

**OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION**

Audit Report

For the Years Ended June 30, 2019 and 2018





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Board of Trustees
Ohio Historical Society and Affiliate dba Ohio History Connection
800 E. 17th Avenue
Columbus, Ohio 43211

We have reviewed the *Independent Auditor's Report* of the Ohio Historical Society and Affiliate dba Ohio History Connection, Franklin County, prepared by Charles E. Harris & Associates, Inc., for the audit period July 1, 2018 through June 30, 2019. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Ohio Historical Society and Affiliate dba Ohio History Connection is responsible for compliance with these laws and regulations.

Keith Faber
Auditor of State
Columbus, Ohio

December 10, 2019

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OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION
AUDIT REPORT
For the years ended June 30, 2019 and 2018

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Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Trustees
Ohio Historical Society and Affiliate
dba Ohio History Connection
800 E. 17th Avenue
Columbus, Ohio 43211

Report on the Financial Statements

We have audited the accompanying combined financial statements of the Ohio Historical Society and Affiliate (doing business as "Ohio History Connection" and collectively referred to as the "Organization") which comprise the combined statements of financial position as of June 30, 2019 and 2018, and the related combined statements of activities and changes in net assets, combined statements of functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these combined financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinions on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Ohio Historical Society and Affiliate as of June 30, 2019 and 2018, and the changes in their net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in the year ending June 30, 2019, the Organization adopted new accounting guidance, Financial Accounting Standards Board issued ASU 2016-14, Not-For-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-For Profit Entities*. Our opinion is not modified with respect to this matter.

Other Matters

Supplementary and Other Information

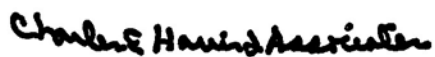
Our audit was conducted for the purpose of forming opinions on the Organization's combined financial statements as a whole.

The accompanying Schedule of Federal Awards Expenditures (Schedule), as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis. The combining statements of financial position, statements of activities and changes in net assets (Statements) and the Supplemental Schedules of Support, Revenue and Expenses for Columbus and Other Ohio Divisions (Schedules) are also presented for additional analysis. The Statements and Schedules are not required parts of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, these Statements and Schedules are fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2019, on our consideration of the Organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.
October 22, 2019

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

COMBINED STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018

	June 30, 2019			June 30, 2018		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	\$ 555,315	\$ 1,105,039	\$ 1,660,354	\$ 1,211,031	\$ 1,102,909	\$ 2,313,940
Receivables:						
Grants	456,171	-	456,171	352,126	-	352,126
Contracts	127,616	-	127,616	829,910	-	829,910
Current portion of pledges, net	-	845,699	845,699	-	698,676	698,676
Other	1,949,087	2,742	1,951,829	604,665	1,587,408	2,192,073
Inventories, net	321,561	-	321,561	287,073	-	287,073
Prepaid expenses and other current assets	129,035	34,274	163,309	139,462	34,274	173,736
	<u>3,538,785</u>	<u>1,987,754</u>	<u>5,526,539</u>	<u>3,424,267</u>	<u>3,423,267</u>	<u>6,847,534</u>
PROPERTY AND EQUIPMENT, net	2,018,365	-	2,018,365	1,743,666	-	1,743,666
LONG-TERM INVESTMENTS	449,520	14,220,044	14,669,564	6,143,371	9,374,270	15,517,641
	<u>\$ 6,006,670</u>	<u>\$ 16,207,798</u>	<u>\$ 22,214,468</u>	<u>\$ 11,311,304</u>	<u>\$ 12,797,537</u>	<u>\$ 24,108,841</u>
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Accounts payable	\$ 2,136,179	\$ 404,874	\$ 2,541,053	\$ 3,197,353	\$ -	\$ 3,197,353
Accrued salaries, wages and other liabilities	1,192,158	-	1,192,158	1,351,439	-	1,351,439
Accrued leave liability	791,683	-	791,683	780,582	-	780,582
Deferred subscription and other revenue	722,401	-	722,401	585,740	-	585,740
	<u>4,842,421</u>	<u>404,874</u>	<u>5,247,295</u>	<u>5,915,114</u>	<u>-</u>	<u>5,915,114</u>
NET ASSETS:						
Operations	461,471	7,267,233	7,728,704	4,111,948	4,196,665	8,308,613
Ohio Bicentennial Commission	-	121,398	121,398	-	127,868	127,868
Endowment fund balance	237,765	8,414,293	8,652,058	32,688	8,473,004	8,505,692
Quasi-Endowment	465,013	-	465,013	1,251,554	-	1,251,554
	<u>1,164,249</u>	<u>15,802,924</u>	<u>16,967,173</u>	<u>5,396,190</u>	<u>12,797,537</u>	<u>18,193,727</u>
	<u>\$ 6,006,670</u>	<u>\$ 16,207,798</u>	<u>\$ 22,214,468</u>	<u>\$ 11,311,304</u>	<u>\$ 12,797,537</u>	<u>\$ 24,108,841</u>

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

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT:			
State appropriations:			
Operating Subsidies	\$ 10,939,697	\$ -	\$ 10,939,697
Capital Projects	7,562,562	-	7,562,562
Government contracts and grants	3,098,129	-	3,098,129
Private contracts and grants	304,660	-	304,660
Contributions	332,250	1,725,125	2,057,375
Contributed materials and services	2,210,389	-	2,210,389
Other support	37,054	-	37,054
	24,484,741	1,725,125	26,209,866
REVENUE			
Admissions and parking	342,117	-	342,117
Memberships and subscriptions	391,662	-	391,662
Investment income	99,379	276,289	375,668
Sales and facilities use	163,433	-	163,433
Program services income	593,956	-	593,956
Special events income	165,113	-	165,113
Other revenue	396,946	-	396,946
	2,152,606	276,289	2,428,895
Net assets released from restrictions	4,292,109	(4,292,109)	-
	30,929,456	(2,290,695)	28,638,761
Expenses:			
Program Expenses:			
Site Operations, Educational and Interpretative Programs,	12,729,954	6,470	12,736,424
Contributed Materials and services	2,210,389	-	2,210,389
State Archives & Library Services	1,481,989	-	1,481,989
Historic Preservation Office	2,181,395	-	2,181,395
Capital Projects	7,501,683	-	7,501,683
Support Services:			
Management and General	3,781,546	25,291	3,806,837
Fundraising	566,919	-	566,919
	30,453,875	31,761	30,485,636
CHANGE IN NET ASSETS FROM OPERATIONS	475,581	(2,322,456)	(1,846,875)
OTHER INCOME (EXPENSES)			
Collection items purchased but not capitalized	(15,651)	-	(15,651)
Net realized and unrealized gains and (losses) on investments	128,049	507,923	635,972
	112,398	507,923	620,321
Changes net assets before transfers	587,979	(1,814,533)	(1,226,554)
Transfers to the Ohio History Connection	(4,819,920)	4,819,920	-
Changes net assets	(4,231,941)	3,005,387	(1,226,554)
NET ASSETS, beginning of year	5,396,190	12,797,537	18,193,727
NET ASSETS, end of year	\$ 1,164,249	\$ 15,802,924	\$ 16,967,173

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

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

COMBINED STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT:			
State appropriations:			
Operating Subsidies	\$ 10,939,697	\$ -	\$ 10,939,697
Capital Projects	4,409,775	-	4,409,775
Government contracts and grants	3,357,299	-	3,357,299
Private contracts and grants	271,350	-	271,350
Contributions	334,017	3,636,256	3,970,273
Contributed materials and services	1,899,630	-	1,899,630
Other support	20,456	-	20,456
	21,232,224	3,636,256	24,868,480
REVENUE			
Admissions and parking	297,183	-	297,183
Memberships and subscriptions	400,527	-	400,527
Investment income	97,136	103,373	200,509
Sales and facilities use	252,329	-	252,329
Program services income	624,143	-	624,143
Special events income	168,711	-	168,711
Other revenue	302,487	-	302,487
	2,142,516	103,373	2,245,889
Net assets released from restrictions	3,614,502	(3,614,502)	-
	26,989,242	125,127	27,114,369
Expenses:			
Program Expenses:			
Site Operations, Educational and Interpretative Programs,	11,090,959	3,000	11,093,959
Contributed Materials and services	1,899,630	-	1,899,630
State Archives & Library Services	1,553,041	-	1,553,041
Historic Preservation Office	2,338,696	-	2,338,696
Capital Projects	4,313,389	-	4,313,389
Support Services:			
Management and General	3,440,058	-	3,440,058
Fundraising	854,693	-	854,693
	25,490,466	3,000	25,493,466
CHANGE IN NET ASSETS FROM OPERATIONS	1,498,776	122,127	1,620,903
OTHER INCOME (EXPENSES)			
Collection items purchased but not capitalized	(694,644)	-	(694,644)
Net realized and unrealized gains and (losses) on investments	162,930	491,242	654,172
	(531,714)	491,242	(40,472)
Changes net assets before transfers	967,062	613,369	1,580,431
Transfers to the Ohio History Connection	2,240,760	(2,240,760)	-
Changes net assets	3,207,822	(1,627,391)	1,580,431
NET ASSETS, beginning of year, Restated	2,188,368	14,424,928	16,613,296
NET ASSETS, end of year	\$ 5,396,190	\$ 12,797,537	\$ 18,193,727

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

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2019

EXPENSES:	Site Operations, Educational and Interpretive Programs	State Archives & Library Services	Historic Preservation Office	Contributed Materials and Services	Management and General	Fundraising	Capital	Total Expenses
Salary & Benefits	\$ 5,853,619	\$ 1,305,923	\$ 1,851,963	\$ -	\$ 2,370,888	\$ 412,065	\$ 1,191,569	\$ 12,986,027
Professional Services	726,360	51,635	75,576	-	889,450	57,379	188,429	1,988,829
Construction	3,226,107	49,586	10,186	-	78,870	12,576	6,007,440	9,384,765
Site Management Agreements	1,568,870	-	-	-	-	-	-	1,568,870
Occupancy	804,588	63	773	-	238,190	664	3,314	1,047,592
Contributed Materials and Services	-	-	-	2,210,389	-	-	-	2,210,389
Grants and Other Allocations	86,447	22,163	171,998	-	6,000	31,150	-	317,758
Supplies	207,364	27,301	36,650	-	76,536	22,704	47,320	417,875
Travel & Development	161,487	20,239	34,249	-	108,522	30,381	63,611	418,489
Depreciation	101,582	5,079	-	-	38,381	-	-	145,042
Total Expenses	<u>\$ 12,736,424</u>	<u>\$ 1,481,989</u>	<u>\$ 2,181,395</u>	<u>\$ 2,210,389</u>	<u>\$ 3,806,837</u>	<u>\$ 566,919</u>	<u>\$ 7,501,683</u>	<u>\$ 30,485,636</u>

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

OHIO HISTORICAL SOCIETY AND AFFILIATE
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COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2018

	Site Operations, Educational and Interpretive Programs	State Archives & Library Services	Historic Preservation Office	Contributed Materials and Services	Management and General	Fundraising	Capital	Total Expenses
EXPENSES:								
Salary & Benefits	\$ 5,704,099	\$ 1,254,610	\$ 1,836,067	\$ -	\$ 2,175,851	\$ 667,807	\$ 1,963,335	\$ 13,601,769
Professional Services	936,737	138,734	193,906	-	825,887	88,535	196,908	2,380,707
Construction	831,508	10,694	24,585	-	14,651	4,367	1,865,457	2,751,262
Site Management Agreements	1,557,905	-	-	-	-	-	-	1,557,905
Occupancy	1,383,171	51,462	4,841	-	256,228	2,461	73,807	1,771,970
Contributed Materials and Services	-	-	-	1,899,630	-	-	-	1,899,630
Grants and Other Allocations	86,916	17,944	220,736	-	800	49,092	-	375,488
Supplies	182,607	33,998	28,229	-	10,275	20,395	159,754	435,258
Travel & Development	182,217	18,644	30,332	-	69,762	22,036	54,128	377,119
Depreciation	228,799	26,955	-	-	86,604	-	-	342,358
Total Expenses	<u>\$ 11,093,959</u>	<u>\$ 1,553,041</u>	<u>\$ 2,338,696</u>	<u>\$ 1,899,630</u>	<u>\$ 3,440,058</u>	<u>\$ 854,693</u>	<u>\$ 4,313,389</u>	<u>\$ 25,493,466</u>

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

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM (FOR) OPERATING ACTIVITIES:		
Changes in net assets	\$ (1,226,554)	\$ 1,580,431
Adjustments in net assets to net cash used in operating activities:		
Depreciation expense	145,042	342,357
Net realized and unrealized (gains) losses on investments	635,972	654,172
(Increase) decrease in operating assets:		
Receivables	(691,470)	(366,696)
Inventories	(34,488)	(4,222)
Prepaid expenses and other current assets	(10,425)	(96,024)
Increase (decrease) in operating liabilities:		
Accounts payable	656,300	(449,243)
Accrued salaries, wages and other liabilities	159,281	(155,181)
Accrued leave liability	(11,101)	(24,458)
Deferred subscription and other revenue	(136,661)	69,785
 Total adjustments	712,450	(29,510)
 Net cash used in operating activities	(514,104)	1,550,921
 CASH FLOWS FROM (FOR) INVESTING ACTIVITIES		
Payments/proceeds/purchases of investments/dividends, net	212,105	(459,913)
Payments for the purchase of property and equipment	(351,587)	(475,931)
 Net cash provided by investing activities	(139,482)	(935,844)
 Net cash increase (decrease) in cash and cash equivalents	(653,586)	615,077
 CASH AND CASH EQUIVALENTS, beginning of year	2,313,940	1,698,863
 CASH AND CASH EQUIVALENTS, end of year	\$ 1,660,354	\$ 2,313,940

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

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2019 and 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose

The Ohio Historical Society (doing business as “Ohio History Connection” and referred to as the “Society”) was incorporated in 1885 as a private nonprofit organization. The Society conducts programs that identify, authenticate, collect, preserve, educate and interpret records, objects and places related to Society has been authorized and directed by numerous acts of the General Assembly of Ohio to perform certain functions such as manage the State’s historic preservation program, supervise the State archives and a major history library, and act as custodian and administrator of certain historic sites owned by the State. The Society operates several museums and sites (some of which are owned by the Society) throughout the State. The Society is governed by a Board of Trustees comprised of 21 members serving three-year staggered terms. Nine members of the Board are elected by the Society’s membership, nine members are appointed by the Governor of the State, and three members are appointed by the Society’s Board.

The Ohio Historical Society Foundation (the “Foundation”) is a nonprofit corporation established in 1983 to assist the Society in its fundraising activities. The Foundation seeks, accepts and manages private contributions from organizations and individuals who believe in the preservation of Ohio’s historical, natural and archeological heritage. It also applies for certain types of grants, both public and private, that serve the purposes for which the Society and Foundation were organized. Conestoga, a volunteer support group, was established by the Foundation to organize and carry out certain fundraising activities on behalf of the Foundation. The accounts of the Foundation, including Conestoga, are included in these combined financial statements.

Principles of Combination

The accompanying combined financial statements include the accounts of the Ohio Historical Society and the Ohio Historical Society Foundation (collectively, the “Organization”). All significant intercompany accounts and transactions have been eliminated in combination.

Basis of Accounting

The accompanying combined financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Management 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 certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fund Accounting

To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the Organization’s accounts are maintained in accordance with the principles of fund accounting. Separate accounts are maintained for each fund; however, in the accompanying combined financial statements, funds that have similar characteristics have been combined into fund groups according to their nature, purpose and donor-imposed restrictions and/or conditions.

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2019 and 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition

The Organization's revenue recognition policies are as follows:

Grant Subsidies

The Organization receives grants from various government agencies. Revenue is recognized when earned, which is at the time qualifying expenses are incurred. The Organization's grant support activity is subject to review by the granting entities.

State Subsidies

The Organization receives significant subsidies from the State of Ohio. Subsidies appropriated to defray operational costs (mandated under Section 149.3 of the Ohio Revised Code) are recognized as support received without Donor restrictions, or in the case of the Ohio Bicentennial Commission, support received with Donor restrictions. Subsidies appropriated for capital improvements are recognized as support received without Donor restrictions at the time related expenditures are reimbursed. Any excess of receipts over expenditures for State capital improvement appropriations or government grants is recorded as deferred support.

Contributions

Contributions and gifts are recorded at fair value at the date of the donor's promise to give. These contributions and gifts are considered to be available for unrestricted use, unless specifically restricted by the donor.

Contributed Facilities, Services, and Materials

The Organization occupies, without charge, certain administrative offices owned by the State of Ohio. A substantial number of individuals have made significant contributions of their time to Organization programs. The Organization received in-kind contributions of services and materials that are reflected in the combined financial statements at their estimated fair value. The value of these contributions is reflected in the combined statements of activities and changes in net assets as contributed materials and services and as program expenses. The hours volunteered and estimated values are shown below.

	2019	2018
Volunteer Hours	90,029	89,416
Estimated Value	\$2,165,209	\$1,845,731

The Organization received other in-kind contributions of services that are not reflected in the combined financial statements since they do not meet the recognition criteria under generally accepted accounting principles.

Sales, Admissions, and Parking

Receipts from the sale of merchandise are recognized as revenue as the items are delivered to the customers. Admissions and parking receipts are recognized as earned, which occurs when the services are provided to the customers.

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2019 and 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Memberships

All membership receipts, including subscription revenues, are deferred and recognized over the period to which the memberships are related.

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand, cash deposits held at financial institutions and financial instruments with an original maturity of 90 days or less.

Receivables

Receivables primarily represent amounts due to the Organization under government grants, contracts, contributions, or from others. Receivables are presented net of estimated allowances for doubtful accounts. Amounts are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded as income when received. As of June 30, 2019, and 2018, there was allowance for doubtful accounts of \$14,981 and \$14,981, respectively.

Inventories

Inventories consist of supplies and resale merchandise, and are valued at the lower of average cost or market. Inventories are presented net of an allowance for obsolescence in the amount of \$17,497 and \$17,497 as of June 30, 2019 and 2018, respectively.

Property and equipment

Property and equipment are carried at cost, less accumulated depreciation. Depreciation is provided over the estimated useful lives of the underlying assets. Maintenance and repairs are charged to operations when incurred. Renewals and betterments of a nature considered to materially extend useful lives of the assets are capitalized. When assets are retired or otherwise disposed of, the assets and related allowances for depreciation and amortization are eliminated from the accounts and any resulting gain or loss is reflected in income. Depreciation for financial reporting purposes is based on the following policies:

<u>Description</u>	<u>Useful Lives</u>	<u>Method</u>
Machinery and equipment	3-15 years	Straight-line
Vehicles	5-7 years	Straight-line
Buildings	30 years	Straight-line

Historic Collections, Exhibits and Properties

Purchased and contributed historical collections, exhibits, and properties are not included in the combined statements of financial position. No amounts are included in the combined statements of activities and changes in net assets for these contributed items because reasonable estimates of value are generally not available due to the nature of the objects. Donated items fall in the category of works of art, historical treasures and similar assets (see Note 7).

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2019 and 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Investments

Long-term investments primarily consist of an internally managed portfolio of stocks, bonds, and mutual funds and are presented at fair value. Net realized and unrealized gains and losses are reported as increases or decreases in unrestricted net assets, unless their use is temporarily or permanently restricted by explicit donor stipulations.

Fair Value Measurements

The Financial Accounting Standards Board establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy under this framework are described below:

- | | |
|---------|---|
| Level 1 | Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access. |
| Level 2 | Inputs to the valuation methodology include: <ul style="list-style-type: none">• Quoted prices for similar assets or liabilities in active markets;• Quoted prices for identical or similar assets or liabilities in inactive markets;• Inputs other than quoted prices that are observable for the asset or liability;• Inputs that are derived principally from or corroborated by observable market data by correlation or other means. |

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- | | |
|---------|---|
| Level 3 | Inputs to the valuation methodology are unobservable and significant to the fair value measurement. |
|---------|---|

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of June 30, 2019 and 2018.

Common stocks, corporate bonds and U.S. government securities: Valued at the closing price reported on the active market on which the individual securities are traded.

OHIO HISTORICAL SOCIETY AND AFFILIATE
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NOTES TO THE COMBINED FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2019 and 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements – (Continued)

Mutual funds: Valued at the net asset value (“NAV”) of shares held by the Organization at year end.

All of the Organization’s financial instruments measured at fair value consist of assets which are valued using Level 1 inputs as of June 30, 2019 and 2018.

Classification of Net Assets

The Financial Accounting Standards Board issued ASU 2016-14, Not for Profits Entities (Topic 958) – *Presentation of Financial Statements of Not for Profit Entities*. Under ASU 2016-14, nonprofits are required to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of Organization’s management and the Board of Directors.

Net assets with donor restrictions: The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Organization reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Quasi-Endowment Funds

The Organization maintains unrestricted contributions that are earmarked as quasi-endowment funds by the Organization’s Board of Trustees.

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2019 and 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Endowment Funds

The Board of Trustees has approved an investment policy detailing the long term goals, asset allocation, guidelines for security selection, measurable objectives and on-going communication. Objectives of the policy are, first and foremost, to preserve the safety to the principal and second, to maximize investment income. Endowment funds are subject to the investment policy approved by the Board of Trustees.

The Organization's endowment consists of several Donor restricted funds established for a variety of purposes. The endowment funds are recorded as historical dollar value. Income and realized/unrealized gains/losses for some specific funds' income is to be recorded with donor restrictions until spent for those specific purposes in accordance with the spending policy approved by the Board of Trustees. In addition, earnings in excess of the spending policy may be added to Donor restricted corpus. Income from other funds is to be used for general operations, and is recorded as without Donor restrictions.

Joint Activity Costs

The Organization allocates joint costs to program, management and general and fundraising expenses. Cost allocation occurs whenever costs are associated with more than one activity, and are attributed to each activity specifically.

Advertising Costs

Advertising costs are expensed as incurred. Advertising costs were \$331,164 and \$174,844 for the years ended June 30, 2019 and 2018, respectively.

Salary Deferral Plans

Employees of the Organization are eligible to participate, on a voluntary basis, in several salary deferral plans that permit the deferral of compensation to future years. These plans are covered by either Section 457 or Section 403(b) of the Internal Revenue Code. All deferred compensation is paid to third-party administrators.

Income Taxes

The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. However, certain business activities of the Organization may be subject to Federal income taxes. No provision for federal taxes was necessary for the years ended June 30, 2019 and 2018.

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2019 and 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes – (Continued)

Generally accepted accounting principles require the Organization to evaluate the level of uncertainty related to whether tax positions taken will be sustained upon examination. Any positions taken that do not meet the more-likely-than-not threshold must be quantified and recorded as a liability for unrecognized tax benefits in the accompanying statements of financial position along with any associated interest and penalties that would be payable to the taxing authorities upon examination. Management believes that none of the tax positions taken would materially impact the financial statements and no such liabilities have been recorded. With few exceptions, the Organization is no longer subject to income tax examinations by the U.S. Federal, state or local tax authorities for the years ended June 30, 2010 and prior.

Reclassification

Certain expenses on the statement of activities for the year ended June 30, 2018, have been reclassified with no effect on changes in net assets, to be consistent with the classifications adopted for the year ended June 30, 2019.

Subsequent Events

The Organization has evaluated subsequent events through October 22, 2019, the date on which the financial statements were available to be issued. There were no subsequent events requiring disclosure.

NOTE 2: RISKS AND UNCERTAINTIES

Uninsured Risk – Cash Deposits

The Organization maintains its cash and cash equivalents balances in financial institutions located throughout Ohio. Deposits are insured by the federal Deposit Insurance Corporation (“FDIC”) up to a coverage limit of \$250,000. As a result, the Organization may have balances that exceed the insured limit.

Market Risk – Investments

The accompanying combined financial statements include investments in equity securities, corporate bonds and mutual funds. The underlying investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the inherent level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the financial statements.

Concentration Risk – State Operating Subsidies

State operating subsidies represented 38% and 40% of the Organization’s total support and revenue for the years ended June 30, 2019 and 2018, respectively. Future reductions in these subsidy allocations may have a material impact on the Organization’s operations.

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2019 and 2018

NOTE 3: LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflect the Organization's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	2019	2018
Total Assets, at year end	\$22,214,468	\$24,108,841
Less: Fixed and Non-Financial Assets	2,503,235	2,294,475
Financial Assets, at year end	19,711,233	21,814,366
Less amounts not available to be used within one year:		
Purpose Restrictions:		
Ohio Bicentennial Commission	(121,398)	(127,868)
Endowment Fund Balance	(8,652,058)	(8,505,692)
Board designated funds	(465,013)	(1,251,554)
Restricted for Operations *	(7,267,233)	(4,196,665)
Financial assets available to meet cash needs for general expenditures within one year	\$3,205,531	\$7,732,587

*Funds that are restricted for Operations are available for release if needed.

NOTE 4: CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of the following as of June 30:

	2019	2018
Cash	\$ 929,239	\$ 1,848,773
Certificate of Deposit	296,075	435,889
Money market funds	435,040	29,278
Total	\$ 1,660,354	\$ 2,313,940

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2019 and 2018

NOTE 5: CONTRIBUTIONS RECEIVABLE

Contributions receivable consist of the following as of June 30:

<u>Contributions Receivable</u>	<u>2019</u>	<u>2018</u>
From individuals	\$ 62,593	\$ 157,951
From corporations	963,999	616,500
Gross contributions receivable	1,026,592	774,451
Less: unamortized discount	(165,912)	(60,795)
Less: allowance for doubtful accounts	(14,981)	(14,981)
Net contributions receivable	<u>\$ 845,699</u>	<u>\$ 698,676</u>
Amounts due in:		
Less than one year	\$ 203,591	\$ 350,451
One to five years	823,001	424,000
Less: unamortized discount	(165,912)	(60,795)
Less: allowance for doubtful accounts	(14,981)	(14,981)
Net contributions receivable	<u>\$ 845,699</u>	<u>\$ 698,676</u>

NOTE 6: PROPERTY AND EQUIPMENT

Property and equipment consists of the following as of June 30:

	<u>2019</u>	<u>2018</u>
Machinery and equipment	\$ 1,763,670	\$ 1,768,478
Land	465,866	465,866
Construction in Process	18,185	-
Vehicles	368,014	396,860
Buildings	1,231,955	1,005,170
Property and equipment, at cost	3,847,690	3,636,374
Less accumulated depreciation	(1,829,325)	(1,892,708)
Property and equipment, net	<u>\$ 2,018,365</u>	<u>\$ 1,743,666</u>

NOTE 7: HISTORIC COLLECTIONS, EXHIBITS, AND PROPERTIES

The Organization does not capitalize its artifacts, collections and historical properties. The Organization's historical collections consist of approximately 1,900,000 artifacts and properties divided into three broad categories: archaeology, natural history, and history. The archaeological collection contains objects from all prehistoric cultures in the Midwest. The natural history collections preserve representative specimens of mineral, flora fauna and fossils from the region that is now Ohio. The history collection documents the people, events and activities of Ohio's historic period from 1650 to the present. The library contains one of the largest collections of Ohio-related books, microfilm, manuscripts, maps, state and local government records, newspapers, photographs, films, videos, and recordings.

The Organization has a formal collection policy that addresses the acquisition, use and disposition of objects as well as guidelines for making and receiving loans. The Organization had no material deaccessions during the years ended June 30, 2019 and 2018.

OHIO HISTORICAL SOCIETY AND AFFILIATE
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NOTES TO THE COMBINED FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2019 and 2018

NOTE 8: LONG-TERM INVESTMENTS

Long-term investments consist of the following as of June 30:

	2019	2018
Certificates of deposit	\$ 220,405	\$ 71,665
Mutual Funds	14,449,159	15,445,976
Total	\$ 14,669,564	\$ 15,517,641

NOTE 9: NET ASSETS

Net assets were released from donor restrictions during years ended June 30, 2019 and 2018 by the passage of time, incurring expenses satisfying purpose restrictions or fulfilling performance requirements specified by donors as follows:

Net Assets Released From Donor Restrictions	2019	2018
For specific sites and purposes	\$ 4,292,109	\$ 3,614,502

Endowment Fund activity of the following for the year ended June 30, 2019:

	Without Restrictions	With Restrictions	Total
Endowment net assets, Beginning of the year	\$ 32,688	\$ 8,473,004	\$ 8,505,692
Investment Return	46,070	605,094	651,164
Contributions and other Additions(Deletions)	159,007	(663,805)	(504,798)
Endowment net Assets end of year	\$ 237,765	\$ 8,414,293	\$ 8,652,058

Endowment Fund activity of the following for the year ended June 30, 2018:

	Without Restrictions	With Restrictions	Total
Endowment net assets, Beginning of the year	\$ 289,015	\$ 9,453,714	\$ 9,742,729
Investment Return	162,930	594,615	757,545
Contributions and other Additions(Deletions)	(419,257)	(1,575,325)	(1,994,582)
Endowment net Assets end of year	\$ 32,688	\$8,473,004	\$ 8,505,692

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2019 and 2018

NOTE 9: NET ASSETS (Continued)

As described in Note 1, FASB ASU 2016-14 prescribes new guidelines for expenditure of donor-restricted endowment funds where the focus is shifted from prudent spending to the management of the entirety of the fund. The amount that is classified as Donor restricted is the amount of the fund that a.) must be retained permanently in accordance with explicit donor stipulations, or b.) that in the absence of such stipulations, the Organization's Board of Trustees determines must be retained permanently under the relevant law.

NOTE 10: STATE CAPITAL APPROPRIATIONS

As of June 30, 2019, the Organization still has available for future use bond money appropriated to the Ohio Facilities Construction Commission from the state for various capital projects in the amount of \$9,300,000. Budgetary restrictions imposed by the State may reduce the amount of funds actually available.

NOTE 11: LINE OF CREDIT

The Organization has entered into a line of credit agreement with a bank that allows the Organization to borrow up to \$750,000. The agreement has been extended until March 15, 2020. The line of credit is secured by the financial assets of the Organization and requires monthly interest payments calculated at the bank's prime rate plus 0.75%. There was no balance on this line of credit as of June 30, 2019 and 2018.

The Organization has also entered into a fixed rate closed end line of credit agreement with a bank that allows the Organization to borrow up to \$2,500,000 to provide cash flow for the Harding Presidential Center as operation begins while contributions are being received.. The agreement is dated October 25, 2018. The line of credit is secured by the financial assets of the Organization and requires monthly interest payments for the first twenty-four months, then principal and interest payments for the next thirty-six months at the interest rate of 5.25%. There was no balance on this line of credit as of June 30, 2019.

NOTE 12: OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM

Plan Description - Organization employees participate in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional pension plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan and the combined plan is a cost-sharing, multiple-employer defined benefit pension plan with defined contribution features. While members (e.g. Board employees) may elect the member-directed plan and the combined plan, substantially all employee members are in OPERS' traditional plan; therefore, the following disclosure focuses on the traditional pension plan.

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2019 and 2018

NOTE 12: OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)

OPERS provides retirement, disability, survivor and death benefits and annual cost-of living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided in Chapter 145 of the Ohio Revised Code.

OPERS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about OPERS' fiduciary net position that may be obtained by visiting <https://www.opers.org/financial/reports.shtml>, by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 800-222-7377.

Senate Bill (SB) 343 was enacted into law with an effective date of January 7, 2013. In the legislation, members were categorized into three groups with varying provisions of the law applicable to each group. The following table provides age and service requirements for retirement and the retirement formula applied to final average salary (FAS) for the three member groups under the traditional plan as per the reduced benefits adopted by SB 343 (see OPERS CAFR referenced above for additional information):

Group A	Group B	Group C
Eligible to retire prior to January 7, 2013 or five years after January 7, 2013	20 years of service credit prior to January 7, 2013 or eligible to retire ten years after January 7, 2013	Members not in other Groups and members hired on or after January 7, 2013
State and Local	State and Local	State and Local
Age and Service Requirements:	Age and Service Requirements:	Age and Service Requirements:
Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 60 with 60 months of service credit or Age 55 with 25 years of service credit	Age 57 with 25 years of service credit or Age 62 with 5 years of service credit
Formula:	Formula:	Formula:
2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 30 years and 2.5% for service years in excess of 30	2.2% of FAS multiplied by years of service for the first 35 years and 2.5% for service years in excess of 35

Final average salary (FAS) represents the average of the three highest years of earnings over a member's career for Groups A and B. Group C is based on the average of the five highest years of earnings over a member's career.

Members who retire before meeting the age and years of service credit requirement for unreduced benefits receive a percentage reduction in the benefit amount.

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS
As of and for the Years Ended June 30, 2019 and 2018

NOTE 12: OHIO PUBLIC EMPLOYEES RETIREMENT SYSTEM (Continued)

When a benefit recipient has received benefits for 12 months, an annual cost of living adjustment (COLA) is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a 3 percent simple annual COLA. For those retiring subsequent to January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at 3 percent.

Funding Policy - The Ohio Revised Code (ORC) provides statutory authority for member and employer contributions as follows:

	State And Local
2019 Statutory Maximum Contribution Rates	
Employer	14.0%
Employee	10.0%
2019 Actual Contribution Rates	
Employer:	
Pension	14.0%
Post-employment Health Care Benefits	0.0%
Total Employer	14.0%

Employer contribution rates are actuarially determined and are expressed as a percentage of covered payroll.

The Organization’s contributions to OPERS for the years ending June 30, 2019 and 2018, were \$1,429,721 and \$1,474,289, respectively.

NOTE 13: COMMITMENTS AND CONTINGENCIES

The Organization is committed to certain levels of cost sharing (matching) pertaining to specific federal grants, and its obligation to complete various ongoing capital projects. The Organization is subject to certain legal claims and matters incurred in the normal course of business. Management believes the impact of any outstanding matters as of June 30, 2019 will not have a material adverse effect on the Organization’s financial position and results of activities.

NOTE 14: TRANSFERS

The Ohio Historical Society Foundation (the Foundation) receives unrestricted and restricted contributions. The Foundation releases funds from restrictions and transfers them to the Society, who in turn spends the funds in accordance with the restrictions, if any.

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**OHIO HISTORY SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2019**

Federal Grantor/ <i>Pass Through Grantor</i> / Program Title	Federal CFDA Number	Sub Receipts	Expenditures
NATIONAL ARCHIVES AND RECORDS ADMINISTRATION			
<i>National Historical Publications and Records Commission</i>			
Ohio Historical Records Advisory Board Planning (2018)	89.003	-	\$ 6,458
Ohio Historical Records Advisory Board Planning (2019)	89.003	-	22,129
Total National Archives and Records Administrator		-	28,587
INSTITUTE OF MUSEUM AND LIBRARY SERVICES			
Direct Program:			
NAAMCC IMLS Archives	45.309	-	58,323
NAAMCC IMLS Curatorial	45.309	-	62,134
Subtotal		-	120,457
Direct Program:			
<i>Naper Settlement</i>	45.312	-	73,031
Unvarnished Grant Partnership	45.312	-	2,333
Subtotal		-	75,364
Total Institute of Museum and Library Services		-	195,821
CORPORATION FOR NATIONAL & COMMUNITY SERVICE			
<i>Ohio Commission on Service and Volunteerism/</i>			
AmeriCorps 'The Ohio History Services Corps' (2017-18)	94.006	-	27,872
AmeriCorps 'The Ohio History Services Corps' (2018-19)	94.006	-	101,689
Total Corporation for National & Community Service		-	129,561
UNITED STATES DEPARTMENT OF THE INTERIOR			
<i>National Park Service</i>			
National Maritime Heritage	15.925	-	70,102
Hurricane Sandy HP Recovery Grants	15.957	-	49,734
African American Civil Rights	15.904	-	21,060
NAGPRA Collections Data and Online Research Portal	15.922	-	18,976
Subtotal		-	159,872
Historic Preservation Fund Grants-in-Aid	15.904	\$ 83,998	975,332
Total U.S. Department of Interior		83,998	1,135,204
NATIONAL ENDOWMENT FOR THE HUMANITIES			
Direct Program:			
NAAMCC Pres Assistance	45.149	-	6,000
National Digital Newspaper Program (2016-18)	45.149	-	7,278
National Digital Newspaper Program (2018-20)	45.149	-	68,411
HCRR WWI Grant	45.149	-	90,506
Subtotal		-	172,195
<i>Ohio Humanities</i>			
World Heritage Booklet	45.129	-	4,368
Ohio Women & The Fight for Voter Rights	45.129	-	2,000
Women's Suffrage Planning	45.129	-	2,700
Subtotal		-	9,068
<i>City of Lore</i>			
Becoming American	45.164	-	1,300
<i>Ball State</i>			
Battle of Wabash	45.164	-	5,889
Subtotal		-	7,189
Total National Endowment for the Humanities		-	188,452
TOTAL EXPENDITURES OF FEDERAL AWARDS		\$ 83,998	\$ 1,677,625

The accompanying notes to this schedule are an integral part of this schedule.

**OHIO HISTORICAL SOCIETY AND AFFILIATE dba
OHIO HISTORY CONNECTION**

*Notes to the Schedule of Federal Awards Expenditures
2 CFR 200.510(b)(6)
For the Year Ended June 30, 2019*

Note A – Basis of Presentation

The accompanying Schedule of Federal Awards Expenditures (the Schedule) includes the federal award activity of the Ohio Historical Society and Affiliate dba the Ohio History Connection (the Organization) under programs of the federal government for the year ended June 30, 2019. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Organization.

Note B – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

Note C – Indirect Cost Rate

The Organization has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note D – Matching Requirements

The Federal program requires the Organization to contribute non-Federal funds (matching funds) to support the Federally-funded program. The Authority has met its matching requirements. The Schedule does not include the expenditure of non-Federal matching funds.

Note E – Pass-Through to Subrecipients

The schedule of expenditures of federal awards includes awards that were passed through to subrecipients. Total funds passed through to subrecipients for each grant are as follows:

<u>Program Title and CFDA #</u>	<u>Amount</u>
Historic Preservation Fund Grants-in-Aid (CFDA # 15.904)	\$83,998

Rockefeller Building
614 W Superior Ave Ste 1242
Cleveland OH 44113-1306
Office phone - (216) 575-1630
Fax - (216) 436-2411

Charles E. Harris & Associates, Inc.
Certified Public Accountants

INDEPENDENT ACCOUNTANT’S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Board of Trustees
Ohio Historical Society and Affiliate
dba Ohio History Connection
800 E. 17th Avenue
Columbus, Ohio 43211

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the combined financial statements of the Ohio Historical Society and Affiliate (doing business as “Ohio History Connection” and collectively referred to as the “Organization”) which comprise the combined statement of financial position as of June 30, 2019 and the related combined statements of activities and changes in net assets, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated October 22, 2019. We noted the Organization adopted Financial Accounting Standards Board (FASB) ASU 2016-14, Not-for-Profit Entities (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Organization’s internal control over financial reporting (internal control) to determine the 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 the Organization’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization’s internal control.

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 the Organization’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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.

Ohio Historical Society and Affiliate
dba Ohio History Connection

Independent Accountant's Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed
In Accordance With *Government Auditing Standards*


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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.

October 22, 2019

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE FOR THE
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Trustees
Ohio Historical Society and Affiliate
dba Ohio History Connection
800 E. 17th Avenue
Columbus, Ohio 43211

Report on Compliance for the Major Federal Program

We have audited the Ohio Historical Society and Affiliate's (doing business as "Ohio History Connection" and collectively referred to as the "Organization") compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on the Organization's major federal program for the year ended June 30, 2019. The Organization's major federal program is identified in the *Summary of Auditor's Results* in the accompanying Schedule of Findings.

Management's Responsibility

The Organization's management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Organization's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on the Major Federal Program

In our opinion, the Ohio Historical Society and Affiliate dba Ohio History Connection complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.

October 22, 2019

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION
SCHEDULE OF FINDINGS
2 CFR § 200.515
June 30, 2019

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	<i>Type of Financial Statement Opinion</i>	Unmodified
(d)(1)(ii)	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(ii)	<i>Were there any significant deficiencies reported at the financial statement level (GAGAS)?</i>	No
(d)(1)(iii)	<i>Was there any reported material non-compliance at the financial statement level (GAGAS)?</i>	No
(d)(1)(iv)	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
(d)(1)(iv)	<i>Were there any significant deficiencies reported for major federal programs?</i>	No
(d)(1)(v)	<i>Type of Major Programs' Compliance Opinion</i>	Unmodified
(d)(1)(vi)	<i>Are there any reportable findings under 2 CFR § 200.516(a)</i>	No
(d)(1)(vii)	<i>Major Programs:</i>	15.904 - History Preservation Funds Grant-In-Aid
(d)(1)(viii)	<i>Dollar Threshold: Type A\B Programs</i>	Type A: >\$750,000 Type B: All Others
(d)(1)(ix)	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS
REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

3. FINDINGS FOR FEDERAL AWARDS

None

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

COMBINING STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2019

	Ohio Historical Society			Ohio Historical Society Foundation		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	\$ 532,458	\$ 121,398	\$ 653,856	\$ 22,857	\$ 983,641	\$ 1,006,498
Receivables:						
Grants	456,171	-	456,171	-	-	-
Contracts	127,616	-	127,616	-	-	-
Current portion of pledges, net	-	-	-	-	845,699	845,699
Other	1,945,082	-	1,945,082	3,899,985	2,744	3,902,729
Inventories, net	321,561	-	321,561	-	-	-
Prepaid expenses and other current assets	129,037	-	129,037	-	34,272	34,272
Total current assets	3,511,925	121,398	3,633,323	3,922,842	1,866,356	5,789,198
PROPERTY AND EQUIPMENT, net	1,902,365	-	1,902,365	116,000	-	116,000
LONG-TERM INVESTMENTS	220,400	-	220,400	229,120	14,220,044	14,449,164
Total assets	\$ 5,634,690	\$ 121,398	\$ 5,756,088	\$ 4,267,962	\$ 16,086,400	\$ 20,354,362
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Accounts payable	\$ 6,013,567	\$ -	\$ 6,013,567	\$ 18,594	\$ 404,874	\$ 423,468
Accrued salaries, wages and other liabilities	1,192,158	-	1,192,158	-	-	-
Accrued leave liability	791,683	-	791,683	-	-	-
Deferred subscription and other revenue	722,401	-	722,401	-	-	-
Total current liabilities	8,719,809	-	8,719,809	18,594	404,874	423,468
NET ASSETS:						
Operations	(3,085,119)	-	(3,085,119)	3,546,590	7,267,233	10,813,823
Ohio Bicentennial Commission	-	121,398	121,398	-	-	-
Endowment fund balance	-	-	-	237,765	8,414,293	8,652,058
Quasi-Endowment	-	-	-	465,013	-	465,013
Total net assets	(3,085,119)	121,398	(2,963,721)	4,249,368	15,681,526	19,930,894
Total Liabilities and net assets	\$ 5,634,690	\$ 121,398	\$ 5,756,088	\$ 4,267,962	\$ 16,086,400	\$ 20,354,362

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

COMBINING STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2019
(CONTINUED)

	Total			Intercompany Adjustments		Combined total		
	Without Donor Restrictions	With Donor Restrictions	Total	OHS	OHSF	Without Donor Restrictions	With Donor Restrictions	Total
<u>ASSETS</u>								
CURRENT ASSETS:								
Cash and cash equivalents	\$ 555,315	\$ 1,105,039	\$ 1,660,354	\$ -	\$ -	\$ 555,315	\$ 1,105,039	\$ 1,660,354
Receivables:								
Grants	456,171	-	456,171	-	-	456,171	-	456,171
Contracts	127,616	-	127,616	-	-	127,616	-	127,616
Current portion of pledges, net	-	845,699	845,699	-	-	-	845,699	845,699
Other	5,845,069	2,742	5,847,811	-	(3,895,982)	1,949,087	2,742	1,951,829
Inventories, net	321,561	-	321,561	-	-	321,561	-	321,561
Prepaid expenses and other current assets	129,035	34,274	163,309	-	-	129,035	34,274	163,309
Total current assets	7,434,767	1,987,754	9,422,521	-	(3,895,982)	3,538,785	1,987,754	5,526,539
PROPERTY AND EQUIPMENT, net	2,018,365	-	2,018,365	-	-	2,018,365	-	2,018,365
LONG-TERM INVESTMENTS	449,520	14,220,044	14,669,564	-	-	449,520	14,220,044	14,669,564
Total assets	\$ 9,902,652	\$ 16,207,798	\$ 26,110,450	\$ -	\$ (3,895,982)	\$ 6,006,670	\$ 16,207,798	\$ 22,214,468
<u>LIABILITIES AND NET ASSETS</u>								
CURRENT LIABILITIES:								
Accounts payable	\$ 6,032,161	\$ 404,874	\$ 6,437,035	\$ (3,895,982)	\$ -	\$ 2,136,179	\$ 404,874	\$ 2,541,053
Accrued salaries, wages and other liabilities	1,192,158	-	1,192,158	-	-	1,192,158	-	1,192,158
Accrued leave liability	791,683	-	791,683	-	-	791,683	-	791,683
Deferred subscription and other revenue	722,401	-	722,401	-	-	722,401	-	722,401
Total current liabilities	8,738,403	404,874	9,143,277	(3,895,982)	-	4,842,421	404,874	5,247,295
NET ASSETS:								
Operations	461,471	7,267,233	7,728,704	-	-	461,471	7,267,233	7,728,704
Ohio Bicentennial Commission	-	121,398	121,398	-	-	-	121,398	121,398
Endowment fund balance	237,765	8,414,293	8,652,058	-	-	237,765	8,414,293	8,652,058
Quasi-Endowment	465,013	-	465,013	-	-	465,013	-	465,013
Total net assets	1,164,249	15,802,924	16,967,173	-	-	1,164,249	15,802,924	16,967,173
Total Liabilities and net assets	\$ 9,902,652	\$ 16,207,798	\$ 26,110,450	\$ (3,895,982)	\$ -	\$ 6,006,670	\$ 16,207,798	\$ 22,214,468

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

COMBINING STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2018

	Ohio Historical Society			Ohio Historical Society Foundation		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
ASSETS						
CURRENT ASSETS:						
Cash and cash equivalents	\$ 923,090	\$ 127,868	\$ 1,050,958	\$ 287,941	\$ 975,041	\$ 1,262,982
Receivables:						
Grants	352,126	-	352,126	-	-	-
Contracts	829,910	-	829,910	-	-	-
Current portion of pledges, net	-	-	-	-	698,676	698,676
Other	617,561	-	617,561	3,533,086	1,587,408	5,120,494
Inventories, net	287,073	-	287,073	-	-	-
Prepaid expenses and other current assets	139,462	-	139,462	-	34,274	34,274
Total current assets	3,149,222	127,868	3,277,090	3,821,027	3,295,399	7,116,426
PROPERTY AND EQUIPMENT, net	1,627,666	-	1,627,666	116,000	-	116,000
LONG-TERM INVESTMENTS	76,886	-	76,886	6,066,485	9,374,270	15,440,755
Total assets	\$ 4,853,774	\$ 127,868	\$ 4,981,642	\$ 10,003,512	\$ 12,669,669	\$ 22,673,181
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES:						
Accounts payable	\$ 6,743,335	\$ -	\$ 6,743,335	\$ -	\$ -	\$ -
Accrued salaries, wages and other liabilities	1,351,439	-	1,351,439	-	-	-
Accrued leave liability	780,582	-	780,582	-	-	-
Deferred subscription and other revenue	585,740	-	585,740	-	-	-
Total current liabilities	9,461,096	-	9,461,096	-	-	-
NET ASSETS:						
Operations	(4,607,322)	-	(4,607,322)	8,719,270	4,196,665	12,915,935
Ohio Bicentennial Commission	-	127,868	127,868	-	-	-
Endowment fund balance	-	-	-	32,688	8,473,004	8,505,692
Quasi-Endowment	-	-	-	1,251,554	-	1,251,554
Total net assets	(4,607,322)	127,868	(4,479,454)	10,003,512	12,669,669	22,673,181
Total Liabilities and net assets	\$ 4,853,774	\$ 127,868	\$ 4,981,642	\$ 10,003,512	\$ 12,669,669	\$ 22,673,181

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

COMBINING STATEMENT OF FINANCIAL POSITION
AS OF JUNE 30, 2018
(CONTINUED)

	Total			Intercompany Adjustments		Combined total		
	Without Donor Restrictions	With Donor Restrictions	Total	OHS	OHSF	Without Donor Restrictions	With Donor Restrictions	Total
<u>ASSETS</u>								
CURRENT ASSETS:								
Cash and cash equivalents	\$ 1,211,031	\$ 1,102,909	\$ 2,313,940	\$ -	\$ -	\$ 1,211,031	\$ 1,102,909	\$ 2,313,940
Receivables:								
Grants	352,126	-	352,126	-	-	352,126	-	352,126
Contracts	829,910	-	829,910	-	-	829,910	-	829,910
Current portion of pledges, net	-	698,676	698,676	-	-	-	698,676	698,676
Other	4,150,647	1,587,408	5,738,055	-	(3,545,982)	604,665	1,587,408	2,192,073
Inventories, net	287,073	-	287,073	-	-	287,073	-	287,073
Prepaid expenses and other current assets	139,462	34,274	173,736	-	-	139,462	34,274	173,736
Total current assets	6,970,249	3,423,267	10,393,516	-	(3,545,982)	3,424,267	3,423,267	6,847,534
PROPERTY AND EQUIPMENT, net	1,743,666	-	1,743,666	-	-	1,743,666	-	1,743,666
LONG-TERM INVESTMENTS	6,143,371	9,374,270	15,517,641	-	-	6,143,371	9,374,270	15,517,641
Total assets	<u>\$ 14,857,286</u>	<u>\$ 12,797,537</u>	<u>\$ 27,654,823</u>	<u>\$ -</u>	<u>\$ (3,545,982)</u>	<u>\$ 11,311,304</u>	<u>\$ 12,797,537</u>	<u>\$ 24,108,841</u>
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES:								
Accounts payable	\$ 6,743,335	\$ -	\$ 6,743,335	\$ (3,545,982)	\$ -	\$ 3,197,353	\$ -	\$ 3,197,353
Accrued salaries, wages and other liabilities	1,351,439	-	1,351,439	-	-	1,351,439	-	1,351,439
Accrued leave liability	780,582	-	780,582	-	-	780,582	-	780,582
Deferred subscription and other revenue	585,740	-	585,740	-	-	585,740	-	585,740
Total current liabilities	9,461,096	-	9,461,096	(3,545,982)	-	5,915,114	-	5,915,114
NET ASSETS:								
Operations	4,111,948	4,196,665	8,308,613	-	-	4,111,948	4,196,665	8,308,613
Ohio Bicentennial Commission	-	127,868	127,868	-	-	-	127,868	127,868
Endowment fund balance	32,688	8,473,004	8,505,692	-	-	32,688	8,473,004	8,505,692
Quasi-Endowment	1,251,554	-	1,251,554	-	-	1,251,554	-	1,251,554
Total net assets	5,396,190	12,797,537	18,193,727	-	-	5,396,190	12,797,537	18,193,727
Total Liabilities and net assets	<u>\$ 14,857,286</u>	<u>\$ 12,797,537</u>	<u>\$ 27,654,823</u>	<u>\$ (3,545,982)</u>	<u>\$ -</u>	<u>\$ 11,311,304</u>	<u>\$ 12,797,537</u>	<u>\$ 24,108,841</u>

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

COMBINING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2019

	Ohio Historical Society			Ohio Historical Society Foundation		
	With Donor Restrictions	Without Donor Restrictions	Total	With Donor Restrictions	Without Donor Restrictions	Total
SUPPORT:						
State appropriations:						
Operating subsidies	\$ 10,939,697	\$ -	\$ 10,939,697	\$ -	\$ -	\$ -
Capital projects	7,562,562	-	7,562,562	-	-	-
Government contracts and grants	3,098,129	-	3,098,129	-	-	-
Private contracts and grants	304,660	-	304,660	-	-	-
Contributions	100	-	100	332,150	1,725,125	2,057,275
Contributed materials and services	2,210,389	-	2,210,389	-	-	-
Other support	36,232	-	36,232	822	-	822
Total support	24,151,769	-	24,151,769	332,972	1,725,125	2,058,097
REVENUE:						
Admissions and parking	342,117	-	342,117	-	-	-
Memberships and subscriptions	391,662	-	391,662	-	-	-
Investment income	3,832	-	3,832	95,547	276,289	371,836
Sales and facilities use	163,433	-	163,433	-	-	-
Special events	165,113	-	165,113	-	-	-
Program services income	593,956	-	593,956	-	-	-
Other revenue	396,946	-	396,946	-	-	-
Total revenue	2,057,059	-	2,057,059	95,547	276,289	371,836
Net assets released from restriction	-	-	-	4,292,109	(4,292,109)	-
Total support and revenue	26,208,828	-	26,208,828	4,720,628	(2,290,695)	2,429,933
EXPENSES:						
Program expenses:						
Site operations, educational and interpretive programs	12,729,954	6,470	12,736,424	-	-	-
Contributed materials and services	2,210,389	-	2,210,389	-	-	-
State archives and library	1,481,989	-	1,481,989	-	-	-
Historic preservation office	2,181,395	-	2,181,395	-	-	-
Capital projects	7,501,683	-	7,501,683	-	-	-
Support services:						
Management and general	3,772,581	-	3,772,581	8,965	25,291	34,256
Fundraising	566,919	-	566,919	-	-	-
Total expenses	30,444,910	6,470	30,451,380	8,965	25,291	34,256
Changes in net assets from operations	(4,236,082)	(6,470)	(4,242,552)	4,711,663	(2,315,986)	2,395,677
OTHER INCOME(EXPENSES):						
Collections items purchased but not capitalized	(15,651)	-	(15,651)	-	-	-
Net realized and unrealized gains (losses) on investments	-	-	-	128,049	507,923	635,972
Transfers To The Ohio History Connection	5,773,937	-	5,773,937	(10,593,857)	4,819,920	(5,773,937)
Changes in net assets	1,522,204	(6,470)	1,515,734	(5,754,145)	3,011,857	(2,742,288)
NET ASSETS, beginning of year	(4,607,324)	127,868	(4,479,456)	10,003,514	12,669,669	22,673,183
NET ASSETS, end of year	\$ (3,085,120)	\$ 121,398	\$ (2,963,722)	\$ 4,249,369	\$ 15,681,526	\$ 19,930,895

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2019
(CONTINUED)

	Total			Intercompany Adjustments		Combined Total		
	Without Donor Restrictions	With Donor Restrictions	Total	OHS	OHSF	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT:								
State appropriations:								
Operating subsidies	\$ 10,939,697	\$ -	\$ 10,939,697	\$ -	\$ -	\$ 10,939,697	\$ -	\$ 10,939,697
Capital projects	7,562,562	-	7,562,562	-	-	7,562,562	-	7,562,562
Government contracts and grants	3,098,129	-	3,098,129	-	-	3,098,129	-	3,098,129
Private contracts and grants	304,660	-	304,660	-	-	304,660	-	304,660
Contributions	332,250	1,725,125	2,057,375	-	-	332,250	1,725,125	2,057,375
Contributed materials and services	2,210,389	-	2,210,389	-	-	2,210,389	-	2,210,389
Other support	37,054	-	37,054	-	-	37,054	-	37,054
Total support	24,484,741	1,725,125	26,209,866	-	-	24,484,741	1,725,125	26,209,866
REVENUE:								
Admissions and parking	342,117	-	342,117	-	-	342,117	-	342,117
Memberships and subscriptions	391,662	-	391,662	-	-	391,662	-	391,662
Investment income	99,378	276,289	375,667	-	-	99,378	276,289	375,667
Sales and facilities use	163,434	-	163,434	-	-	163,434	-	163,434
Special events	165,113	-	165,113	-	-	165,113	-	165,113
Program services income	593,956	-	593,956	-	-	593,956	-	593,956
Other revenue	396,946	-	396,946	-	-	396,946	-	396,946
Total revenue	2,152,606	276,289	2,428,895	-	-	2,152,606	276,289	2,428,895
Net assets released from restriction	4,292,109	(4,292,109)	-	-	-	4,292,109	(4,292,109)	-
Total support and revenue	30,929,456	(2,290,695)	28,638,761	-	-	30,929,456	(2,290,695)	28,638,761
EXPENSES:								
Program expenses:								
Site operations, educational and interpretive programs	12,729,954	6,470	12,736,424	-	-	12,729,954	6,470	12,736,424
Contributed materials and services	2,210,389	-	2,210,389	-	-	2,210,389	-	2,210,389
State archives and library	1,481,989	-	1,481,989	-	-	1,481,989	-	1,481,989
Historic preservation office	2,181,395	-	2,181,395	-	-	2,181,395	-	2,181,395
Capital projects	7,501,683	-	7,501,683	-	-	7,501,683	-	7,501,683
Support services:								
Management and general	3,781,546	25,291	3,806,837	-	-	3,781,546	25,291	3,806,837
Fundraising	566,919	-	566,919	-	-	566,919	-	566,919
Total expenses	30,453,875	31,761	30,485,636	-	-	30,453,875	31,761	30,485,636
Changes in net assets from operations	475,581	(2,322,456)	(1,846,875)	-	-	475,581	(2,322,456)	(1,846,875)
OTHER INCOME(EXPENSES):								
Collections items purchased but not capitalized	(15,651)	-	(15,651)	-	-	(15,651)	-	(15,651)
Net realized and unrealized gains (losses) on investments	128,049	507,923	635,972	-	-	128,049	507,923	635,972
Transfers To The Ohio History Connection	(4,819,920)	4,819,920	-	-	-	(4,819,920)	4,819,920	-
Changes in net assets	(4,231,941)	3,005,387	(1,226,554)	-	-	(4,231,941)	3,005,387	(1,226,554)
NET ASSETS, beginning of year	5,396,190	12,797,537	18,193,727	-	-	5,396,190	12,797,537	18,193,727
NET ASSETS, end of year	\$ 1,164,249	\$ 15,802,924	\$ 16,967,173	\$ -	\$ -	\$ 1,164,249	\$ 15,802,924	\$ 16,967,173

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Ohio Historical Society			Ohio Historical Society Foundation		
	With Donor Restrictions	Without Donor Restrictions	Total	With Donor Restrictions	Without Donor Restrictions	Total
SUPPORT:						
State appropriations:						
Operating subsidies	\$ 10,939,697	\$ -	\$ 10,939,697	\$ -	\$ -	\$ -
Capital projects	4,409,775	-	4,409,775	-	-	-
Government contracts and grants	3,357,299	-	3,357,299	-	-	-
Private contracts and grants	271,350	-	271,350	-	-	-
Contributions	1,744	-	1,744	332,273	3,636,256	3,968,529
Contributed materials and services	1,899,630	-	1,899,630	-	-	-
Other support	12,657	-	12,657	7,799	-	7,799
Total support	<u>20,892,152</u>	<u>-</u>	<u>20,892,152</u>	<u>340,072</u>	<u>3,636,256</u>	<u>3,976,328</u>
REVENUE:						
Admissions and parking	297,183	-	297,183	-	-	-
Memberships and subscriptions	400,527	-	400,527	-	-	-
Investment income	3,069	-	3,069	94,067	103,373	197,440
Sales and facilities use	252,329	-	252,329	-	-	-
Special events	168,711	-	168,711	-	-	-
Program services income	624,143	-	624,143	-	-	-
Other revenue	302,487	-	302,487	-	-	-
Total revenue	<u>2,048,449</u>	<u>-</u>	<u>2,048,449</u>	<u>94,067</u>	<u>103,373</u>	<u>197,440</u>
Net assets released from restriction	-	-	-	3,614,502	(3,614,502)	-
Total support and revenue	<u>22,940,601</u>	<u>-</u>	<u>22,940,601</u>	<u>4,048,641</u>	<u>125,127</u>	<u>4,173,768</u>
EXPENSES:						
Program expenses:						
Site operations, educational and interpretive programs	11,090,959	3,000	11,093,959	-	-	-
Contributed materials and services	1,899,630	-	1,899,630	-	-	-
State archives and library	1,553,041	-	1,553,041	-	-	-
Historic preservation office	2,338,696	-	2,338,696	-	-	-
Capital projects	4,313,389	-	4,313,389	-	-	-
Support services:						
Management and general	3,402,132	-	3,402,132	37,926	-	37,926
Fundraising	854,693	-	854,693	-	-	-
Total expenses	<u>25,452,540</u>	<u>3,000</u>	<u>25,455,540</u>	<u>37,926</u>	<u>-</u>	<u>37,926</u>
Changes in net assets from operations	(2,511,939)	(3,000)	(2,514,939)	4,010,715	125,127	4,135,842
OTHER INCOME(EXPENSES):						
Collections items purchased but not capitalized	(694,644)	-	(694,644)	-	-	-
Net realized and unrealized gains (losses) on investments	-	-	-	162,930	491,242	654,172
Transfers To The Ohio History Connection	2,871,279	-	2,871,279	(630,519)	(2,240,760)	(2,871,279)
Changes in net assets	<u>(335,304)</u>	<u>(3,000)</u>	<u>(338,304)</u>	<u>3,543,126</u>	<u>(1,624,391)</u>	<u>1,918,735</u>
NET ASSETS, beginning of year, Restated	(4,272,020)	130,868	(4,141,152)	6,460,388	14,294,060	20,754,448
NET ASSETS, end of year	<u>\$ (4,607,324)</u>	<u>\$ 127,868</u>	<u>\$ (4,479,456)</u>	<u>\$ 10,003,514</u>	<u>\$ 12,669,669</u>	<u>\$ 22,673,183</u>

OHIO HISTORICAL SOCIETY AND AFFILIATE
dba OHIO HISTORY CONNECTION

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2018
(CONTINUED)

	Total			Intercompany Adjustments		Combined Total		
	Without Donor Restrictions	With Donor Restrictions	Total	OHS	OHSF	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT:								
State appropriations:								
Operating subsidies	\$ 10,939,697	\$ -	\$ 10,939,697	\$ -	\$ -	\$ 10,939,697	\$ -	\$ 10,939,697
Capital projects	4,409,775	-	4,409,775	-	-	4,409,775	-	4,409,775
Government contracts and grants	3,357,299	-	3,357,299	-	-	3,357,299	-	3,357,299
Private contracts and grants	271,350	-	271,350	-	-	271,350	-	271,350
Contributions	334,017	3,636,256	3,970,273	-	-	334,017	3,636,256	3,970,273
Contributed materials and services	1,899,630	-	1,899,630	-	-	1,899,630	-	1,899,630
Other support	20,456	-	20,456	-	-	20,456	-	20,456
Total support	21,232,224	3,636,256	24,868,480	-	-	21,232,224	3,636,256	24,868,480
REVENUE:								
Admissions and parking	297,183	-	297,183	-	-	297,183	-	297,183
Memberships and subscriptions	400,527	-	400,527	-	-	400,527	-	400,527
Investment income	97,136	103,373	200,509	-	-	97,136	103,373	200,509
Sales and facilities use	252,329	-	252,329	-	-	252,329	-	252,329
Special events	168,711	-	168,711	-	-	168,711	-	168,711
Program services income	624,143	-	624,143	-	-	624,143	-	624,143
Other revenue	302,487	-	302,487	-	-	302,487	-	302,487
Total revenue	2,142,516	103,373	2,245,889	-	-	2,142,516	103,373	2,245,889
Net assets released from restriction	3,614,502	(3,614,502)	-	-	-	3,614,502	(3,614,502)	-
Total support and revenue	26,989,242	125,127	27,114,369	-	-	26,989,242	125,127	27,114,369
EXPENSES:								
Program expenses:								
Site operations, educational and interpretive programs	11,090,959	3,000	11,093,959	-	-	11,090,959	3,000	11,093,959
Contributed materials and services	1,899,630	-	1,899,630	-	-	1,899,630	-	1,899,630
State archives and library	1,553,041	-	1,553,041	-	-	1,553,041	-	1,553,041
Historic preservation office	2,338,696	-	2,338,696	-	-	2,338,696	-	2,338,696
Capital projects	4,313,389	-	4,313,389	-	-	4,313,389	-	4,313,389
Support services:								
Management and general	3,440,058	-	3,440,058	-	-	3,440,058	-	3,440,058
Fundraising	854,693	-	854,693	-	-	854,693	-	854,693
Total expenses	25,490,466	3,000	25,493,466	-	-	25,490,466	3,000	25,493,466
Changes in net assets from operations	1,498,776	122,127	1,620,903	-	-	1,498,776	122,127	1,620,903
OTHER INCOME(EXPENSES):								
Collections items purchased but not capitalized	(694,644)	-	(694,644)	-	-	(694,644)	-	(694,644)
Net realized and unrealized gains (losses) on investments	162,930	491,242	654,172	-	-	162,930	491,242	654,172
Transfers To The Ohio History Connection	2,240,760	(2,240,760)	-	-	-	2,240,760	(2,240,760)	-
Changes in net assets	3,207,822	(1,627,391)	1,580,431	-	-	3,207,822	(1,627,391)	1,580,431
NET ASSETS, beginning of year, Restated	2,188,368	14,424,928	16,613,296	-	-	2,188,368	14,424,928	16,613,296
NET ASSETS, end of year	\$ 5,396,190	\$ 12,797,537	\$ 18,193,727	\$ -	\$ -	\$ 5,396,190	\$ 12,797,537	\$ 18,193,727

OHIO HISTORICAL SOCIETY AND AFFILIATE
 dba OHIO HISTORY CONNECTION
 SUPPLEMENTAL SCHEDULE OF SUPPORT, REVENUE AND EXPENSES
 FOR COLUMBUS AND OTHER OHIO DIVISIONS
 FOR THE YEAR ENDED JUNE 30, 2019

	Columbus	Ohio Divisions	Total
SUPPORT:			
State appropriations:			
Operating subsidies	\$ 2,284,512	\$ 8,655,185	\$ 10,939,697
Capital projects	-	7,562,562	7,562,562
Government contracts and grants	310,202	2,787,927	3,098,129
Private contracts and grants	43,268	261,392	304,660
Contributions	286,114	1,771,261	2,057,375
Other support	2,223,298	24,145	2,247,443
Admissions and parking	330,424	11,693	342,117
Memberships and subscriptions	-	391,662	391,662
Investment income	-	375,668	375,668
Sales and facilities use	184,356	(20,923)	163,433
Special events	154,899	10,214	165,113
Program services income	249,853	344,103	593,956
Other revenue	14,775	382,171	396,946
Total Support and Revenue	<u>6,081,701</u>	<u>22,557,060</u>	<u>28,638,761</u>
EXPENSES:			
Salary and Wages	2,886,774	7,312,450	10,199,224
Fringe Benefits	772,117	2,014,687	2,786,804
Professional Services	197,428	1,199,048	1,396,476
Site Management Agreements	-	1,568,870	1,568,870
Construction Services	866,950	7,219,299	8,086,249
Donated Materials and Services	904,817	1,305,572	2,210,389
Materials and Supplies	211,849	249,040	460,889
Printing and Publications	14,060	247,130	261,190
Shipping	5,007	70,731	75,738
Utilities	477,692	189,724	667,416
Insurance	-	245,554	245,554
Taxes/Assessments	-	27,750	27,750
Maintenance and Repair	168,812	668,815	837,627
Lease Expense	22,740	84,132	106,872
Equipment Purchases	14,828	105,650	120,478
Collection Acquisitions	9,072	6,579	15,651
Food and Beverage	50,563	83,201	133,764
Marketing	7,024	324,140	331,164
Travel	64,521	155,362	219,883
Professional Development	9,936	188,670	198,606
Grants and Other Allocations	61,248	256,510	317,758
Other Expenses	24,159	63,733	87,892
Depreciation	46,642	98,401	145,043
Total Expenses	<u>6,816,239</u>	<u>23,685,048</u>	<u>30,501,287</u>
Non Operating Revenue:			
Realized Gain	-	212,394	212,394
Unrealized Gains	-	423,578	423,578
Total Non Operating Revenue	<u>-</u>	<u>635,972</u>	<u>635,972</u>
Net Surplus/(Deficit)	<u>\$ (734,538)</u>	<u>\$ (492,016)</u>	<u>\$ (1,226,554)</u>
Indirect Cost Rate FY 19 36.6%	\$ 2,494,744	\$ (2,494,744)	\$ -
Total Expenses	<u>9,310,983</u>	<u>21,190,304</u>	<u>30,501,287</u>
New Net Surplus/(Deficit)	<u>\$ (3,229,282)</u>	<u>\$ 1,366,756</u>	<u>\$ (1,226,554)</u>

OHIO HISTORICAL SOCIETY AND AFFILIATE
 dba OHIO HISTORY CONNECTION
 SUPPLEMENTAL SCHEDULE OF SUPPORT, REVENUE AND EXPENSES
 FOR COLUMBUS AND OTHER OHIO DIVISIONS
 FOR THE YEAR ENDED JUNE 30, 2018

	Columbus	Ohio Divisions	Total
SUPPORT:			
State appropriations:			
Operating subsidies	\$ 2,337,973	\$ 8,601,724	\$ 10,939,697
Capital projects	-	4,409,775	4,409,775
Government contracts and grants	376,208	2,981,091	3,357,299
Private contracts and grants	51,088	220,262	271,350
Contributions	937,161	2,892,113	3,829,274
Other support	2,247,409	(327,323)	1,920,086
Admissions and parking	283,341	13,842	297,183
Memberships and subscriptions	-	400,527	400,527
Investment income	-	341,507	341,507
Sales and facilities use	265,579	(13,251)	252,328
Special events	146,985	21,726	168,711
Program services income	279,072	345,071	624,143
Other revenue	47,900	254,589	302,489
Total Support and Revenue	<u>6,972,716</u>	<u>20,141,653</u>	<u>27,114,369</u>
EXPENSES:			
Salary and Wages	4,406,536	6,344,224	10,750,760
Fringe Benefits	1,204,350	1,646,658	2,851,008
Professional Services	764,592	1,172,729	1,937,321
Site Management Agreements	-	1,557,905	1,557,905
Construction Services	212,448	1,899,407	2,111,855
Donated Materials and Services	766,255	1,133,375	1,899,630
Materials and Supplies	338,598	300,810	639,408
Printing and Publications	14,930	245,207	260,137
Shipping	13,252	58,046	71,298
Utilities	455,939	217,345	673,284
Insurance	-	199,350	199,350
Taxes/Assessments	-	26,324	26,324
Maintenance and Repair	177,632	617,703	795,335
Lease Expense	35,065	42,612	77,677
Equipment Purchases	43,739	186,099	229,838
Collection Acquisitions	3,861	690,783	694,644
Food and Beverage	63,949	69,953	133,902
Marketing	6,594	176,634	183,228
Travel	160,900	115,338	276,238
Professional Development	17,860	83,042	100,902
Grants and Other Allocations	148,860	226,628	375,488
Other Expenses	32,633	(32,413)	220
Depreciation	64,966	277,392	342,358
Total Expenses	<u>8,932,959</u>	<u>17,255,151</u>	<u>26,188,110</u>
Non Operating Revenue:			
Realized Gain	-	-	3,121
Unrealized Gains	-	-	651,051
Total Non Operating Revenue	<u>-</u>	<u>-</u>	<u>654,172</u>
Net Surplus/(Deficit)	<u>\$ (1,960,243)</u>	<u>\$ 2,886,502</u>	<u>\$ 1,580,431</u>
Indirect Cost Rate FY 18 41.76%	\$ 3,730,404	\$ (3,730,404)	\$ -
Total Expenses	<u>12,663,363</u>	<u>13,524,747</u>	<u>26,188,110</u>
New Net Surplus/(Deficit)	<u>\$ (5,690,647)</u>	<u>\$ 6,616,906</u>	<u>\$ 1,580,431</u>

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OHIO AUDITOR OF STATE KEITH FABER



OHIO HISTORY CONNECTION

FRANKLIN COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

CERTIFIED
DECEMBER 26, 2019