

# **American Sociological Association**

Financial Report  
December 31, 2010

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## Independent Auditor's Report

To the Council  
American Sociological Association  
Washington, D.C.

We have audited the accompanying balance sheet of American Sociological Association (the Association) as of December 31, 2010, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the 2009 financial statements and in our report, dated May 18, 2010, we expressed an unqualified opinion on those statements.

We conducted our audit 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 2010 financial statements referred to above present fairly, in all material respects, the financial position of American Sociological Association as of December 31, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report, dated June 7, 2011, on our consideration of the Association'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 to describe the scope of our testing of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

*McGladrey & Pullen, LLP*

Gaithersburg, Maryland  
June 7, 2011

**American Sociological Association**

**Balance Sheet**

**December 31, 2010**

**(With Comparative Totals For 2009)**

<b>Assets</b>	<b>2010</b>	<b>2009</b>
Cash And Cash Equivalents	\$ 558,257	\$ 638,213
Receivables, net	347,496	412,199
Promises To Give, net	223,434	249,795
Prepaid Expenses And Other Assets	165,316	231,945
Investments	6,954,460	6,043,697
Deferred Compensation	166,094	139,568
Bond Acquisition Costs	332,218	348,295
Property And Equipment, net	9,919,148	10,092,649
	<b>\$ 18,666,423</b>	<b>\$ 18,156,361</b>
<b>Liabilities And Net Assets</b>		
Liabilities		
Accounts payable	\$ 164,660	\$ 257,095
Accrued expenses	164,416	164,713
Deferred revenue	1,227,325	1,461,360
Deferred compensation	166,094	139,568
Interest rate swap obligation	985,311	697,239
Bonds payable	7,590,000	7,735,000
	<b>10,297,806</b>	<b>10,454,975</b>
Commitments And Contingency (Notes 10 And 12)		
Net Assets		
Unrestricted		
Operating	5,115,816	4,751,537
Council designated	701,035	528,820
	<b>5,816,851</b>	<b>5,280,357</b>
Temporarily restricted	2,546,766	2,416,029
Permanently restricted	5,000	5,000
	<b>8,368,617</b>	<b>7,701,386</b>
	<b>\$ 18,666,423</b>	<b>\$ 18,156,361</b>

See Notes To Financial Statements.

American Sociological Association

Statement Of Activities

Year Ended December 31, 2010

(With Comparative Totals For 2009)

	2010				2009
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Total
Revenue:					
Publications	\$ 2,879,111	\$ -	\$ -	\$ 2,879,111	\$ 2,956,282
Membership and section dues	1,457,538	-	-	1,457,538	1,574,637
Program	160,431	999,390	-	1,159,821	1,393,545
Investment gains	603,497	345,428	-	948,925	1,168,177
Annual meeting	906,200	-	-	906,200	982,853
Rental income	108,528	-	-	108,528	103,855
Mailing list rental	75,231	-	-	75,231	74,282
Administrative fees	63,656	-	-	63,656	72,133
Royalties	21,477	13,944	-	35,421	17,778
Other	8,372	-	-	8,372	31,441
Net assets released from restrictions	1,228,025	(1,228,025)	-	-	-
<b>Total revenue</b>	<b>7,512,066</b>	<b>130,737</b>	<b>-</b>	<b>7,642,803</b>	<b>8,374,983</b>
Expenses:					
Program services:					
Program	2,495,784	-	-	2,495,784	2,428,418
Meeting services	850,996	-	-	850,996	964,634
Editorial offices	678,409	-	-	678,409	735,104
Membership and sections	450,648	-	-	450,648	537,339
Publications	326,326	-	-	326,326	716,175
Management and governance	1,885,337	-	-	1,885,337	1,890,461
<b>Total expenses</b>	<b>6,687,500</b>	<b>-</b>	<b>-</b>	<b>6,687,500</b>	<b>7,272,131</b>
<b>Change in net assets before change in value of interest rate swap obligation</b>	<b>824,566</b>	<b>130,737</b>	<b>-</b>	<b>955,303</b>	<b>1,102,852</b>
Other gains (losses):					
Change in fair value of interest rate swap obligation	(288,072)	-	-	(288,072)	1,194,467
<b>Change in net assets</b>	<b>536,494</b>	<b>130,737</b>	<b>-</b>	<b>667,231</b>	<b>2,297,319</b>
Net assets:					
Beginning	5,280,357	2,416,029	5,000	7,701,386	5,404,067
Ending	\$ 5,816,851	\$ 2,546,766	\$ 5,000	\$ 8,368,617	\$ 7,701,386

See Notes To Financial Statements.

**American Sociological Association**

**Statement Of Cash Flows**  
**Year Ended December 31, 2010**  
**(With Comparative Totals For 2009)**

	2010	2009
Cash Flows From Operating Activities		
Change in net assets	\$ 667,231	\$ 2,297,319
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Decrease in provision for doubtful accounts	(2,412)	(1,295)
Depreciation	436,394	381,552
Amortization of issuance costs	16,077	15,980
Discount on promises to give	(3,889)	11,605
Realized and unrealized gains on investments	(751,560)	(998,794)
Change in fair value of interest rate swap obligation	288,072	(1,194,467)
Changes in assets and liabilities:		
(Increase) decrease in:		
Receivables	67,115	(14,412)
Promises to give	30,250	(261,400)
Prepaid expenses and other assets	66,629	108,045
Increase (decrease) in:		
Accounts payable	(92,435)	(29,766)
Accrued expenses	(297)	5,205
Deferred revenue	(234,035)	(606,607)
<b>Net cash provided by (used in) operating activities</b>	<b>487,140</b>	<b>(287,035)</b>
Cash Flows From Investing Activities		
Proceeds from sale of investments	337,190	587,000
Purchase of investments	(496,393)	(445,682)
Purchase of property and equipment	(262,893)	(255,397)
<b>Net cash used in investing activities</b>	<b>(422,096)</b>	<b>(114,079)</b>
Cash Flows From Financing Activities		
Principal payments on bonds payable	(145,000)	(135,000)
<b>Net cash used in financing activities</b>	<b>(145,000)</b>	<b>(135,000)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(79,956)</b>	<b>(536,114)</b>
Cash And Cash Equivalents:		
Beginning	638,213	1,174,327
Ending	<u>\$ 558,257</u>	<u>\$ 638,213</u>
Supplemental Disclosure Of Cash Flow Information		
Cash payments for interest	<u>\$ 309,431</u>	<u>\$ 317,714</u>

See Notes To Financial Statements.

## American Sociological Association

### Notes To Financial Statements

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#### **Note 1. Nature Of Activities And Significant Accounting Policies**

Nature of activities: American Sociological Association (the Association) is a national not-for-profit corporation organized under the laws of the District of Columbia. The principal purpose of the Association is to stimulate and improve research, instruction and discussion, and to encourage cooperative relations among persons engaged in the scientific study of society.

A summary of the Association's significant accounting policies follows:

Basis of presentation: The financial statement presentation follows the recommendations of the Not-for-Profit Entities Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). Under this ASC, the Association is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and cash equivalents: For purposes of reporting cash flows, the Association considers all money market accounts to be cash equivalents. Cash and cash equivalents held by investment managers are considered investments.

Financial risk: The Association maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Association has not experienced any losses in such accounts. The Association believes it is not exposed to any significant financial risk on cash.

The Association invests in equities, cash and cash equivalents, certificates of deposits, fixed income, and U.S. Government obligations. Such investments are exposed to various risks, such as market and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

Receivables: Receivables are carried at original invoice amounts less an estimate for doubtful receivables based on an annual review of all outstanding amounts. Management determines the allowance for doubtful accounts by identifying troubled accounts and by using historical experience applied to an aging of accounts. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received.

Promises to give: Contributions are recognized when the donor makes a written promise to give to the Association that is, in substance, unconditional. Promises to give to be received in a future period are discounted to their net present value at the time the revenue is recorded. The Association's promises to give are generally receivable over a five-year period and are discounted at a rate of 2.20 percent per annum. Management determined a provision for doubtful promises of \$15,000 at December 31, 2010.

Investments: Investments in equity securities with readily determinable fair values and all investments in debt securities are reflected at fair market value. To adjust the carrying value of these investments, realized and unrealized gains and losses are recorded as a component of investment income in the statement of activities.

Valuation of long-lived assets: Long-lived assets and certain identifiable intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell.

## American Sociological Association

### Notes To Financial Statements

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#### **Note 1. Nature Of Activities And Significant Accounting Policies (Continued)**

Property and equipment: Depreciation is provided on the straight-line basis over the estimated useful lives of the assets, which range from three to ten years. Leasehold improvements are being amortized over the shorter of the life of the asset or the lease term.

Fair value of financial instruments: The carrying amounts, including cash and cash equivalents, receivables, accounts payable, accrued liabilities, and current maturities of long-term borrowings, approximate fair value because of the short maturity of these instruments. The carrying amount of long-term debt approximates fair value because the interest rates on these instruments fluctuate with market interest rates offered to the Association for debt with similar terms and maturities.

Revenue: Membership dues and subscription fees are recognized as revenue ratably over the membership year. Dues received in advance are reported as deferred revenue and are recognized during the period of membership.

All donor-restricted revenue is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Conference fees are recognized at the time of the conference. Amounts received in advance are recorded as deferred revenue.

Council designated net assets: Council designated net assets are unrestricted net assets designated for certain purposes by the Council for activities of the various sections of the Association, as well as other special activities.

Permanently restricted net assets: Permanently restricted net assets of \$5,000 are restricted to the Roberta Simmons Fund, which is a special award fund for dissertation work.

Income taxes: The Association is generally exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code. In addition, the Association qualifies for charitable contribution deductions and has been classified as an organization that is not a private foundation. Income which is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes.

When tax returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would be ultimately sustained. The benefit of a tax position is recognized in the financial statements in the period during which, based on all available evidence, management believes it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any. Tax positions taken are not offset or aggregated with other positions. Tax positions that meet the more-likely-than-not recognition threshold are measured as the largest amount of tax benefit that is more than 50 percent likely of being realized upon settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above is reflected as a liability for unrecognized tax benefits in the accompanying balance sheet, along with any associated interest and penalties that would be payable to the taxing authorities upon examination. Interest and penalties associated with unrecognized tax benefits are classified as additional income taxes in the statement of activities. Management evaluated the Association's tax positions and concluded that the Association has taken no uncertain tax positions that require adjustment to the financial statements to comply with the provisions of this guidance. Generally, the Association is not subject to income tax examinations by tax authorities for years before 2007.



## American Sociological Association

### Notes To Financial Statements

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#### Note 1. Nature Of Activities And Significant Accounting Policies (Continued)

Expense allocation: The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Management and governance expenses include those expenses that are not directly identifiable with any other specific function, but that provide for the overall support and direction of the Association.

Use of estimates: The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Prior year information: The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Association's financial statements for the year ended December 31, 2009, from which the summarized information was derived.

Recently adopted accounting standards: In January 2010, the FASB released Accounting Standards Update No. 2010-06 (ASU 2010-06), which provides accounting guidance that requires new fair value measurement classification disclosures and clarifies existing disclosures. The guidance requires: (i) separate disclosures of significant transfers between Levels 1 and 2 and reasons for transfers; (ii) disclosure, on a gross basis, of purchases, sales, issuances and net settlements within Level 3 measurements; (iii) disclosures by class of assets and liabilities; and (iv) a description of the evaluation techniques and inputs used to measure fair value for both recurring and non-recurring fair value measurements. The guidance is effective for interim and annual reporting periods beginning after December 15, 2009, except for the disaggregation of the Level 3 activity, which is effective for interim and annual periods beginning after December 15, 2010. The Association adopted ASU 2010-06 during the year ended December 31, 2010.

Subsequent events: The Association evaluated subsequent events through June 7, 2011, which is the date the financial statements were available to be issued.

#### Note 2. Receivables

Receivables at December 31, 2010, consist of the following:

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Accounts receivable	\$ 270,090
Grants receivable	79,430
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	349,520
Less allowance for doubtful accounts	2,024
	<hr/>
	<u>\$ 347,496</u>

## American Sociological Association

### Notes To Financial Statements

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#### Note 3. Promises To Give

As of December 31, 2010, the Association had promises to give related to their "Minority Fellowship" campaign. These promises to give have been classified as temporarily restricted due to the inherent time restriction in that the promises to give are being collected over a five-year period. The Association's promises to give are discounted at a rate of 2.20 percent.

As of December 31, 2010, promises to give from all campaigns totaled \$223,434, net of discounts and allowances. Anticipated receipt of promises to give is as follows:

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Less than one year	\$ 101,700
One to 5 years	144,450
	<hr/> 246,150
Less discount on promises to give	7,716
Less allowance for doubtful pledges	15,000
	<hr/> \$ 223,434

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#### Note 4. Investments

Investments at December 31, 2010, consist of the following:

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Multi-strategy mutual funds	\$ 4,753,602
Corporate notes	1,463,541
Certificates of deposit	473,353
Money market funds	263,964
	<hr/> \$ 6,954,460

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Investment income for the year ended December 31, 2010, consists of the following:

	Unrestricted	Temporarily Restricted	Total
Dividends and interest	\$ 121,813	\$ 75,552	\$ 197,365
Realized and unrealized losses on investment, net	481,684	269,876	751,560
	<hr/> \$ 603,497	<hr/> \$ 345,428	<hr/> \$ 948,925

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## American Sociological Association

### Notes To Financial Statements

#### Note 5. Property And Equipment

Property and equipment and accumulated depreciation at December 31, 2010, and depreciation expense for the year ended December 31, 2010, are as follows:

Asset Category	Estimated Useful Lives	Cost	Accumulated Depreciation	Net Value	Depreciation Expense
Buildings and improvements	10 years	\$ 9,951,023	\$ 704,615	\$ 9,246,408	\$ 248,776
Computer equipment	3 to 5 years	964,370	657,268	307,102	118,212
Office furniture and equipment	5 years	451,986	206,460	245,526	69,406
Construction-in-progress	—	120,112	-	120,112	-
		<u>\$ 11,487,491</u>	<u>\$ 1,568,343</u>	<u>\$ 9,919,148</u>	<u>\$ 436,394</u>

The Association has entered into agreements for an association management system with an estimated cost of approximately \$176,000. The Association has incurred costs of approximately \$120,000 at December 31, 2010.

#### Note 6. Bonds Payable

In connection with the purchase of a condominium office space and parking, the Association obtained financing through the financing of \$8,000,000 in District of Columbia revenue bonds. These variable rate bonds mature, subject to prior redemption, on December 31, 2037.

In order to enhance the marketability of the bonds, the Association obtained an irrevocable transferable letter of credit from the bank in the amount of \$7,677,337, with an annual interest rate equal to the prime rate plus three percent per annum based on the outstanding balance of the bonds.

Maturities of bonds payable at December 31, 2010, are due in future years as follows:

Years Ending December 31,	
2011	\$ 150,000
2012	155,000
2013	165,000
2014	170,000
2015	180,000
2016 – 2037	<u>6,770,000</u>
	<u>\$ 7,590,000</u>

## American Sociological Association

### Notes To Financial Statements

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#### **Note 7. Interest Rate Swap Obligation**

In order to hedge against the effect of the floating interest rate on its long-term debt, on February 19, 2008, the Association entered into an interest rate swap agreement, whereby, the Association has in effect "swapped" its floating rate in favor of a fixed rate of 3.58 percent. The notional amount was \$7,590,000 at December 31, 2010. The agreement expires on December 1, 2037. At December 31, 2010, the fair value of the interest rate swap obligation was \$985,311. For the year ended December 31, 2010, the loss on the interest rate swap was \$288,072.

For derivative instruments that are designated and qualify as a fair value hedge, the gain or loss on the derivative, as well as the offsetting gain or loss on the hedged item attributable to the hedged risk, are recognized in current earnings. The Association includes the gain or loss on the hedged items (that is, fixed-rate borrowings) in the same line item ("change in fair value of interest rate swap obligation") as the offsetting gain or loss on the related interest rate swaps, as follows:

Statement Of Activities Classification	2010 Loss On Swaps
Other losses	<u>\$ (288,072)</u>

#### **Note 8. Retirement Plan**

The Association has a voluntary retirement plan (the Plan) for its eligible employees. Under the Plan, the Association contributes five percent of the employees' salaries to the Teachers Insurance and Annuity Association. In addition, if an employee contributes a percentage of his or her salary to the Plan, the Association will make matching contributions of up to an additional four percent. Contributions by the Association on behalf of employees amounted to \$146,130 for the year ended December 31, 2010.

#### **Note 9. Deferred Compensation**

Deferred compensation payable represents amounts due under a deferred compensation plan. The Association has set aside funds to meet this obligation.

#### **Note 10. Commitments**

The Association has entered into several contracts for hotel rooms for meetings and conferences to be held through August 2019. In the event of cancellation, the Association is required to pay various costs stipulated by the contracts, the amounts of which are dependent on the date of cancellation.

# American Sociological Association

## Notes To Financial Statements

### Note 11. Temporarily Restricted Net Assets

Temporarily restricted net assets at December 31, 2010, are available for the following programs. Net assets were released from restriction during the year ended December 31, 2010, by incurring expenses satisfying the restricted purpose. Net assets were released and are available for the following programs:

	January 1, 2010	Additions/ Investment Gains	Released From Restrictions	December 31, 2010
Spivack Fund	\$ 826,014	\$ 367,854	\$ 302,275	\$ 891,593
American Sociological Fund	593,287	102,510	69,670	626,127
Rose Fund	415,632	66,494	37,549	444,577
Minority Fellowship Program	249,795	151,249	177,610	223,434
Math Dissertation	108,438	17,084	2,000	123,522
M.P. Levine Memorial Fund	55,728	794	3,500	53,022
Lewis A. Coser Fund	42,618	5,258	4,836	43,040
Congressional Fellowship Award	31,424	6,457	240	37,641
Pollner Prize	20,360	7,867	-	28,227
L. Johnson Fund	20,111	3,589	-	23,700
David L. Stevenson Memorial Fund	18,946	58	500	18,504
Albert J. Reiss, Jr. Award	14,047	87	-	14,134
Preparing Future Faculty	11,736	-	-	11,736
Si Goode Fund	4,435	-	400	4,035
R. Simmons	2,958	16	-	2,974
Jim Short Award	500	-	-	500
HHS	-	264,656	264,656	-
CCLI	-	77,134	77,134	-
ISA	-	66,000	66,000	-
EAGER	-	63,853	63,853	-
REESE	-	53,437	53,437	-
RWJ-JHSB	-	35,390	35,390	-
Nat'l Academy Sci	-	32,868	32,868	-
Post Doc	-	21,985	21,985	-
FAD7-NSF	-	7,733	7,733	-
BA Beyond II-NSF	-	6,389	6,389	-
	<u>\$ 2,416,029</u>	<u>\$ 1,358,762</u>	<u>\$ 1,228,025</u>	<u>\$ 2,546,766</u>

## American Sociological Association

### Notes To Financial Statements

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#### Note 12. Contingency

The Association participates in a number of federally-assisted grant programs that are subject to financial and compliance audits by the federal agencies or their representatives. As such, there exists a contingent liability for potential questioned costs that may result from such an audit. Management does not anticipate any significant adjustments as a result of such an audit.

#### Note 13. Rental Income

The Association leases office space in its headquarters to tenants under non-cancelable lease agreements expiring through 2014. The future minimum payments to be received as of December 31, 2010, are:

Years Ending December 31,

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2011	\$ 110,674
2012	114,681
2013	119,840
2014	30,286
	<u>\$ 375,481</u>

#### Note 14. Fair Value Measurement

The Association implemented the Fair Value Measurements Topic of the ASC, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

Level 1 – Quoted market prices in active markets for identical assets or liabilities

Level 2 – Observable market-based inputs or unobservable inputs corroborated by market data

Level 3 – Unobservable inputs that are not corroborated by market data

In determining the appropriate levels, the Association performs a detailed analysis of the assets and liabilities that are subject to the ASC. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3. There were no Level 3 assets or liabilities at December 31, 2010.

## American Sociological Association

### Notes To Financial Statements

#### Note 14. Fair Value Measurement (Continued)

The table below presents the balances of assets and liabilities measured at fair value on a recurring basis by level within the hierarchy:

	Total	Level 1	Level 2	Level 3
Financial assets:				
Investments:				
Multi-strategy mutual funds	\$ 4,753,602	\$ 4,753,602	\$ -	\$ -
Corporate notes	1,463,541	-	1,463,541	-
Certificates of deposit	473,353	-	473,353	-
	<u>6,690,496</u>	<u>4,753,602</u>	<u>1,936,894</u>	<u>-</u>
Deferred compensation:				
Bond funds	159,685	-	159,685	-
Real estate funds	6,409	-	6,409	-
	<u>166,094</u>	<u>-</u>	<u>166,094</u>	<u>-</u>
	<u>\$ 6,856,590</u>	<u>\$ 4,753,602</u>	<u>\$ 2,102,988</u>	<u>\$ -</u>
Financial liabilities:				
Interest rate swap obligation	\$ 985,311	\$ -	\$ 985,311	\$ -
Deferred compensation	166,094	-	166,094	-
	<u>\$ 1,151,405</u>	<u>\$ -</u>	<u>\$ 1,151,405</u>	<u>\$ -</u>

The Association's mutual funds are publicly traded on the New York Stock Exchange and are considered Level 1 items. The Association's corporate notes and certificates of deposit are priced based on their stated interest rates and quality ratings. The interest and quality ratings are observable at commonly quoted intervals for the full term of the instruments and are, therefore, considered Level 2 items.

The investment in bond funds and real estate funds are primarily in fixed-income securities and real estate holdings, respectively. The fair values of the investments in this category have been estimated using net asset value (NAV) per share of the investment. The Association has no unfunded commitments to these investments. The Association is permitted to make complete or partial redemptions of its shares at NAV by giving written notice of withdrawal to the investment's administrator (two to three business days).

The Association's interest rate swap is fixed. The swap rate is observable at commonly quoted intervals for the full term of the swap and is, therefore, considered a Level 2 item. The Association's deferred compensation is based on observable inputs of the related assets and is, therefore, considered a Level 2 item.

The table below reconciles total investments per Note 4:

Total investments at fair value	\$ 6,690,496
Investments at cost	<u>263,964</u>
	<u>\$ 6,954,460</u>



## Independent Auditor's Report On The Supplementary Information

To the Council  
American Sociological Association  
Washington, D.C.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information which follows is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*McGladrey & Pullen, LLP*

Gaithersburg, Maryland  
June 7, 2011



**American Sociological Association**

**Schedule Of Functional Expenses  
Year Ended December 31, 2010**

	Program Services					Management And Governance	Total
	Program	Meeting Services	Editorial Offices	Membership And Sections	Publications		
Employee payroll	\$ 971,653	\$ 213,582	\$ 421,213	\$ 105,798	\$ 134,529	\$ 659,339	\$ 2,506,114
Depreciation	-	-	-	-	-	436,394	436,394
Employee benefits	144,178	43,762	-	21,676	27,563	135,086	372,265
Interest expense	-	-	-	-	-	309,431	309,431
Stipends	295,527	-	-	-	-	-	295,527
Consultants	47,387	1,000	-	-	-	239,200	287,587
Printing	73,865	51,622	-	166	44,265	8,496	178,414
Sections	-	-	-	173,083	-	-	173,083
Rental expenses	740	145,277	-	-	3,895	17,498	167,410
Taxes – real estate	-	-	-	-	-	150,178	150,178
Employer payroll taxes	60,210	16,085	-	7,968	10,132	49,655	144,050
Condominium fees	-	-	-	-	-	142,202	142,202
Travel	79,644	30,004	-	-	-	23,596	133,244
Meals	15,664	71,220	-	-	105	27,789	114,778
Other	3,370	5,142	504	-	-	98,784	107,800
Contractual services	22,845	67,422	-	-	4,977	1,125	96,369
Electronic communications	-	30,046	-	-	-	64,806	94,852
Awards	79,739	-	-	-	-	8,354	88,093
Supplies	24,309	12,005	14,957	1,553	3,047	29,339	85,210
Program	63,655	-	-	-	-	20,194	83,849
Merchant card fees	-	5,000	-	75,334	-	-	80,334
Utilities	-	-	-	-	-	78,239	78,239
Repairs and maintenance	-	-	-	-	-	64,012	64,012
Lodging	20,237	17,317	-	-	-	19,714	57,268
Dues	-	-	-	-	-	56,050	56,050
Postage and UPS	22,390	2,065	5,596	7,269	5,591	5,302	48,213
Temporary help	17,853	2,250	-	-	10,948	10,061	41,112
Fees – investment	13,697	-	-	-	-	23,461	37,158
Insurance	-	3,957	-	-	-	32,200	36,157
Professional services – audit	-	-	-	-	-	35,650	35,650
Telephone	1,267	6,580	686	29	66	15,541	24,169
Subscriptions	20,064	-	-	-	-	1,733	21,797
Honorarium	-	-	21,250	-	-	-	21,250
Professional services – legal	-	-	-	-	-	17,513	17,513
Mailing services	10,947	310	-	350	5,415	-	17,022
Amortization expense	-	-	-	-	-	16,077	16,077
Freight handling and shipping	-	11,900	-	-	-	-	11,900
Bank charges	-	-	-	-	-	9,215	9,215
Bad debt expense	-	-	-	-	-	7,588	7,588
Managing editor's meeting	-	-	-	-	7,073	-	7,073
Tuition and fees	6,931	-	-	-	-	-	6,931
Promotional expenses	1,883	-	-	3,665	315	-	5,863
Employee recruitment	1,620	569	-	282	359	1,759	4,589
Design services – exhibits	-	3,586	-	-	-	-	3,586
Product development – TRC	3,116	-	-	-	-	-	3,116
Editorial board meeting	1,702	-	1,038	-	-	-	2,740
Meeting fees	-	-	-	-	-	2,424	2,424
Photography and photo supplies	-	2,329	-	-	-	-	2,329
Discretionary funds	-	-	-	-	-	1,025	1,025
Transitional costs	-	-	150	-	-	-	150
Taxes – income	-	-	-	-	-	100	100
Allocated overhead	491,291	107,966	213,015	53,475	68,046	(933,793)	-
<b>Total expenses</b>	<b>\$ 2,495,784</b>	<b>\$ 850,996</b>	<b>\$ 678,409</b>	<b>\$ 450,648</b>	<b>\$ 326,326</b>	<b>\$ 1,885,337</b>	<b>\$ 6,687,500</b>

**American Sociological Association**

**Schedule Of Unrestricted Revenue, Expenses And Changes In Net Assets  
Year Ended December 31, 2010**

	Operating	Council Designated	Total Unrestricted
Revenue:			
Publications	\$ 2,879,111	\$ -	\$ 2,879,111
Membership and section dues	1,272,149	185,389	1,457,538
Annual meeting	906,200	-	906,200
Investment gains	586,930	16,567	603,497
Program	93,987	66,444	160,431
Rental income	108,528	-	108,528
Mailing list rental	75,231	-	75,231
Administrative fees	63,656	-	63,656
Royalties	21,477	-	21,477
Other	8,372	-	8,372
Net assets released from restrictions	1,050,414	177,611	1,228,025
<b>Total revenue</b>	<b>7,066,055</b>	<b>446,011</b>	<b>7,512,066</b>
Expenses:			
Program services:			
Program	2,395,071	100,713	2,495,784
Meeting services	850,996	-	850,996
Editorial offices	678,409	-	678,409
Membership and sections	277,565	173,083	450,648
Publications	326,326	-	326,326
Management and governance	1,885,337	-	1,885,337
<b>Total expenses</b>	<b>6,413,704</b>	<b>273,796</b>	<b>6,687,500</b>
<b>Change in unrestricted net assets before change in value of interest rate swap obligation</b>	<b>652,351</b>	<b>172,215</b>	<b>824,566</b>
Other losses:			
Change in fair value of interest rate swap obligation	(288,072)	-	(288,072)
<b>Change in unrestricted net assets</b>	<b>364,279</b>	<b>172,215</b>	<b>536,494</b>
Net assets:			
Beginning	4,751,537	528,820	5,280,357
Ending	<u>\$ 5,115,816</u>	<u>\$ 701,035</u>	<u>\$ 5,816,851</u>

**American Sociological Association**

**Schedule Of Council Designated Unrestricted Net Assets  
Year Ended December 31, 2010**

	January 1, 2010	Revenues	Expenses	December 31, 2010
Council designated net assets:				
Sections:				
General (see detail below)	\$ 275,312	\$ 171,139	\$ 173,086	\$ 273,365
Minority Fellowship Program Fund	73,477	231,855	89,360	215,972
Teaching Enhancement Fund	51,169	11,480	6,918	55,731
Pittim Sorokin Fund	39,426	6,822	270	45,978
Soft Currency Fund	23,134	814	44	23,904
G.L. Pearlman Fund	20,867	145	-	21,012
Fund for the Advancement of the Discipline	13,672	4,943	1,543	17,072
Leo G. Reeder Fund	12,520	100	-	12,620
Unrestricted Gifts	11,383	125	-	11,508
C. Clogg Memorial Fund	4,645	15	-	4,660
R. Boguslaw Scholarship Fund	3,215	22	-	3,237
R. Boguslaw Scholarship Fund	-	18,551	2,575	15,976
<b>Total council designated unrestricted net assets</b>	<b>\$ 528,820</b>	<b>\$ 446,011</b>	<b>\$ 273,796</b>	<b>\$ 701,035</b>
General sections:				
Medical Sociology (003)	\$ 21,701	\$ 8,424	\$ 8,886	\$ 21,239
Community & Urban Soc. (010)	18,616	23,338	21,746	20,208
Sociology of Mental Health (019)	11,455	14,003	6,170	19,288
Communication and Inform. (028)	12,075	5,142	2,518	14,699
Social Psychology (011)	10,981	3,182	3,192	10,971
Peace, War, & Social Conflict (012)	10,615	2,270	2,026	10,859
Alcohol, Drugs and Tobacco (030)	8,472	1,621	600	9,493
Aging and the Life Course (018)	7,324	9,357	8,225	8,456
Sociology of Education (005)	23,162	(9,971)	5,255	7,936
Asia/Asian America (024)	7,107	2,240	1,677	7,670
Pol. Econ. of World-System (017)	7,503	2,362	2,555	7,310
Family (006)	7,092	3,957	3,884	7,165
Sociology of Culture (026)	8,529	4,808	7,346	5,991
Sex and Gender (009)	6,941	4,828	5,825	5,944
Orgs., Occupation and Work (007)	5,495	4,342	3,905	5,932
International Migration (035)	5,316	4,546	4,290	5,572
Methodology (002)	8,571	2,420	5,428	5,563
Racial & Ethnic Minorities (021)	6,595	4,134	5,372	5,357
Race, Gender, and Class (036)	3,977	2,934	1,825	5,086
Crime, Law, & Deviance (004)	5,403	3,623	4,004	5,022
Latino/a Sociology (029)	4,863	1,812	1,666	5,009
Sociology of Law (032)	6,052	2,614	3,670	4,996
Environment & Technology (013)	4,556	3,132	2,755	4,933
Coll. Behavior/Soc. Movements (020)	3,677	3,398	2,202	4,873
Children & Youth (031)	4,376	3,154	2,937	4,593
Sociology of Religion (034)	3,953	3,244	2,806	4,391
Comparative/Historical Soc. (022)	3,733	3,458	2,965	4,226
Theory (008)	183	4,225	191	4,217
Teaching and Learning (001)	5,339	15,726	17,111	3,954
Labor and Labor Movements (041)	3,307	1,834	1,226	3,915
Political Sociology (023)	3,827	3,217	3,332	3,712
Science, Knowledge & Tech. (027)	3,854	2,566	2,740	3,680
Sociology of Population (016)	3,705	3,306	3,434	3,577
Sociology of Emotions (025)	3,579	1,733	2,031	3,281
Economic Sociology (040)	3,208	2,658	2,869	2,997
Marxist Sociology (014)	3,126	2,481	2,724	2,883
Human Rights (046)	1,444	1,324	-	2,768
Mathematical Sociology (037)	3,739	1,082	2,248	2,573
Rationality and Society (033)	1,945	796	658	2,083
Sociology of Sexualities (038)	3,144	1,978	3,232	1,890
Body and Embodiment (048)	500	1,318	-	1,818
History of Sociology (039)	2,018	1,324	1,627	1,715
Animals and Society (042)	1,151	1,364	805	1,710
Altruism and Social Solidarity (047)	500	500	-	1,000
Ethnomethod./Conv. Anal. (043)	240	1,200	525	915
Sociological Practice (015)	100	2,404	1,599	905
Evolution and Sociology (044)	918	866	1,065	719
Disability & Society (045)	1,345	865	1,939	271
	<b>\$ 275,312</b>	<b>\$ 171,139</b>	<b>\$ 173,086</b>	<b>\$ 273,365</b>