1,411)
Other assets	(2,826)	(562)
Accounts payable	46,724	(1,333)
Accrued expenses	21,185	1,079
Deferred grant revenue	(87,339)	(7,061)
Net cash flows from operating activities	<u>768,201</u>	<u>716,833</u>
<b>Cash Flows from Investing Activities</b>		
Transfer to beneficial interest in assets held by community foundation	(55,253)	(42,944)
Distribution from beneficial interest in assets held by community foundation	19,964	14,203
Sale of investments	-	1,797
Purchase of property and equipment	(97,543)	(5,247)
Net cash flows from investing activities	<u>(132,832)</u>	<u>(32,191)</u>
<b>Cash Flows from Financing Activities</b>		
Repayment on note payable	<u>(22,478)</u>	<u>(21,191)</u>
<b>Net Change in Cash and Cash Equivalents</b>	612,891	663,451
<b>Cash and Cash Equivalents - Beginning</b>	<u>980,438</u>	<u>316,987</u>
<b>Cash and Cash Equivalents - Ending</b>	<u>\$ 1,593,329</u>	<u>\$ 980,438</u>
<b>Reconciliation of Total Cash and Cash Equivalents to the Statement of Financial Position</b>		
Unrestricted cash and cash equivalents	\$ 1,593,329	\$ 925,382
Restricted cash and cash equivalents	-	55,056
Total	<u>\$ 1,593,329</u>	<u>\$ 980,438</u>

The accompanying notes are an integral part of these financial statements.

**THE SUSAN B. ANTHONY HOUSE  
D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE  
Notes to Financial Statements**

---

**Note 1. Summary of Significant Accounting Policies and Nature of the Organization**

**Nature of the Organization** - The Susan B. Anthony House D/B/A National Susan B. Anthony Museum & House (the "Museum"), is a not-for-profit New York Education Corporation that owns and maintains The Susan B. Anthony House located in Rochester, New York. Susan B. Anthony, a pioneer leader for women's rights, lived in this house from 1866-1906. Today the house is a museum with National Landmark status. It contains many photographs, memorabilia, furnishings and furniture of its early, determined occupants. In addition to preserving the home, the Museum is dedicated to promoting national awareness of Susan B. Anthony's historical significance.

**Method of Accounting** - The Museum maintains its books and prepares its financial statements on the accrual basis of accounting.

**Basis of Presentation** - The Museum's financial statements are presented in accordance with the provisions of (ASU) 2016-14, "Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities." The Museum is required to report information regarding its net assets and changes therein in the following categories:

**Net Assets Without Donor Restriction** - Net assets without donor restriction represent net assets that are not subject to donor imposed stipulations and are generally available for support of the Museum's activities. The Board of Directors has discretionary control over these resources to carry out the operations of the Museum in accordance with its by-laws.

**Net Assets With Donor Restrictions** - Net assets with donor restrictions represent net assets that are subject to donor imposed stipulations permitting the Museum to use or expend the donated assets as specified and are satisfied either by the passage of time or by actions of the Museum. Income earned on net assets with donor restrictions is held in the donor restricted net asset group until donor imposed restrictions are met. When a donor restriction is met, donor restricted net assets are reported in the statement of activities as net assets released from restrictions. Contributions received with donor restrictions that are met in the same reporting period are reported as unrestricted support and increase unrestricted net assets.

**Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents and Restricted Cash** - For the purposes of the statements of financial position and the statements of cash flows, cash and cash equivalents include deposits, certificates of deposit and all highly liquid instruments with maturities of three months or less. The Museum maintains cash and cash equivalents at financial institutions which may periodically exceed federally insured limits.

Restricted cash for the endowment in perpetuity as reported in the accompanying statement of financial position for the year ended May 31, 2021 is \$55,056.

**Accounts Receivable and Allowance for Doubtful Accounts** - Accounts receivable are uncollateralized donor and grantor obligations due under normal trade terms. Accounts receivable are stated at the amount management expects to collect from donors and grantors.

The Museum has no accounts accruing interest charges or non-accrual accounts as of May 31, 2022 and 2021. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and a credit to receivables.

**THE SUSAN B. ANTHONY HOUSE  
D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE  
Notes to Financial Statements**

---

The Museum accounts for its receivables at the outstanding principle balance, adjusted for allowance for doubtful accounts, if applicable. The Museum estimates its allowance for doubtful accounts and bad debts based upon management's assessment of the collectability of receivables and prior experience. Management expects to collect all accounts receivables as of May 31, 2022 and 2021, therefore has not established an allowance for doubtful accounts.

**Contributions Receivable** - Contributions receivable represent amounts due to the Museum under the terms of unconditional promises to give. Contributions receivable are recorded at their estimated net present value, based on anticipated cash flow, discounted to reflect the time value of money. Per review of the accounts, management has determined pledges receivable are fully collectible; there was no allowance for uncollectible contributions for the years ended May 31, 2022 and 2021. For the years ended May 31, 2022 and 2021, outstanding contributions receivable were \$336,832 and \$425,481, respectively.

**Inventory** - The inventory consists of gift shop items and is stated at the lower of cost, using the first-out basis or net realizable value.

**Property and Equipment** - Property and equipment are stated at cost if purchased or at fair market value if donated. Major additions and improvements are capitalized by the Museum while expenditures for repairs, maintenance and improvements of a relatively minor nature are expensed. Fixed assets are depreciated over their expected useful lives using the straight-line method. Depreciation lives are as follows:

Buildings and improvements	20 - 40 Years
Furniture and equipment	5 - 10 Years

**Assets Whose Use is Limited** - Assets whose use is limited are comprised of assets set aside for contributions to the endowment not yet received. These contributions receivable amounted to \$4,846 and \$6,046 for the years ended May 31, 2022 and 2021, respectively.

**Beneficial Interest in Assets Held by Community Foundation** - The Museum's investments are held by the Rochester Area Community Foundation. These investments are presented in the financial statements at fair market value as determined by the related professional managers. Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 establishes a framework for measuring fair value in accounting principles generally accepted in the United States and expands disclosures about fair value measurements. The fair value of investments is disclosed in Note 2.

**Endowment** - The Museum's beneficial interest in assets held by RACF and restricted cash comprise the Museum's permanently restricted funds (the "Endowment"). As required by generally accepted accounting principles, net assets associated with funds that are donor-restricted against expenditure on a current basis are classified and reported as endowment funds. The Museum has interpreted the New York Prudent Management of Institutional Funds Act (NYPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Museum classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

**THE SUSAN B. ANTHONY HOUSE**  
**D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE**  
**Notes to Financial Statements**

---

In accordance with NYPMIFA, the Museum considers the following factors in making a determination to appropriate or accumulate endowment funds:

1. The duration and preservation of the Endowment,
2. The purposes of the Museum and the Endowment,
3. General economic conditions,
4. The possible effect of inflation and deflation,
5. The expected total return from income and the appreciation of investments,
6. Other resources of the Museum,
7. Where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the Endowment, giving due consideration to the effect that such alternatives may have on the Museum, and
8. The investment policies of the Museum.

**Contributions, Grants and Pledges** - The Museum accounts for contributions under the provisions of ASC 958-605. In accordance with ASC 958-605, contributions, grants and pledges are recorded as support in the appropriate class of net assets, based on applicable donor restrictions at the time the contribution is received or a non-revocable commitment is made. The Museum reports gifts of cash and other assets as restricted income if they are received with donor stipulations that limit the use of the donated assets.

**Revenue Recognition and Contributions** - On May 1, 2020, the Museum adopted ASU 2014-09, "Revenue from Contracts with Customers", which provides guidance for revenue recognition that superseded the revenue recognition requirements in Accounting Standards Codification (ASC) Topic 605, Revenue Recognition ("Topic 605") and most industry specific guidance. Under ASU 2014-09, revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which the Museum expects to be entitled in exchange for these goods or services. The Museum utilizes a five-step framework as identified in ASU 2014-09. The Museum derives its support mainly from grants and contributions.

Contributions are recorded as revenue when earned. The Museum accounts for contributions in accordance with the recommendations of ASC 958-605. In accordance with ASC 958-605, contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction and reported in the statement of activities as net assets released from restriction.

Funding sources may, at their discretion, amend the grant and contract amounts. In addition, reimbursement for expenses or return of funds, or both, may be requested as a result of noncompliance by the Museum with the terms of the grants and contracts. The Museum records such amendments, reimbursements, and returns of funds as an adjustment to revenue in the year of the amendment.

Program fees are recorded as revenue in the period that services are performed.

Memberships recorded as revenue are received and recorded without donor restrictions. Certain benefits are provided to individuals and their families who pay at membership levels when visiting the Museum and are not bifurcated from the contributory nature of the membership revenue.

Contributions receivable consist of unconditional promises to give and are recorded in the year the promise is made. Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows unless such a discount is deemed to be immaterial.

Conditional promises to give are not included as support until the conditions are substantially met. Contributions and sponsorships for special events are recognized when the special event takes place.

**THE SUSAN B. ANTHONY HOUSE**  
**D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE**  
**Notes to Financial Statements**

---

Management periodically reviews the sufficiency of the allowance for uncollectible contributions receivable, taking into consideration its historical losses and existing economic conditions, and makes adjustments to the allowance as it considers necessary. Contributions receivable are charged off against the allowance for doubtful accounts in the period in which the collection efforts are exhausted. Management has determined that no allowance is necessary at May 31, 2022 and 2021.

Government grant revenue includes loan funding under the paycheck protection program administered by the U.S. Small Business Administration (the "SBA") in response to the COVID-19 pandemic. These loans were eligible to be forgiven if the funding was spent in accordance with government stipulations and when the request for forgiveness was approved by the SBA, see Note 14.

The timing of revenue recognition, billings and cash collections could result in accounts receivable and deferred grant revenue on the Statements of Financial Position. Amounts from contracts with customers were as follows at May 31:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Accounts Receivable	\$ 160,707	\$ 65,149	\$ 90,119
Contributions Receivable	<u>\$ 336,832</u>	<u>\$ 425,481</u>	<u>\$ 176,586</u>

**Functional Expenses** - The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated to the program and supporting services.

**Income Taxes** - The Museum is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Museum's tax-exempt purpose could be subject to taxation as unrelated business income.

In accordance with ASC 740-15-50, the Museum recognizes the tax benefits from uncertain tax positions only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities. Management believes that the Museum is currently operating in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no liability for unrecorded tax benefits has been included on the Museum's financial statements. The exempt Museum's informational returns are subject to audit by various taxing authorities.

**Advertising** - The Museum expenses all advertising costs as incurred. Advertising costs were \$14,209 and \$6,372 for the years ended May 31, 2022 and 2021, respectively.

**Comparative Financial Information** - The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Museum's financial statements for the year ended May 31, 2021, from which summarized information was derived.

**Subsequent Events** - Management has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued.

**THE SUSAN B. ANTHONY HOUSE**  
**D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE**  
**Notes to Financial Statements**

---

**Note 2. Fair Value Measurements and Beneficial Interest in Assets Held by Community Foundation**

The Museum's Board of Trustees established the Susan B. Anthony House Standing Fund with the Rochester Area Community Foundation ("RACF") in a pooled investment portfolio which is utilized by charitable organizations for similar endowment purposes. The RACF invests the funds with an investment approach which seeks to grow the assets over time, preserve the purchasing power of the asset, control risk, and provide for the spending needs of the Museum. The RACF may employ one or more investment managers of varying styles and philosophies to attain the objectives.

The Museum measures investments at fair value on a recurring basis in accordance with accounting principles generally accepted in the United States of America. Fair value is defined as the price that would be received to sell an asset or the price that would be paid to transfer a liability in an orderly transaction between market participants at the measurement date.

ASC 820 establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than level 1 price such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability.

The following is a description of the valuation methodologies used for assets measured at fair value:

Beneficial Interest in Assets Held by Community Foundation - Valued using unobservable inputs developed with an advisor's judgment about the assumptions that a market participant would use in pricing the pooled investment portfolio (level 3).

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Museum believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The reporting of the changes of the beneficial interest in assets held by the RACF is based on the fair value of the Museum's inputs (Level 3) are utilized in determining fair value is as follows for the year ended May 31, 2022:

Balance, beginning of year	\$ 446,053
Investment return, net	17,715
Contributions	-
Withdrawals	(19,964)
Balance, end of year	<u>\$ 443,804</u>

**THE SUSAN B. ANTHONY HOUSE  
D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE  
Notes to Financial Statements**

---

The investment return, net, of the Beneficial Interest in Assets Held by Community Foundation during the year ended May 31, 2022 reflects changes in market value, administrative costs, and includes the transfer of \$55,056 of permanent funds into this account that had been recorded as restricted cash at the beginning of the fiscal year.

The method described above may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. While the Museum believes the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain assets could result in a different fair value measurement at the reporting date.

The Museum's policy is to recognize all investment income in operations. For the years ended May 31, 2022 and 2021, the change in beneficial interest in a community foundation was a decrease of \$57,500 and increase of \$91,155, respectively.

**Note 3. Contributions Receivable**

The Museum raises support for a variety of capital, operating, and endowment activities. Contributions receivable have been reflected in the accompanying statement of financial position in accordance with donor restrictions, at their discounted value based on the estimated payment schedule at the Museum's estimated borrowing rate (approximately 3.25% at May 31, 2022). No discount is reported at May 31, 2022 due to the immaterial amount.

Contributions receivable consists of the following at May 31:

	<u>2022</u>	<u>2021</u>
Contributions receivable	\$ 436,832	\$ 425,481
Less, current portion	<u>(394,527)</u>	<u>(381,076)</u>
Contributions receivable - net	<u>\$ 42,305</u>	<u>\$ 44,405</u>

Estimated future collections from contributions receivable are as follows:

2023	\$ 394,527
2024	18,805
2025	<u>23,500</u>
Total	<u>\$ 436,832</u>

**Note 4. Endowment**

The Museum's beneficial interest in assets held by RACF and restricted cash comprise the Museum's permanently restricted funds (the "Endowment"). See Note 2 for reporting of the changes of the beneficial interest in assets held by the RACF.

The Museum has adopted additional investment and spending policies that apply to both endowment and board-designated investment funds. As required by generally accepted accounting principles, net assets associated with funds that are donor-restricted against expenditure on a current basis are classified and reported as endowment funds.

The Museum has funds that reside at the Rochester Area Community Foundation in The Susan B. Anthony House Standing Fund. The Museum specified that the Rochester Area Community Foundation distribute the funds to the Museum based on the spending policy defined below. The Museum has recognized the asset as a beneficial interest in assets held by the community foundation.

**THE SUSAN B. ANTHONY HOUSE  
D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE  
Notes to Financial Statements**

**Funds with Deficiencies** - From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or NYPMIFA requires the Museum to retain as a fund of perpetual duration. In accordance with GAAP, there were no funds with deficiencies as of May 31, 2022 and 2021. These deficiencies may result from unfavorable market fluctuations that occur shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the Board of Trustees.

**Return Objectives and Risk Parameters** - The Museum has adopted investment and spending policies of the RACF, approved by its Board of Trustees, for investment assets that attempt to provide a predictable stream of funding for programs supported by these investments while also maintaining the purchasing power of those assets over the long-term. Accordingly, the investment process seeks to achieve an after cost total real rate of return, including investment income as well as capital appreciation, which exceeds annual distributions with acceptable levels of risk.

**Spending Policy and How the Investment Objectives Relate to Spending Policy** - The Board of Trustees of the Museum has adopted the Investment Policy Statement (“IPS”) for the Endowment. The IPS documents a prudent process that provides diversification with the appropriate level of assumed risk and return necessary to achieve the stated objectives which include the following:

- To provide income and appreciation of investment sufficient to support the services and programs provided by the Museum.
- To maximize return within reasonable and prudent levels of risk.
- To maintain an appropriate asset allocation based on total return needs compatible with the spending policy.

**Note 5. Property and Equipment**

Property and equipment consisted of the following at May 31:

	<u>2022</u>	<u>2021</u>
Land	\$ 83,685	\$ 10,000
Buildings and improvements	952,382	940,588
Furniture and equipment	165,720	161,001
Construction in progress	7,345	-
Subtotal	1,209,132	1,111,589
Less, accumulated depreciation	(705,123)	(676,736)
Property and equipment – net	\$ 504,009	\$ 434,853

Depreciation expense was \$28,387 and \$27,852 for the years ended May 31, 2022 and 2021, respectively. The House and certain other items are considered part of the Collection and are not reported in property and equipment, see Note 11.

**Note 6. Line of Credit**

The Museum maintained a line of credit with Key Bank, N.A. (the “Bank”) which provides for maximum borrowings of \$50,000, with interest payable at 1% below the Bank’s prime rate. At May 31, 2022 and 2021, the prime rate was 4.00% and 3.25%, respectively.

There were no amounts outstanding on the line of credit at both May 31, 2022 and 2021. The line of credit is secured by substantially all assets of the Museum.

**THE SUSAN B. ANTHONY HOUSE  
D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE  
Notes to Financial Statements**

---

**Note 7. Long-Term Debt**

Long-term debt represents amounts payable on a loan payable issued to the Organization. Amounts due are summarized as follows at May 31:

	<u>2022</u>	<u>2021</u>
Note payable to bank, payable in monthly installments of \$2,133, including interest at 5.83%, due in January 2024.	\$ 40,444	\$ 62,922
Less, current portion	<u>(23,839)</u>	<u>(22,474)</u>
Note payable - net of current portion	<u>\$ 16,605</u>	<u>\$ 40,448</u>

Future payments required under the loan are as follows as of December 31:

2023	\$ 23,839
2024	<u>16,605</u>
Total	<u>\$ 40,444</u>

The note payable is secured by substantially all assets of the Museum and is subject to a prepayment penalty. Under the terms of the agreement, the Museum is required to maintain a deposit account with the Bank. The Museum was in compliance with all bank related covenants at May 31, 2022 and 2021.

**Note 8. Volunteers**

The Museum receives donated services that, although substantial, do not meet the criteria for recording as revenue and expense under accounting principles generally accepted in the United States of America. Approximately 180 volunteers provided approximately 3,325 hours of service for the year ended May 31, 2022.

**Note 9. Donated Materials and Services**

Donated materials are recognized as contributions in the accompanying statements at their estimated fair market value at the date of receipt. Donated services that require specialized skills provided by individuals possessing those skills, and that would typically need to be purchased if not provided by donation, are recognized as revenue and expenses when an objective basis is available to measure their value. In-kind donations amounted to \$27,500 and \$17,550 for the years ended May 31, 2022 and 2021, respectively.

**Note 10. Retirement Plan**

The Museum participates in a Tax Deferred Annuity Plan. The plan covers all regular employees, with a minimum of 18 years of age. The terms of the plan are intended to comply with Section 403(b) of the Internal Revenue Code. It is the Museum's policy to match the employee's contribution up to 3% of an eligible employee's salary. Retirement plan expenses amounted to \$10,017 and \$7,844 for the years ended May 31, 2022 and 2021, respectively.

**THE SUSAN B. ANTHONY HOUSE**  
**D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE**  
**Notes to Financial Statements**

---

**Note 11. Museum Collection**

In conformity with accounting principles generally accepted in the United States of America and the practice followed by many museums, the Museum has elected not to include objects purchased or donated to the permanent collection in the balance sheet. It is impractical to determine a value for the Permanent Collection, as many items are irreplaceable.

Many items in the Collection are one-of-a-kind personal items related to the life and work of Susan B. Anthony, and are often requested for loan to other institutions. A marble bust of Susan B. Anthony is on permanent loan to the Monroe County Hall of Justice.

In September 2021, the exterior back porch of 17 Madison Street was damaged by fire. Surveillance videos and fire investigators confirmed that the fire was caused by arson. Fortunately, the fire and smoke alert systems performed well, and the Rochester Fire Department Chief and firefighters followed appropriate protocols for a National Historic property. While the porch roof and railings were consumed by fire, and had to be torn from the main building to contain and quench the fire, the damage to the interior of 17 Madison Street was mostly limited to smoke exposure.

The museum staff worked with conservators and other professional consultants to assess and remediate the interior damage. Several non-historic area rugs were discarded and replaced. The historic backdoor, believed to be original to 17 Madison Street, was restored. The heavy exterior wooden "storm" door, that had been installed to provide security and protection for the historic back door, served its protective function, but had to be replaced due to extensive fire damage.

According to the Historic Site Report, the back porch that burned may have been installed in the early 20<sup>th</sup> century, after Susan and Mary Anthony had died. The Museum is conducting research to determine if there is documentation to restore the porch to the way it may have appeared in the 1890's, the established period of significance for the restoration of 17 Madison Street. In the meantime, the structure under the exterior porch floor was not damaged, and all burned floorboards have been replaced.

The following objects were accessioned into the permanent collection:

1. Manuscript: an original transcription of the court proceedings of the 1873 trial of Susan B. Anthony, hand written from the official court transcriber's notes. A full copy, bound with paper cover.
2. Manuscript: an original transcription of the court proceedings of the 1873 trial of Susan B. Anthony, hand written from the official court transcriber's notes. A partial copy, from inside first page to page 14, no cover present.
3. Manuscript: Two photocopies of the typed manuscript of remarks presented by John Van Voorhis (descendant of Susan B. Anthony's lawyer) in Canandaigua, NY, in June 1973, on the occasion of the 100<sup>th</sup> Anniversary of Susan B. Anthony's trial.
4. Bronze bust of John Van Voorhis, co-counsel for Susan B. Anthony at her 1873 trial, with pedestal. (Pedestal acquired, but not accessioned.)
5. Additional original documents connected to John Van Voorhis, Anthony's co-counsel.
6. Manuscript: handwritten letter dated November 25, 1904, with envelope, from Susan B. Anthony to Mrs. Butler, 17 Greenwood Street, Rochester, NY. Mrs. Butler was a stenographer for Susan B. Anthony.

The Museum periodically invests in restoration of the House with restricted grants and contributions. Cumulative costs associated with restoration, including architectural planning, the physical restoration work, and furnishings, have amounted to over \$1 million as of May 31, 2022 and 2021. No items were deaccessioned during the years ending May 31, 2022 or 2021.

**THE SUSAN B. ANTHONY HOUSE  
D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE  
Notes to Financial Statements**

**Note 12. Special Events**

Special event revenue is reported including sponsorships and other contributions and in-kind donations related to special events. Donations received at the event or in response to an invitation to the event are reported as donations.

Details of this activity consisted of the following at May 31:

	<u>2022</u>	<u>2021</u>
Revenue from special events	\$ 140,937	\$ 197,102
Direct expenses	(74,757)	(44,642)
Total special events, net	<u>\$ 66,180</u>	<u>\$ 152,460</u>

**Note 13. Net Assets with Donor Restrictions**

Net assets with donor restrictions consisted of the following at May 31, 2022:

	<u>Time and Purpose</u>	<u>Perpetuity</u>	<u>Total</u>
Beneficial Interest in RACF	\$ 18,835	\$ 424,969	\$ 443,804
Endowment Contributions Receivable	-	4,846	4,846
Capital Campaign - Campus Expansion	1,474,433	-	1,474,433
Capital Campaign - General	259,450	-	259,450
Garden Renovation	8,448	-	8,448
Low to the Ground	6,691	-	6,691
House Restoration	4,890	-	4,890
1872 Memorial	1,000	-	1,000
Total net assets with restrictions	<u>\$1,773,747</u>	<u>\$ 429,815</u>	<u>\$ 2,203,562</u>

The Museum is currently executing the *Susan B. Inspires Me Campaign* (the "Capital Campaign"). Strategic objectives of the Capital Campaign include:

- Solicitation of funds for the campus expansion
- Solicitation of permanent funds
- Solicitation of funds for the general campaign

See Note 18 for further information on the status of the Capital Campaign.

**Note 14. Government Grant Revenue**

In April 2020, the Museum received a loan under the Paycheck Protection Program (the "PPP Loan") of \$94,400 from the bank. During the year ended May 31, 2021, the PPP Loan was fully forgiven by the SBA. The Loan forgiveness is reported as government grant revenue on the accompanying statement of activities and change in net assets during the year ending May 31, 2021.

**THE SUSAN B. ANTHONY HOUSE  
D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE  
Notes to Financial Statements**

---

In February 2021, the Museum borrowed an additional \$87,339 from the Bank under the Paycheck Protection Program (the "PPP Loan 2"). The PPP Loan 2 had 1% interest rate and principal payments are deferred until earlier date on which amount is forgiven or where forgiveness is sought within the time frame required. The PPP Loan was secured by the unconditional guarantee of the Small Business Administration ("SBA"). The PPP Loan provided for potential forgiveness of debt, up to the principal plus accrued interest based on eligible uses of the PPP Loan 2 proceeds up to a 24 week period after the receipt of the proceeds. The proceeds received from the PPP Loan 2 were classified as deferred grant revenue on the accompanying statement of financial position at May 31, 2021. The PPP Loan 2 was forgiven in March 2022 and is reported as government grant income on the accompanying Statement of Activities during the year ended May 31, 2022.

**Note 15. Concentrations**

The Museum received approximately 56% of its total support and revenue from two donors for a site gift for the capital campaign during the year ended May 31, 2022. Contributions receivable from one of the donors was \$250,000 at May 31, 2022.

The Museum received approximately 48% of its total support and revenue from a donor for a site gift for the capital campaign during the year ended May 31, 2021. Contributions receivable from the donor were \$280,000 at May 31, 2021.

**Note 16. Liquidity and Availability of Resources**

The Museum has \$2,084,404 of financial assets available within one year of the statements of financial position date consisting of \$1,593,329 of cash and cash equivalents, \$160,707 of receivables, \$294,527 of contributions receivable and \$35,841 in inventory and other assets. Of the contributions receivable, \$480 are subject to donor or contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position date.

To assist management in managing liquidity, the Museum has an unused line of credit with the Bank with a maximum draw amount of \$50,000. At May 31, 2022, there were no amounts outstanding on the line of credit, see Note 6.

**Note 17. Supplemental Cash Flow Information**

	<u>2022</u>	<u>2021</u>
Cash paid during the year for:		
Interest	\$ 3,120	\$ 4,493

**THE SUSAN B. ANTHONY HOUSE  
D/B/A NATIONAL SUSAN B. ANTHONY MUSEUM & HOUSE  
Notes to Financial Statements**

---

**Note 18. Subsequent Events**

The Museum is moving forward on the Campus Expansion initiative, with the following to report since May 31, 2022:

- The Museum received an additional bequest of \$800,000 in October 2022 toward the campus expansion project.
- The purchase of eight parcels of vacant city-owned land (505 and 511 Brown St and 11, 12, 25, 32, 54, and 130 Jefferson Avenue) was completed in February 2023.
- These eight parcels, plus 19 Jefferson Avenue, have all been granted City property tax exemption, as of March 2023.
- The Museum has moved into the design contract phase of the Interpretive Plan with Solid Light, Inc., with 60% of the design completed.
- The Museum has contracted with SWBR Architects for design of the new building.
- The Museum has contracted with La Bella for civil engineering related to proposed ancillary parking at 12, 54, and 130 Jefferson Avenue.
- The Museum was awarded two grants, totaling \$550,000, from Empire State Development toward the acquisition and preparation of property for development. These grants have not been included in the receivables as of May 31, 2022 due to contingencies still being met.
- In January 2023, the Museum was awarded a Congressionally Funded Appropriation in the amount of \$750,000 for the capital portion of the campus expansion.
- The Museum has contracted with Brent Glass, Inc., as fundraising consultants for the national phase of the Susan B. Inspires Me! Campaign. Brent Glass, President of Brent Glass, Inc., is Director Emeritus of the Smithsonian's National Museum of American History.
- The Museum added a new staff position, Regional Campaign Coordinator, to support the fundraising activity of the Campaign.