



# AMERICAN INSTITUTE OF THE HISTORY OF PHARMACY

## TREASURER'S REPORT 2019 Annual Business Meeting (November 10, 2019)

### Overview

- The financial health of the Institute remains stable.

### Fiscal Year 2018-2019 (July 1, 2018 – June 30, 2019)

- Final financial reports for Fiscal Year 2018-19 are attached.
- During the fiscal year, operating expenses exceeded operating revenues by \$15,368.72. This result was due to the final phase of the leadership transition process and its attendant higher than normal salary and related expenses. (See Budget vs. Actuals: FY 2018-19 Budget). The operating deficit was actually lower than the budgeted deficit of -\$25,880. The better than expected results were due to lower than anticipated expenses in the areas of publications, membership, and meeting costs, and higher than expected income from national association sponsorships and investment income.
- The Institute's assets increased by approximately 2% (\$49,937) to \$2,342,964 during the fiscal year. (See Statement of Financial Position as of June 30, 2019). The increase was due primarily to an increase in the market value of the Institute's investment portfolio, which had a value of \$2,043,579.96 as of June 30, 2019. The account is held by Robert W. Baird & Co. Inc. with the Schwarz Group serving as financial advisor.
- The investment portfolio experienced relatively little turnover during the year and continues to follow Institute policies of diversification of holdings for the long term.
- Portfolio income came in as expected. The Institute continues to rely upon income generated by our investment portfolio to fund a significant share of our operations.
- The Institute had net income of \$89,022.09 during Fiscal Year 2018-19. (See Statement of Activities July 2018 – June 2019). This gain is attributable to unrealized gains in the market value of our investment portfolio and contributions to the AIHP Gregory J. Higby Fund.

### **Fiscal Year 2019-2020 (July 1, 2019 to Date)**

- To date, income and expenses are in line with budgeted expectations and should result in a balanced budget.
- It is expected that the Institute's hosting of the recently held 44<sup>th</sup> International Congress for the History of Pharmacy will generate a small profit at best and be revenue neutral at worst. Attendance was lower than expected which resulted in less registration related income than anticipated. In addition, certain yet to be invoiced expenses are anticipated to be higher than planned.
- Investment portfolio turnover is anticipated to be light.
- Portfolio income is expected to increase slightly.
- Membership dues for 2020 will increase by approximately 5%. Renewal notices will be emailed/mailed soon.
- AIHP staff have expended much effort transitioning from what has been a self-designed system of accounting records to an integrated computer-based accounting system using an online platform that allows for multiple users and online access. The new system is expected to reduce accounting-related costs once fully implemented and facilitate the Institute's adherence to generally accepted accounting principles.
- A fundraising campaign to honor retired and long-time Executive Director Gregory J. Higby resulted in the receipt of contributions and pledges to the new AIHP Gregory J. Higby Fund exceeding \$37,600 to date. Donations are designated for upgrading access to and enhancing the research capabilities of the Kremers Reference Files. Donations to the Higby Fund will continue to be accepted.

Respectfully submitted,

W. Clarke Ridgway

Treasurer, American Institute of the History of Pharmacy



# American Institute of the History of Pharmacy

## BUDGET VS. ACTUALS: FISCAL YEAR 2018-19 BUDGET

July 2018 - June 2019

		TOTAL		
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
<b>Income</b>				
4000 Membership Dues				
4010 Dues From Individuals	39,933.06	50,000.00	-10,066.94	79.87 %
4020 Dues from Organizations	9,988.67	6,000.00	3,988.67	166.48 %
4030 Pharmacy Education Fund	11,223.36	10,000.00	1,223.36	112.23 %
<b>Total 4000 Membership Dues</b>	<b>61,145.09</b>	<b>66,000.00</b>	<b>-4,854.91</b>	<b>92.64 %</b>
4100 Contributions from Nat'l Association Sponsors	32,500.00	25,000.00	7,500.00	130.00 %
4200 Donations & Gifts	5,022.90	2,500.00	2,522.90	200.92 %
4300 Program-Related Fees and Sales	7,103.64	7,500.00	-396.36	94.72 %
4400 Investment Income	116,493.99	113,000.00	3,493.99	103.09 %
4700 Other Revenues Received	29.51		29.51	
4800 44th International Congress Revenues	16,724.85	40,423.00	-23,698.15	41.37 %
<b>Total Income</b>	<b>\$239,019.98</b>	<b>\$254,423.00</b>	<b>\$ -15,403.02</b>	<b>93.95 %</b>
<b>GROSS PROFIT</b>	<b>\$239,019.98</b>	<b>\$254,423.00</b>	<b>\$ -15,403.02</b>	<b>93.95 %</b>
<b>Expenses</b>				
6000 Salaries and Related Expenses	177,668.74	173,380.00	4,288.74	102.47 %
6100 Publication & Printing Expenses	16,006.86	20,300.00	-4,293.14	78.85 %
6200 Membership & Fundraising Expenses	248.42	3,000.00	-2,751.58	8.28 %
6300 Travel Expenses	5,309.96	5,000.00	309.96	106.20 %
6400 Meeting Expenses	4,887.25	9,800.00	-4,912.75	49.87 %
6500 Awards & Grants	3,221.71	3,000.00	221.71	107.39 %
6600 General & Administrative Expenses				
6610 Banking Related Expenses	1,164.10	900.00	264.10	129.34 %
6620 Financial Management Expenses	4,917.45	3,200.00	1,717.45	153.67 %
6630 Postage & Shipping	8,168.14	6,000.00	2,168.14	136.14 %
6640 Telecommunication & Internet Services	1,115.43	5,000.00	-3,884.57	22.31 %
6650 Office Supplies, Equipment & Software	7,187.37	3,550.00	3,637.37	202.46 %
6660 Insurance (Main)	1,783.00	1,500.00	283.00	118.87 %
6670 Committee Expenses	82.73	1,000.00	-917.27	8.27 %
6680 Staff Training & Development		800.00	-800.00	
6690 Miscellaneous Expenses	518.77	1,200.00	-681.23	43.23 %
<b>Total 6600 General &amp; Administrative Expenses</b>	<b>24,936.99</b>	<b>23,150.00</b>	<b>1,786.99</b>	<b>107.72 %</b>
6700 Other Program Expenses	5,383.92	2,250.00	3,133.92	239.29 %
6800 44th International Congress Expenses	16,724.85	40,423.00	-23,698.15	41.37 %
<b>Total Expenses</b>	<b>\$254,388.70</b>	<b>\$280,303.00</b>	<b>\$ -25,914.30</b>	<b>90.75 %</b>
<b>NET OPERATING INCOME</b>	<b>\$ -15,368.72</b>	<b>\$ -25,880.00</b>	<b>\$10,511.28</b>	<b>59.38 %</b>
<b>NET INCOME</b>	<b>\$ -15,368.72</b>	<b>\$ -25,880.00</b>	<b>\$10,511.28</b>	<b>59.38 %</b>



# American Institute of the History of Pharmacy

## STATEMENT OF FINANCIAL POSITION

As of June 30, 2019

	TOTAL	
	AS OF JUN 30, 2019	AS OF JUN 30, 2018 (PP)
<b>ASSETS</b>		
Current Assets		
Bank Accounts		
1000 Cash & Cash Equivalents	0.00	0.00
1010 Checking Account (Operating)	16,973.41	17,858.57
1020 Savings Account (General)	38,314.36	10,279.95
1030 Savings Account (Int'l Congress Grant)	158,562.03	190,701.39
1040 Petty Cash	38.88	235.65
<b>Total 1000 Cash &amp; Cash Equivalents</b>	<b>213,888.68</b>	<b>219,075.56</b>
<b>Total Bank Accounts</b>	<b>\$213,888.68</b>	<b>\$219,075.56</b>
Accounts Receivable	\$3,107.75	\$18.45
Other Current Assets		
1100 Investments	2,043,579.96	2,008,799.21
1200 Inventory Assets	10,827.85	11,324.39
<b>Total Other Current Assets</b>	<b>\$2,054,407.81</b>	<b>\$2,020,123.60</b>
<b>Total Current Assets</b>	<b>\$2,271,404.24</b>	<b>\$2,239,217.61</b>
Other Assets		
1300 Other Assets	71,560.00	53,810.00
<b>Total Other Assets</b>	<b>\$71,560.00</b>	<b>\$53,810.00</b>
<b>TOTAL ASSETS</b>	<b>\$2,342,964.24</b>	<b>\$2,293,027.61</b>
<b>LIABILITIES AND EQUITY</b>		
Liabilities		
Current Liabilities		
Credit Cards	\$1,641.99	\$0.00
Other Current Liabilities		
2100 Accrued Payroll Liabilities	2,827.94	7,614.54
2200 Unearned/Deferred Revenue	172,456.85	189,181.70
<b>Total Other Current Liabilities</b>	<b>\$175,284.79</b>	<b>\$196,796.24</b>
<b>Total Current Liabilities</b>	<b>\$176,926.78</b>	<b>\$196,796.24</b>
<b>Total Liabilities</b>	<b>\$176,926.78</b>	<b>\$196,796.24</b>
Equity		
3010 Undesignated Funds	53,810.00	115,818.26
3020 Board Designated Funds	1,296,613.26	1,267,997.46
3200 Permanently Restricted Funds	876,346.85	892,457.85
3300 Fund Balance	-60,732.65	-180,042.20
Retained Earnings	-89,022.09	0.00
Net Income	89,022.09	
<b>Total Equity</b>	<b>\$2,166,037.46</b>	<b>\$2,096,231.37</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$2,342,964.24</b>	<b>\$2,293,027.61</b>



# American Institute of the History of Pharmacy

## STATEMENT OF ACTIVITIES

July 2018 - June 2019

	TOTAL
Income	
4000 Membership Dues	
4010 Dues From Individuals	39,933.06
4020 Dues from Organizations	9,988.67
4030 Pharmacy Education Fund	11,223.36
<b>Total 4000 Membership Dues</b>	<b>61,145.09</b>
4100 Contributions from Nat'l Association Sponsors	32,500.00
4200 Donations & Gifts	36,604.70
4300 Program-Related Fees and Sales	7,103.64
4400 Investment Income	189,799.54
4700 Other Revenues Received	29.51
4800 44th International Congress Revenues	16,724.85
<b>Total Income</b>	<b>\$343,907.33</b>
Cost of Goods Sold	\$496.54
GROSS PROFIT	<b>\$343,410.79</b>
Expenses	
6000 Salaries and Related Expenses	177,668.74
6100 Publication & Printing Expenses	16,006.86
6200 Membership & Fundraising Expenses	248.42
6300 Travel Expenses	5,309.96
6400 Meeting Expenses	4,887.25
6500 Awards & Grants	3,221.71
6600 General & Administrative Expenses	
6610 Banking Related Expenses	1,164.10
6620 Financial Management Expenses	4,917.45
6630 Postage & Shipping	8,168.14
6640 Telecommunication & Internet Services	1,115.43
6650 Office Supplies, Equipment & Software	7,187.37
6660 Insurance (Main)	1,783.00
6670 Committee Expenses	82.73
6690 Miscellaneous Expenses	518.77
<b>Total 6600 General &amp; Administrative Expenses</b>	<b>24,936.99</b>
6700 Other Program Expenses	5,383.92
6800 44th International Congress Expenses	16,724.85
<b>Total Expenses</b>	<b>\$254,388.70</b>
NET OPERATING INCOME	<b>\$89,022.09</b>
NET INCOME	<b>\$89,022.09</b>



# American Institute of the History of Pharmacy

## BUDGET VS. ACTUALS REPORT: FISCAL YEAR 2019-20 OPERATING BUDGET

July 2019 - June 2020

		TOTAL		
	ACTUAL	BUDGET	OVER BUDGET	% OF BUDGET
<b>Income</b>				
4000 Membership Dues				
4010 Dues From Individuals	2,000.27	40,000.00	-37,999.73	5.00 %
4020 Dues from Organizations	795.00	10,000.00	-9,205.00	7.95 %
4030 Pharmacy Education Fund	1,522.24	12,000.00	-10,477.76	12.69 %
<b>Total 4000 Membership Dues</b>	<b>4,317.51</b>	<b>62,000.00</b>	<b>-57,682.49</b>	<b>6.96 %</b>
4100 Contributions from Nat'l Association Sponsors		35,000.00	-35,000.00	
4200 Donations & Gifts	300.00	3,500.00	-3,200.00	8.57 %
4300 Program-Related Fees and Sales	294.41	7,000.00	-6,705.59	4.21 %
4400 Investment Income	39,506.99	108,000.00	-68,493.01	36.58 %
4700 Other Revenues Received		9,000.00	-9,000.00	
<b>Total Income</b>	<b>\$44,418.91</b>	<b>\$224,500.00</b>	<b>\$ -180,081.09</b>	<b>19.79 %</b>
<b>GROSS PROFIT</b>	<b>\$44,418.91</b>	<b>\$224,500.00</b>	<b>\$ -180,081.09</b>	<b>19.79 %</b>
<b>Expenses</b>				
6000 Salaries and Related Expenses	51,965.54	155,350.00	-103,384.46	33.45 %
6100 Publication & Printing Expenses	4,086.20	20,500.00	-16,413.80	19.93 %
6200 Membership & Fundraising Expenses	181.04	1,000.00	-818.96	18.10 %
6300 Travel Expenses	995.94	6,000.00	-5,004.06	16.60 %
6400 Meeting Expenses	41.96	4,000.00	-3,958.04	1.05 %
6500 Awards & Grants	404.14	5,250.00	-4,845.86	7.70 %
6600 General & Administrative Expenses	7,422.45	24,000.00	-16,577.55	30.93 %
6700 Other Program Expenses	588.48	8,400.00	-7,811.52	7.01 %
<b>Total Expenses</b>	<b>\$65,685.75</b>	<b>\$224,500.00</b>	<b>\$ -158,814.25</b>	<b>29.26 %</b>
<b>NET OPERATING INCOME</b>	<b>\$ -21,266.84</b>	<b>\$0.00</b>	<b>\$ -21,266.84</b>	<b>0.00%</b>
<b>NET INCOME</b>	<b>\$ -21,266.84</b>	<b>\$0.00</b>	<b>\$ -21,266.84</b>	<b>0.00%</b>