

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

**Audit Report**

**Years Ended June 30, 2015 and 2014**







# Dave Yost • Auditor of State

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, 2014 through June 30, 2015. 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.

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

January 13, 2016

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**OHIO HISTORICAL SOCIETY AND AFFILIATE**  
**dba OHIO HISTORY CONNECTION**  
**AUDIT REPORT**  
For the years ended June 30, 2015 and 2014

Table of Contents

<u>Title</u>	<u>Page</u>
Independent Accountants' Report.....	1-2
Combined Statements of Financial Position .....	3
Combined Statements of Activities and Changes in Net Assets.....	4-5
Combined Statements of Cash Flows .....	6
Notes to the Combined Financial Statements.....	7-18
Schedule of Federal Awards Expenditures.....	19
Notes to the Schedule of Federal Awards Expenditures.....	20
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i> .....	21-22
Independent Accountants' Report on Compliance With Requirements Applicable to the Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133 .....	23-24
Schedule of Findings .....	25
<u>Supplementary Information:</u>	
Combining Statements of Financial Position.....	26-29
Combining Statements of Activities and Changes in Net Assets.....	30-33

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***Charles E. Harris & Associates, Inc.***  
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## **INDEPENDENT ACCOUNTANTS' REPORT**

To the Board of Trustees  
Ohio Historical Society and Affiliate  
dba Ohio History Connection  
800 E. 17<sup>th</sup> 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, 2015, and the related combined statements of activities, changes in net assets, and cash flows for the year then ended, and the related notes to the combined financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for preparing and fairly presenting these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to opine on these combined financial statements based on our audit. We audited 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 us to plan and perform the audit to reasonably assure the combined financial statements are free from material misstatement whether due to fraud or error.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider 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 to the extent needed to opine on the effectiveness of the Organization's internal control. Accordingly, we express no opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support 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, 2015, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### **Prior Period Financial Statements Audited by a Predecessor Auditor**

The financial statements of the Organization, as of and for the year ended June 30, 2015, were audited by predecessor auditor whose report dated November 13, 2014, expressed an unmodified opinion on those statements.

### **Supplementary and Other Information**

Our audit was conducted for the purpose of forming opinions on the combined financial statements as a whole. The Schedule of Federal Awards Expenditures presents additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and is not a required part of the combined financial statements.

The combining statements of financial position, statements of activities and changes in net assets are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the combined financial statements. We subjected these statements to the auditing procedures we applied to the combined financial statements. We also applied certain additional procedures, including comparing and reconciling the statements directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves in accordance with auditing standards generally accepted in the United States of America. In our opinion, these statements 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 6, 2015 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. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on 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 6, 2015

OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba OHIO HISTORY CONNECCTION

COMBINED STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2015 AND 2014

	June 30, 2015				June 30, 2014			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>ASSETS</b>								
<b>CURRENT ASSETS:</b>								
Cash and cash equivalents	\$ 1,044,748	\$ 805,517	\$ 32,301	\$ 1,882,566	\$ 395,884	\$ 148,087	\$ 3,987	\$ 547,958
Receivables:								
Grants	205,086	-	-	205,086	242,432	-	-	242,432
Contracts	1,141,744	-	-	1,141,744	752,028	-	-	752,028
Current portion of pledges, net	-	414,304	-	414,304	-	386,865	-	386,865
Other	294,598	-	-	294,598	250,428	-	-	250,428
Inventories, net	259,478	-	-	259,478	247,352	-	-	247,352
Prepaid expenses and other current assets	53,094	34,274	-	87,368	52,414	34,274	-	86,688
<b>Total current assets</b>	<b>2,998,748</b>	<b>1,254,095</b>	<b>32,301</b>	<b>4,285,144</b>	<b>1,940,538</b>	<b>569,226</b>	<b>3,987</b>	<b>2,513,751</b>
PROPERTY AND EQUIPMENT, net	1,089,448	-	-	1,089,448	752,825	-	-	752,825
PLEDGES RECEIVABLE, net of current portion	-	-	-	-	-	23,464	-	23,464
LONG-TERM INVESTMENTS	5,259,211	6,463,743	4,214,313	15,937,267	6,399,975	5,029,145	4,209,432	15,638,552
<b>Total assets</b>	<b>\$ 9,347,407</b>	<b>\$ 7,717,838</b>	<b>\$ 4,246,614</b>	<b>\$ 21,311,859</b>	<b>\$ 9,093,338</b>	<b>\$ 5,621,835</b>	<b>\$ 4,213,419</b>	<b>\$ 18,928,592</b>
<b>LIABILITIES AND NET ASSETS</b>								
<b>CURRENT LIABILITIES:</b>								
Accounts payable	\$ 1,497,883	\$ 214,458	\$ -	\$ 1,712,341	\$ 1,112,068	\$ -	\$ -	\$ 1,112,068
Line of Credit	-	-	-	-	150,000	-	-	150,000
Accrued salaries, wages and other liabilities:	1,053,892	-	-	1,053,892	806,071	-	-	806,071
Accrued leave liability	656,469	-	-	656,469	610,330	-	-	610,330
Deferred subscription and other revenue	506,483	-	-	506,483	754,616	-	-	754,616
<b>Total current liabilities</b>	<b>3,714,727</b>	<b>214,458</b>	<b>-</b>	<b>3,929,185</b>	<b>3,433,085</b>	<b>-</b>	<b>-</b>	<b>3,433,085</b>
<b>NET ASSETS:</b>								
Operations	1,340,019	4,834,382	-	6,174,401	1,324,883	3,265,378	-	4,590,261
Board designated	1,840,880	-	-	1,840,880	1,925,055	-	-	1,925,055
Ohio Bicentennial Commission	-	135,368	-	135,368	-	148,087	-	148,087
Endowment fund balance	245,437	2,533,630	4,246,614	7,025,681	138,131	2,208,370	4,213,419	6,559,920
Quasi-Endowment	2,206,344	-	-	2,206,344	2,272,184	-	-	2,272,184
<b>Total net assets</b>	<b>5,632,680</b>	<b>7,503,380</b>	<b>4,246,614</b>	<b>17,382,674</b>	<b>5,660,253</b>	<b>5,621,835</b>	<b>4,213,419</b>	<b>15,495,507</b>
<b>Total Liabilities and net assets</b>	<b>\$ 9,347,407</b>	<b>\$ 7,717,838</b>	<b>\$ 4,246,614</b>	<b>\$ 21,311,859</b>	<b>\$ 9,093,338</b>	<b>\$ 5,621,835</b>	<b>\$ 4,213,419</b>	<b>\$ 18,928,592</b>

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, 2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT:				
State appropriations:				
Operating Subsidies	\$ 9,864,340	\$ -	\$ -	\$ 9,864,340
Capital Projects	5,042,022	-	-	5,042,022
Government contracts and grants	1,826,470	-	-	1,826,470
Private contracts and grants	182,774	-	-	182,774
Contributions	324,891	2,982,627	43,695	3,351,213
Contributed materials and services	624,450	-	-	624,450
Other support	1,321	-	-	1,321
<b>TOTAL SUPPORT</b>	<b>17,866,268</b>	<b>2,982,627</b>	<b>43,695</b>	<b>20,892,590</b>
REVENUE				
Admissions and parking	251,327	-	-	251,327
Memberships and subscriptions	660,054	-	-	660,054
Investment income	162,484	58,443	121,436	342,363
Sales and facilities use	229,274	-	-	229,274
Program services income	824,764	-	-	824,764
Special events income	173,713	-	-	173,713
Other revenue	884,396	-	-	884,396
<b>TOTAL REVENUE</b>	<b>3,186,012</b>	<b>58,443</b>	<b>121,436</b>	<b>3,365,891</b>
Net assets released from restrictions	1,890,120	(1,890,120)	-	-
<b>TOTAL SUPPORT AND REVENUE</b>	<b>22,942,400</b>	<b>1,150,950</b>	<b>165,131</b>	<b>24,258,481</b>
Expenses:				
Program Expenses:				
Site Operations, Educational and Interpretative Programs,	9,312,217	12,719	-	9,324,936
Contributed Materials and services	624,450	-	-	624,450
State Archives & Library Services	1,013,929	-	-	1,013,929
Historic Preservation Office	2,034,116	-	-	2,034,116
Capital Projects	5,042,021	-	-	5,042,021
Support Services:				
Management and General	3,532,689	3,798	12,896	3,549,383
Fundraising	706,323	-	-	706,323
<b>Total Expenses</b>	<b>22,265,745</b>	<b>16,517</b>	<b>12,896</b>	<b>22,295,158</b>
Changes in net assets from operations	676,655	1,134,433	152,235	1,963,323
OTHER INCOME (EXPENSES)				
Collection items purchased but not capitalized	(440,299)	-	-	(440,299)
Net realized and unrealized gains and (losses) on investments	163,835	60,597	139,711	364,143
Transfer	(427,764)	686,515	(258,751)	-
<b>Total other income (expenses)</b>	<b>(704,228)</b>	<b>747,112</b>	<b>(119,040)</b>	<b>(76,156)</b>
Changes net assets	(27,573)	1,881,545	33,195	1,887,167
NET ASSETS, beginning of year	5,660,253	5,621,835	4,213,419	15,495,507
NET ASSETS, end of year	<u>\$ 5,632,680</u>	<u>\$ 7,503,380</u>	<u>\$ 4,246,614</u>	<u>\$ 17,382,674</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, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT:				
State appropriations:				
Operating Subsidies	\$ 9,355,935	\$ -	\$ -	\$ 9,355,935
Capital Projects	2,946,447	-	-	2,946,447
Government contracts and grants	2,114,559	-	-	2,114,559
Private contracts and grants	122,312	-	-	122,312
Contributions	639,684	1,084,854	22,405	1,746,943
Contributed materials and services	780,624	-	-	780,624
Other support	-	2,000	-	2,000
<b>TOTAL SUPPORT</b>	<b>15,959,561</b>	<b>1,086,854</b>	<b>22,405</b>	<b>17,068,820</b>
REVENUE				
Admissions and parking	288,038	-	-	288,038
Memberships and subscriptions	480,520	-	-	480,520
Investment income	188,923	122,535	-	311,458
Sales and facilities use	301,133	-	-	301,133
Program services income	458,482	-	-	458,482
Special events income	182,507	-	-	182,507
Other revenue	770,443	-	-	770,443
<b>TOTAL REVENUE</b>	<b>2,670,046</b>	<b>122,535</b>	<b>-</b>	<b>2,792,581</b>
Net assets released from restrictions	533,515	(533,515)	-	-
<b>TOTAL SUPPORT AND REVENUE</b>	<b>19,163,122</b>	<b>675,874</b>	<b>22,405</b>	<b>19,861,401</b>
Expenses:				
Program Expenses:				
Site Operations, Educational and Interpretative Programs,	11,024,569	-	-	11,024,569
Contributed Materials and services	780,624	-	-	780,624
State Archives & Library Services	1,247,217	-	-	1,247,217
Historic Preservation Office	1,907,155	-	-	1,907,155
Capital Projects	2,946,447	-	-	2,946,447
Support Services:				
Management and General	2,024,015	-	-	2,024,015
Fundraising	680,979	-	-	680,979
<b>Total Expenses</b>	<b>20,611,006</b>	<b>-</b>	<b>-</b>	<b>20,611,006</b>
<b>CHANGE IN NET ASSETS from operations</b>	<b>(1,447,884)</b>	<b>675,874</b>	<b>22,405</b>	<b>(749,605)</b>
OTHER INCOME (EXPENSES)				
Collection items purchased but not capitalized	(23,690)	-	-	(23,690)
Net realized and unrealized gains and (losses) on investments	1,315,507	676,412	-	1,991,919
Transfer	(285,333)	-	285,333	-
<b>Total other income (expenses)</b>	<b>1,006,484</b>	<b>676,412</b>	<b>285,333</b>	<b>1,968,229</b>
<b>Changes in net assets</b>	<b>(441,400)</b>	<b>1,352,286</b>	<b>307,738</b>	<b>1,218,624</b>
<b>NET ASSETS, beginning of year</b>	<b>6,101,653</b>	<b>4,269,549</b>	<b>3,905,681</b>	<b>14,276,883</b>
<b>NET ASSETS, end of year</b>	<b>\$ 5,660,253</b>	<b>\$ 5,621,835</b>	<b>\$ 4,213,419</b>	<b>\$ 15,495,507</b>

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, 2015 AND 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ 1,887,167	\$ 1,218,624
Adjustments in net assets to net cash used in operating activities:		
Depreciation expense	97,065	59,366
Loss on sale of property and equipment	-	575
Net realized and unrealized (gains) losses on investments	(364,143)	(1,991,919)
(Increase) decrease in operating assets:		
Receivables	(400,514)	(212,983)
Inventories	(12,126)	(3,216)
Prepaid expenses and other current assets	(680)	27,953
Increase (decrease) in operating liabilities:		
Accounts payable	600,275	419,886
Accrued salaries, wages and other liabilities	247,821	44,655
Accrued leave liability	46,139	39,336
Deferred subscription and other revenue	(248,133)	115,745
 Total adjustments	 (34,296)	 (1,500,602)
 Net cash used in operating activities	 1,852,871	 (281,978)
 CASH FLOWS FROM INVESTING ACTIVITIES		
Payments/proceeds/purchases of investments/dividends, net	65,427	87,059
Payments for the purchase of property and equipment	(433,690)	(154,227)
Proceeds from the sale of property and equipment	-	247,082
 Net cash provided by investing activities	 (368,263)	 179,914
 CASH FLOWS FROM FINANCING ACTIVITIES		
Line of credit, net	(150,000)	150,000
 Net cash provided by investing activities	 (150,000)	 150,000
 Net cash increase (decrease) in cash and cash equivalents	 1,334,608	 47,936
 CASH AND CASH EQUIVALENTS, beginning of year	 547,958	 500,022
 CASH AND CASH EQUIVALENTS, end of year	 \$ 1,882,566	 \$ 547,958

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, 2015 and 2014

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, 2015 and 2014

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 unrestricted support when received, or in the case of the Ohio Bicentennial Commission, as temporarily restricted support. Subsidies appropriated for capital improvements are recognized as support at the time related expenditures are made. 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. A breakdown of the kind of service volunteered, associated hours contributed, and estimated values are shown below.

<u>Kind of Service</u>	<u>2015</u>		<u>2014</u>	
	<u>Hours Contributed</u>	<u>Estimated Value</u>	<u>Hours Contributed</u>	<u>Estimated Value</u>
Interpretive services	15,616	\$ 384,749	48,775	\$ 557,501
Collection/curatorial				
Services	1,878	50,124	7,059	114,842
Research	1,356	17,110	1,279	18,280
All other services	<u>22,390</u>	<u>172,467</u>	<u>6,398</u>	<u>90,001</u>
Total	<u>41,240</u>	<u>\$ 624,450</u>	<u>63,511</u>	<u>\$ 780,624</u>

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.

OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS  
As of and for the Years Ended June 30, 2015 and 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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, 2015 and 2014, there was no allowance for doubtful accounts.

Contract receivables represent reimbursements for capital project expenses due from Ohio Facilities Construction Commission (see Note 9) \$0 and \$259,570 of these receivables were unbilled as of June 30, 2015 and 2014, 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 \$17,500 as of June 30, 2015 and 2014, 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

OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS  
As of and for the Years Ended June 30, 2015 and 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 6).

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"><li>• Quoted prices for similar assets or liabilities in active markets;</li><li>• Quoted prices for identical or similar assets or liabilities in inactive markets;</li><li>• Inputs other than quoted prices that are observable for the asset or liability;</li><li>• Inputs that are derived principally from or corroborated by observable market data by correlation or other means.</li></ul> |

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.

OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS  
As of and for the Years Ended June 30, 2015 and 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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, 2015 and 2014.

*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.

*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, 2015 and 2014.

Classification of Net Assets

The Organization’s resources are classified into three net asset categories according to donor-imposed restrictions. A description of the categories follows:

Unrestricted – Net assets that are not subject to donor-imposed stipulations, even though their use may be limited in other respects, such as by contract or by Board designation. Donor restricted contributions whose restrictions are met in the same year as the contributions are recorded as unrestricted net assets.

Temporarily Restricted – Net assets whose use by the Organization is limited by the donor-imposed stipulation that either expire by the passage of time or that can be fulfilled by actions of the Organization.

Permanently Restricted – Net assets whose use by the Organization is permanently limited by donor-imposed stipulations.

Quasi-Endowment Funds

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

UPMIFA, ASC 958-205 and Endowment Funds

On November 17, 2008, the General Assembly adopted the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”). The law was signed on January 6, 2009 and it became effective June 1, 2009. The Organization has evaluated the potential impact of the law as it relates to the Organization and the required disclosures in the combined financial statements.

During 2008, the Financial Accounting Standards Board released ASC 958-205, providing guidance on the net asset classification of donor-restricted endowment funds. ASC 958-205 requires enhanced disclosures for 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,

OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS  
As of and for the Years Ended June 30, 2015 and 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 permanently 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 as temporarily restricted 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 permanently restricted corpus. Income from other funds is to be used for general operations, and is recorded as unrestricted.

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 \$446,854 and \$358,899 for the years ended June 30, 2015 and 2014, 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, 2015 and 2014.

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.

OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS  
As of and for the Years Ended June 30, 2015 and 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reclassification

Certain expenses on the statement of activities for the year ended June 30, 2014, have been reclassified with no effect on changes in net assets, to be consistent with the classifications adopted for the year ended June 30, 2015.

Subsequent Events

The Organization has evaluated subsequent events through October 6, 2015, 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 reasonable 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 41% and 47% of the Organization’s total support and revenue for the years ended June 30, 2015 and 2014, 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, 2015 and 2014

NOTE 3: CASH AND CASH EQUIVALENTS

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

	2015	2014
Cash	\$ 1,463,214	\$ 495,002
Certificate of Deposit	276,216	-0-
Money market funds	143,136	52,956
Total	\$ 1,882,566	\$ 547,958

NOTE 4: CONTRIBUTIONS RECEIVABLE

Contributions receivable consist of the following as of June 30:

Contributions Receivable	2015	2014
From individuals	\$ 205,005	\$ 67,130
From corporations	237,815	370,070
Gross contributions receivable	442,820	437,200
Less: unamortized discount	(25,142)	(20,343)
Less: allowance for doubtful accounts	(3,374)	(6,528)
Net contributions receivable	\$ 414,304	\$ 410,329
Amounts due in:		
Less than one year	\$ 377,820	\$ 412,000
One to five years	65,000	25,000
Less: unamortized discount	(25,142)	(20,343)
Less: allowance for doubtful accounts	(3,374)	(6,528)
Net contributions receivable	\$ 414,304	\$ 410,329

NOTE 5: PROPERTY AND EQUIPMENT

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

	2015	2014
Machinery and equipment	\$ 1,468,100	\$ 1,123,958
Land	465,866	465,866
Vehicles	523,822	434,274
Buildings	54,900	54,900
Property and equipment, at cost	2,512,688	2,078,998
Less accumulated depreciation	(1,423,240)	(1,326,171)
Property and equipment, net	\$ 1,089,448	\$ 752,825

OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS  
As of and for the Years Ended June 30, 2015 and 2014

NOTE 6: 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, 2015 and 2014.

NOTE 7: LONG-TERM INVESTMENTS

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

	2015	2014
Certificates of deposit	\$ 165,488	\$ 460,134
Mutual Funds	15,771,779	15,178,418
Total	\$ 15,937,267	\$ 15,638,552

NOTE 8: NET ASSETS

As of June 30, 2015 and 2014, temporarily restricted net assets are available for future year operations. Amounts are as follows:

Temporarily Restricted Net Assets	2015	2014
Ohio Bicentennial Commission	\$ 135,368	\$ 148,087
Board designated	4,834,382	3,265,378
Endowment fund balance	2,533,630	2,208,370
Total	\$ 7,503,380	\$ 5,621,835

Net assets were released from donor restrictions during years ended June 30, 2015 and 2014 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	2015	2014
Ohio Bicentennial Commission	\$ 12,719	\$ -
For specific sites and purposes	1,877,401	533,515
Total	\$ 1,890,120	\$ 533,515

OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS  
As of and for the Years Ended June 30, 2015 and 2014

NOTE 8: NET ASSETS (CONTINUED)

Endowment Fund activity of the following for the year ended June 30, 2015:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, Beginning of the year	\$ 138,131	\$ 2,208,370	\$ 4,213,419	\$ 6,559,920
Investment Return	107,306	325,620	-	432,926
Contributions and other Additions	<u>-</u>	<u>-</u>	<u>33,195</u>	<u>33,195</u>
Endowment net Assets end of year	<u>\$ 245,437</u>	<u>\$ 2,533,630</u>	<u>\$ 4,246,614</u>	<u>\$ 7,025,681</u>

Endowment Fund activity of the following for the year ended June 30, 2014:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, Beginning of the year	\$ 80,335	\$ 1,534,956	\$ 3,905,956	\$ 5,520,972
Investment Return	70,641	798,947	-	869,588
Contributions and other Additions	-	-	307,738	307,738
Appropriated for Expenditure	<u>(12,845)</u>	<u>(125,533)</u>	<u>-</u>	<u>(138,378)</u>
Endowment net Assets end of year	<u>\$ 138,131</u>	<u>\$ 2,208,370</u>	<u>\$ 4,213,419</u>	<u>\$ 6,559,920</u>

As described in Note 1, UPMIFA 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 permanently 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. The Organization has reclassified amounts to temporarily restricted and unrestricted net assets accordingly.

OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS  
As of and for the Years Ended June 30, 2015 and 2014

NOTE 9: STATE CAPITAL APPROPRIATIONS

As of June 30, 2015, 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 \$9,000,000. Budgetary restrictions imposed by the State may reduce the amount of funds actually available.

NOTE 10: LINE OF CREDIT

The Organization has entered into a line of credit agreement with a bank that allows the Organization to borrow up to \$500,000. The agreement expires on March 31, 2016. 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, 2015. There was a \$150,000 balance as of June 30, 2014.

NOTE 11: PUBLIC EMPLOYEES RETIREMENT SYSTEM

The Organization contributes to the Public Employees Retirement System of Ohio (the "System"), a cost-sharing, multiple-employer public employee retirement system administered by the Public Employees Retirement Board. The System provides basic retirement benefits, disability, survivor and healthcare benefits based on eligible service credit to members and beneficiaries. Benefits are established by Chapter 145 of the Ohio Revised Code. The System issues a publicly available financial report that includes financial statements and required supplementary information for the System.

The risk of participating in this multiemployer plan is different from single-employer plans in the following aspects:

- a. Assets contributed to the multiemployer plan by one entity may be used to provide benefits to employees of other participating entities.
- b. If a participating entity stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating entities.
- c. If the Organization stops participating in some or all of its multiemployer plans and continues in business, the Organization could be required to pay an amount, referred to as withdrawal liability, based on the unfunded status of the plan. The Organization has no intention of stopping its participation in any multiemployer plans.

Generally accepted accounting principles require certain information to be disclosed regarding multiemployer pension plans such as the Plan name and year, the most recent Pension Protection Act (PPA) zone status for the most recent year available, and the expiration dates of the Collective Bargaining Agreement to which the plan is subjected. The system issues a stand-alone financial report which discloses this information. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, by writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or by calling 614-222-5601 or 1-800-222-7377.

Plan members and Organization employees are required to contribute 10.0% of their annual covered salary to fund pension obligations, and the Organization is required to contribute 14.0%. Contributions are authorized by State statute, and the contribution rates are determined

OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba OHIO HISTORY CONNECTION

NOTES TO THE COMBINED FINANCIAL STATEMENTS  
As of and for the Years Ended June 30, 2015 and 2014

NOTE 11: PUBLIC EMPLOYEES RETIREMENT SYSTEM (CONTINUED)

actuarially. The Organization's contributions to the System for the years ended June 30, 2015 and 2014, were approximately \$1,210,650 and \$1,112,000, respectively, equal to required contributions for each year. The Organization's contributions represented less than 5% of the total contributions made to the plan for the years ended June 30, 2015 and 2014.

Post-Employment Benefits Other Than Pension Benefits

The System also provides post-retirement healthcare coverage to age and service retirees with 10 or more years of qualifying Ohio service credit and to primary survivor recipients of such retirees. A portion of each employer's contribution to the System is set aside for the funding of post-retirement healthcare. The Ohio Revised Code provides statutory authority for employer contributions. The employer contribution rate was 14.0% of covered payroll; 2% was the portion that was used to fund post-retirement healthcare.

The Ohio Revised Code provides the statutory authority permitting public employers to fund post-retirement healthcare through their contributions to the System.

The System's audited estimated net assets available for payment of benefits as of December 31, 2014, (the latest information available) were approximately \$91,244 billion.

NOTE 12: 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, 2015 will not have a material adverse effect on the Organization's financial position and results of activities.

**OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba Ohio History Connection**

**SCHEDULE OF FEDERAL AWARDS EXPENDITURES  
FOR THE YEAR ENDED JUNE 30, 2015**

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Expenditures
<b>U.S. NATIONAL ARCHIVES AND RECORDS ADMINISTRATION:</b>		
National Historical Publications and Records Commission: Ohio Historical Records Advisory Board Planning	89.003	\$ 20,459
<b>U.S. INSTITUTE OF MUSEUM AND LIBRARY SERVICES:</b>		
National Leadership Grants	45.312	5,773
<b>NATIONAL &amp; COMMUNITY SERVICE</b>		
AmeriCorps 'The Ohio History Services Corps'	94.006	132,335
<b>DEPARTMENT OF THE INTERIOR</b>		
U.S. Fish and Wildlife Service	15.FFC	9,306
National Park Service		
Historic Preservation Fund Grants-in-Aid	15.904	1,166,070
American Battlefield Protection	15.957	3,215
Total U.S. Department of Interior		<u>1,178,591</u>
<b>NATIONAL ENDOWMENT FOR THE HUMANITIES</b>		
Promotion of Humanities-Teaching and Learning Resources	45.162	83,340
Promotion of Humanities-Division of Preservation and Access	45.149	34,708
Promotion of Humanities-Public Programs	45.164	8,453
NEH-Hopewell in Ohio First Ohioans	45.163	32,293
NEH Mobile Museum Initiative	45.xxx	12,250
Total National Endowment for the Humanities		<u>171,044</u>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>		
Administration of Native Americans (ANA) Grant Eastern Shawnee	93.612	5,173
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>		<b><u>\$ 1,513,375</u></b>

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  
FOR THE YEAR ENDED JUNE 30, 2015**

**NOTE A – SIGNIFICANT ACCOUNTING POLICIES**

The accompanying Schedule of Federal Awards Expenditures (the Schedule) summarizes activity of the Organization’s federal award programs. The schedule is presented on the accrual basis of accounting. The information in the schedule is presented in accordance with requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented, or used in the preparation of, the financial statements.

**NOTE B – 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)	\$ 101,384

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

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INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY  
GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, 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, 2015 and the related combined statements of activities and changes in net assets 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 6, 2015.

*Internal Control Over Financial Reporting*

As part of our financial statement audit, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Organization's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Organization's financial statements. 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 internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

*Compliance and Other Matters*

As part of reasonably assuring whether the Organization's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

*Purpose of this Report*

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed under *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 6, 2015

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Trustees  
Ohio Historical Society and Affiliate  
dba Ohio History Connection  
800 E. 17<sup>th</sup> 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 applicable requirements described in *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could directly and materially affect the Organization's major federal program for the year ended June 30, 2015. The summary of auditor's results section of the accompanying schedule of findings identifies the Organization's major federal program.

*Management's Responsibility*

The Organization's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to its major federal program.

*Auditor's Responsibility*

Our responsibility is to opine on the Organization's compliance for the Organization's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. These standards and OMB Circular A-133 require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect 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 our audit provides a reasonable basis for our compliance opinion on the Organization's major program. However, our audit does not provide a legal determination on the Organization's compliance.

*Opinion on the Major Federal Program*

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could directly and materially affect its major federal program for the year ended June 30, 2015.

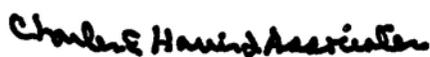
*Report on Internal Control Over Compliance*

The Organization's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Organization's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on the major federal program's compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined 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, when performing their assigned functions, to prevent or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. 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 federal program compliance requirement will not be prevented, or timely detected and corrected. A *significant deficiency* in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement 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 would not necessarily 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.

This report only describes the scope of our internal control compliance tests and the results of this testing based on OMB Circular A-133 requirements. Accordingly, this report is not suitable for any other purpose.



**Charles E. Harris & Associates, Inc.**  
October 6, 2015

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A-133 SECTION .505**

**OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba OHIO HISTORY CONNECTION  
June 30, 2015**

**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 Section .510</i>	No
(d)(1)(vii)	<i>Major Programs:</i>	CFDA # 15.904 - History Preservation Funds Grant-In-Aid
(d)(1)(viii)	<i>Dollar Threshold: Type A\B Programs</i>	Type A: >\$300,000 Type B: All Others
(d)(1)(ix)	<i>Low Risk Auditee?</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, 2015

	Ohio Historical Society				Ohio Historical Society Foundation			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<u>ASSETS</u>								
CURRENT ASSETS:								
Cash and cash equivalents	\$ 530,506	\$ 135,368	\$ -	\$ 665,874	\$ 514,242	\$ 670,149	\$ 32,301	\$ 1,216,692
Receivables:								
Grants	205,086	-	-	205,086	-	-	-	-
Contracts	1,141,744	-	-	1,141,744	750,000	-	-	750,000
Current portion of pledges, net	-	-	-	-	-	414,304	-	414,304
Other	485,946	-	-	485,946	6,981	-	-	6,981
Inventories, net	259,478	-	-	259,478	-	-	-	-
Prepaid expenses and other current assets	53,094	-	-	53,094	-	34,274	-	34,274
Total current assets	<u>2,675,854</u>	<u>135,368</u>	<u>-</u>	<u>2,811,222</u>	<u>1,271,223</u>	<u>1,118,727</u>	<u>32,301</u>	<u>2,422,251</u>
PROPERTY AND EQUIPMENT, net	973,448	-	-	973,448	116,000	-	-	116,000
PLEDGES RECEIVABLE, net of current portion	-	-	-	-	-	-	-	-
LONG-TERM INVESTMENTS	<u>61,486</u>	<u>-</u>	<u>-</u>	<u>61,486</u>	<u>5,197,725</u>	<u>6,463,743</u>	<u>4,214,313</u>	<u>15,875,781</u>
Total assets	<u>\$ 3,710,788</u>	<u>\$ 135,368</u>	<u>\$ -</u>	<u>\$ 3,846,156</u>	<u>\$ 6,584,948</u>	<u>\$ 7,582,470</u>	<u>\$ 4,246,614</u>	<u>\$ 18,414,032</u>
LIABILITIES AND NET ASSETS								
CURRENT LIABILITIES:								
Accounts payable	\$ 1,607,331	\$ -	\$ -	\$ 1,607,331	\$ 88,881	\$ 214,458	\$ -	\$ 303,339
Line of Credit	-	-	-	-	-	-	-	-
Accrued salaries, wages and other liabilities	1,053,892	-	-	1,053,892	-	-	-	-
Accrued leave liability	656,469	-	-	656,469	-	-	-	-
Deferred subscription and other revenue	506,483	-	-	506,483	-	-	-	-
Notes Payable	750,000	-	-	750,000	-	-	-	-
Total current liabilities	<u>4,574,175</u>	<u>-</u>	<u>-</u>	<u>4,574,175</u>	<u>88,881</u>	<u>214,458</u>	<u>-</u>	<u>303,339</u>
NET ASSETS:								
Operations	(863,387)	-	-	(863,387)	2,203,406	4,834,382	-	7,037,788
Board designated	-	-	-	-	1,840,880	-	-	1,840,880
Ohio Bicentennial Commission	-	135,368	-	135,368	-	-	-	-
Endowment fund balance	-	-	-	-	245,437	2,533,630	4,246,614	7,025,681
Quasi-Endowment	-	-	-	-	2,206,344	-	-	2,206,344
Total net assets	<u>(863,387)</u>	<u>135,368</u>	<u>-</u>	<u>(728,019)</u>	<u>6,496,067</u>	<u>7,368,012</u>	<u>4,246,614</u>	<u>18,110,693</u>
Total Liabilities and net assets	<u>\$ 3,710,788</u>	<u>\$ 135,368</u>	<u>\$ -</u>	<u>\$ 3,846,156</u>	<u>\$ 6,584,948</u>	<u>\$ 7,582,470</u>	<u>\$ 4,246,614</u>	<u>\$ 18,414,032</u>

	Total			Intercompany Adjustments		Combined total				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	OHS	OHSF	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>ASSETS</b>										
<b>CURRENT ASSETS:</b>										
Cash and cash equivalents	\$ 1,044,748	\$ 805,517	\$ 32,301	\$ 1,882,566	\$ -	\$ -	\$ 1,044,748	\$ 805,517	\$ 32,301	\$ 1,882,566
Receivables:										
Grants	205,086	-	-	205,086	-	-	205,086	-	-	205,086
Contracts	1,891,744	-	-	1,891,744	-	(750,000)	1,141,744	-	-	1,141,744
Current portion of pledges, net	-	414,304	-	414,304	-	-	-	414,304	-	414,304
Other	492,927	-	-	492,927	(198,329)	-	294,598	-	-	294,598
Inventories, net	259,478	-	-	259,478	-	-	259,478	-	-	259,478
Prepaid expenses and other current assets	53,094	34,274	-	87,368	-	-	53,094	34,274	-	87,368
<b>Total current assets</b>	<b>3,947,077</b>	<b>1,254,095</b>	<b>32,301</b>	<b>5,233,473</b>	<b>(198,329)</b>	<b>(750,000)</b>	<b>2,998,748</b>	<b>1,254,095</b>	<b>32,301</b>	<b>4,285,144</b>
PROPERTY AND EQUIPMENT, net	1,089,448	-	-	1,089,448	-	-	1,089,448	-	-	1,089,448
PLEDGES RECEIVABLE, net of current portion	-	-	-	-	-	-	-	-	-	-
LONG-TERM INVESTMENTS	5,259,211	6,463,743	4,214,313	15,937,267	-	-	5,259,211	6,463,743	4,214,313	15,937,267
<b>Total assets</b>	<b>\$ 10,295,736</b>	<b>\$ 7,717,838</b>	<b>\$ 4,246,614</b>	<b>\$ 22,260,188</b>	<b>\$ (198,329)</b>	<b>\$ (750,000)</b>	<b>\$ 9,347,407</b>	<b>\$ 7,717,838</b>	<b>\$ 4,246,614</b>	<b>\$ 21,311,859</b>
<b>LIABILITIES AND NET ASSETS</b>										
<b>CURRENT LIABILITIES:</b>										
Accounts payable	\$ 1,696,212	\$ 214,458	\$ -	\$ 1,910,670	\$ -	\$ (198,329)	\$ 1,497,883	\$ 214,458	\$ -	\$ 1,712,341
Line of Credit	-	-	-	-	-	-	-	-	-	-
Accrued salaries, wages and other liabilities	1,053,892	-	-	1,053,892	-	-	1,053,892	-	-	1,053,892
Accrued leave liability	656,469	-	-	656,469	-	-	656,469	-	-	656,469
Deferred subscription and other revenue	506,483	-	-	506,483	-	-	506,483	-	-	506,483
Notes Payable	750,000	-	-	750,000	(750,000)	-	-	-	-	-
<b>Total current liabilities</b>	<b>4,663,056</b>	<b>214,458</b>	<b>-</b>	<b>4,877,514</b>	<b>(750,000)</b>	<b>(198,329)</b>	<b>3,714,727</b>	<b>214,458</b>	<b>-</b>	<b>3,929,185</b>
<b>NET ASSETS:</b>										
Operations	1,340,019	4,834,382	-	6,174,401	-	-	1,340,019	4,834,382	-	6,174,401
Board designated	1,840,880	-	-	1,840,880	-	-	1,840,880	-	-	1,840,880
Ohio Bicentennial Commission	-	135,368	-	135,368	-	-	-	135,368	-	135,368
Endowment fund balance	245,437	2,533,630	4,246,614	7,025,681	-	-	245,437	2,533,630	4,246,614	7,025,681
Quasi-Endowment	2,206,344	-	-	2,206,344	-	-	2,206,344	-	-	2,206,344
<b>Total net assets</b>	<b>5,632,680</b>	<b>7,503,380</b>	<b>4,246,614</b>	<b>17,382,674</b>	<b>-</b>	<b>-</b>	<b>5,632,680</b>	<b>7,503,380</b>	<b>4,246,614</b>	<b>17,382,674</b>
<b>Total Liabilities and net assets</b>	<b>\$ 10,295,736</b>	<b>\$ 7,717,838</b>	<b>\$ 4,246,614</b>	<b>\$ 22,260,188</b>	<b>\$ (750,000)</b>	<b>\$ (198,329)</b>	<b>\$ 9,347,407</b>	<b>\$ 7,717,838</b>	<b>\$ 4,246,614</b>	<b>\$ 21,311,859</b>

OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba OHIO HISTORY CONNECTION

COMBINING STATEMENT OF FINANCIAL POSITION  
AS OF JUNE 30, 2014

	Ohio Historical Society				Ohio Historical Society Foundation			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>ASSETS</b>								
<b>CURRENT ASSETS:</b>								
Cash and cash equivalents	\$ 18,585	\$ 148,087	\$ -	\$ 166,672	\$ 377,299	\$ -	\$ 3,987	\$ 381,286
Receivables:								
Grants	242,432	-	-	242,432	-	-	-	-
Contracts	752,028	-	-	752,028	-	-	-	-
Current portion of pledges, net	-	-	-	-	-	386,865	-	386,865
Other	380,889	-	-	380,889	49,930	-	-	49,930
Inventories, net	247,352	-	-	247,352	-	-	-	-
Prepaid expenses and other current assets	52,414	-	-	52,414	-	34,274	-	34,274
Total current assets	<u>1,693,700</u>	<u>148,087</u>	<u>-</u>	<u>1,841,787</u>	<u>427,229</u>	<u>421,139</u>	<u>3,987</u>	<u>852,355</u>
PROPERTY AND EQUIPMENT, net	636,825	-	-	636,825	116,000	-	-	116,000
PLEDGES RECEIVABLE, net of current portion	-	-	-	-	-	23,464	-	23,464
LONG-TERM INVESTMENTS	191,064	-	-	191,064	6,208,911	5,029,145	4,209,432	15,447,488
Total assets	<u>\$ 2,521,589</u>	<u>\$ 148,087</u>	<u>\$ -</u>	<u>\$ 2,669,676</u>	<u>\$ 6,752,140</u>	<u>\$ 5,473,748</u>	<u>\$ 4,213,419</u>	<u>\$ 16,439,307</u>
<b>LIABILITIES AND NET ASSETS</b>								
<b>CURRENT LIABILITIES:</b>								
Accounts payable	\$ 1,126,257	\$ -	\$ -	\$ 1,126,257	\$ 166,202	\$ -	\$ -	\$ 166,202
Line of Credit	150,000	-	-	150,000	-	-	-	-
Accrued salaries, wages and other liabilities	806,071	-	-	806,071	-	-	-	-
Accrued leave liability	610,330	-	-	610,330	-	-	-	-
Deferred subscription and other revenue	754,616	-	-	754,616	-	-	-	-
Total current liabilities	<u>3,447,274</u>	<u>-</u>	<u>-</u>	<u>3,447,274</u>	<u>166,202</u>	<u>-</u>	<u>-</u>	<u>166,202</u>
<b>NET ASSETS:</b>								
Operations	(2,850,740)	-	-	(2,850,740)	4,175,623	3,265,378	-	7,441,001
Board designated	1,925,055	-	-	1,925,055	-	-	-	-
Ohio Bicentennial Commission	-	148,087	-	148,087	-	-	-	-
Endowment fund balance	-	-	-	-	138,131	2,208,370	4,213,419	6,559,920
Quasi-Endowment	-	-	-	-	2,272,184	-	-	2,272,184
Total net assets	<u>(925,685)</u>	<u>148,087</u>	<u>-</u>	<u>(777,598)</u>	<u>6,585,938</u>	<u>5,473,748</u>	<u>4,213,419</u>	<u>16,273,105</u>
Total Liabilities and net assets	<u>\$ 2,521,589</u>	<u>\$ 148,087</u>	<u>\$ -</u>	<u>\$ 2,669,676</u>	<u>\$ 6,752,140</u>	<u>\$ 5,473,748</u>	<u>\$ 4,213,419</u>	<u>\$ 16,439,307</u>

	Total				Intercompany Adjustments		Combined total			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	OHS	OHSF	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>ASSETS</b>										
<b>CURRENT ASSETS:</b>										
Cash and cash equivalents	\$ 395,884	\$ 148,087	\$ 3,987	\$ 547,958	\$ -	\$ -	\$ 395,884	\$ 148,087	\$ 3,987	\$ 547,958
Receivables:										
Grants	242,432	-	-	242,432	-	-	242,432	-	-	242,432
Contracts	752,028	-	-	752,028	-	-	752,028	-	-	752,028
Current portion of pledges, net	-	386,865	-	386,865	-	-	-	386,865	-	386,865
Other	430,819	-	-	430,819	(180,391)	-	250,428	-	-	250,428
Inventories, net	247,352	-	-	247,352	-	-	247,352	-	-	247,352
Prepaid expenses and other current assets	52,414	34,274	-	86,688	-	-	52,414	34,274	-	86,688
<b>Total current assets</b>	<b>2,120,929</b>	<b>569,226</b>	<b>3,987</b>	<b>2,694,142</b>	<b>(180,391)</b>	<b>-</b>	<b>1,940,538</b>	<b>569,226</b>	<b>3,987</b>	<b>2,513,751</b>
PROPERTY AND EQUIPMENT, net	752,825	-	-	752,825	-	-	752,825	-	-	752,825
PLEDGES RECEIVABLE, net of current portion	-	23,464	-	23,464	-	-	-	23,464	-	23,464
LONG-TERM INVESTMENTS	6,399,975	5,029,145	4,209,432	15,638,552	-	-	6,399,975	5,029,145	4,209,432	15,638,552
<b>Total assets</b>	<b>\$ 9,273,729</b>	<b>\$ 5,621,835</b>	<b>\$ 4,213,419</b>	<b>\$ 19,108,983</b>	<b>\$ (180,391)</b>	<b>\$ -</b>	<b>\$ 9,093,338</b>	<b>\$ 5,621,835</b>	<b>\$ 4,213,419</b>	<b>\$ 18,928,592</b>
<b>LIABILITIES AND NET ASSETS</b>										
<b>CURRENT LIABILITIES:</b>										
Accounts payable	\$ 1,292,459	\$ -	\$ -	\$ 1,292,459	\$ -	\$ (180,391)	\$ 1,112,068	\$ -	\$ -	\$ 1,112,068
Line of Credit	150,000	-	-	150,000	-	-	150,000	-	-	150,000
Accrued salaries, wages and other liabilities	806,071	-	-	806,071	-	-	806,071	-	-	806,071
Accrued leave liability	610,330	-	-	610,330	-	-	610,330	-	-	610,330
Deferred subscription and other revenue	754,616	-	-	754,616	-	-	754,616	-	-	754,616
<b>Total current liabilities</b>	<b>3,613,476</b>	<b>-</b>	<b>-</b>	<b>3,613,476</b>	<b>-</b>	<b>(180,391)</b>	<b>3,433,085</b>	<b>-</b>	<b>-</b>	<b>3,433,085</b>
<b>NET ASSETS:</b>										
Operations	1,324,883	3,265,378	-	4,590,261	-	-	1,324,883	3,265,378	-	4,590,261
Board designated	1,925,055	-	-	1,925,055	-	-	1,925,055	-	-	1,925,055
Ohio Bicentennial Commission	-	148,087	-	148,087	-	-	-	148,087	-	148,087
Endowment fund balance	138,131	2,208,370	4,213,419	6,559,920	-	-	138,131	2,208,370	4,213,419	6,559,920
Quasi-Endowment	2,272,184	-	-	2,272,184	-	-	2,272,184	-	-	2,272,184
<b>Total net assets</b>	<b>5,660,253</b>	<b>5,621,835</b>	<b>4,213,419</b>	<b>15,495,507</b>	<b>-</b>	<b>-</b>	<b>5,660,253</b>	<b>5,621,835</b>	<b>4,213,419</b>	<b>15,495,507</b>
<b>Total Liabilities and net assets</b>	<b>\$ 9,273,729</b>	<b>\$ 5,621,835</b>	<b>\$ 4,213,419</b>	<b>\$ 19,108,983</b>	<b>\$ -</b>	<b>\$ (180,391)</b>	<b>\$ 9,093,338</b>	<b>\$ 5,621,835</b>	<b>\$ 4,213,419</b>	<b>\$ 18,928,592</b>

OHIO HISTORICAL SOCIETY AND AFFILIATE  
dba OHIO HISTORY CONNECTION

COMBINING STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2015

	Ohio Historical Society				Ohio Historical Society Foundation			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>SUPPORT:</b>								
State appropriations:								
Operating subsidies	\$ 9,864,340	\$ -	\$ -	\$ 9,864,340	\$ -	\$ -	\$ -	\$ -
Capital projects	5,042,022	-	-	5,042,022	-	-	-	-
Government contracts and grants	1,826,470	-	-	1,826,470	-	-	-	-
Private contracts and grants	182,774	-	-	182,774	-	-	-	-
Contributions	166	-	-	166	324,725	2,982,627	43,695	3,351,047
Contributed materials and services	624,450	-	-	624,450	-	-	-	-
Other support	1,580,912	-	-	1,580,912	-	-	-	-
Total support	19,121,134	-	-	19,121,134	324,725	2,982,627	43,695	3,351,047
<b>REVENUE:</b>								
Admissions and parking	251,327	-	-	251,327	-	-	-	-
Memberships and subscriptions	660,054	-	-	660,054	-	-	-	-
Investment income	4,472	-	-	4,472	158,012	58,443	121,436	337,891
Sales and facilities use	229,274	-	-	229,274	-	-	-	-
Special events	824,764	-	-	824,764	-	-	-	-
Program services income	173,713	-	-	173,713	-	-	-	-
Other revenue	858,760	-	-	858,760	25,636	-	-	25,636
Total revenue	3,002,364	-	-	3,002,364	183,648	58,443	121,436	363,527
Net assets released from restriction	-	-	-	-	1,890,120	(1,890,120)	-	-
Total support and revenue	22,123,498	-	-	22,123,498	2,398,493	1,150,950	165,131	3,714,574
<b>EXPENSES:</b>								
Program expenses:								
Site operations, educational and interpretive programs	9,312,217	12,719	-	9,324,936	-	-	-	-
Contributed materials and services	624,450	-	-	624,450	-	-	-	-
State archives and library	1,013,929	-	-	1,013,929	-	-	-	-
Historic preservation office	2,034,116	-	-	2,034,116	-	-	-	-
Capital projects	5,042,021	-	-	5,042,021	-	-	-	-
Support services:								
Management and general	3,522,610	-	-	3,522,610	10,079	3,798	12,896	26,773
Fundraising	706,323	-	-	706,323	-	-	-	-
Total expenses	22,255,666	12,719	-	22,268,385	10,079	3,798	12,896	26,773
Changes in net assets from operations	(132,168)	(12,719)	-	(144,887)	2,388,414	1,147,152	152,235	3,687,801
<b>OTHER INCOME(EXPENSES):</b>								
Collections items purchased but not capitalized	(440,299)	-	-	(440,299)	-	-	-	-
Net realized and unrealized gains (losses) on investments	-	-	-	-	163,835	60,597	139,711	364,143
Transfer of net assets restrictions	634,764	-	-	634,764	(2,642,118)	686,515	(258,751)	(2,214,354)
Changes in net assets	62,297	(12,719)	-	49,578	(89,869)	1,894,264	33,195	1,837,590
NET ASSETS, beginning of year	(925,685)	148,087	-	(777,598)	6,585,937	5,473,748	4,213,419	16,273,104
NET ASSETS, end of year	\$ (863,388)	\$ 135,368	\$ -	\$ (728,020)	\$ 6,496,068	\$ 7,368,012	\$ 4,246,614	\$ 18,110,694

	Total				Intercompany Adjustments		Combined Total			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	OHS	OHSF	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>SUPPORT:</b>										
State appropriations:										
Operating subsidies	\$ 9,864,340	\$ -	\$ -	\$ 9,864,340	\$ -	\$ -	\$ 9,864,340	\$ -	\$ -	\$ 9,864,340
Capital projects	5,042,022	-	-	5,042,022	-	-	5,042,022	-	-	5,042,022
Government contracts and grants	1,826,470	-	-	1,826,470	-	-	1,826,470	-	-	1,826,470
Private contracts and grants	182,774	-	-	182,774	-	-	182,774	-	-	182,774
Contributions	324,891	2,982,627	43,695	3,351,213	-	-	324,891	2,982,627	43,695	3,351,213
Contributed materials and services	624,450	-	-	624,450	-	-	624,450	-	-	624,450
Other support	1,580,912	-	-	1,580,912	(1,579,591)	-	1,321	-	-	1,321
Total support	19,445,859	2,982,627	43,695	22,472,181	(1,579,591)	-	17,866,268	2,982,627	43,695	20,892,590
<b>REVENUE:</b>										
Admissions and parking	251,327	-	-	251,327	-	-	251,327	-	-	251,327
Memberships and subscriptions	660,054	-	-	660,054	-	-	660,054	-	-	660,054
Investment income	162,484	58,443	121,436	342,363	-	-	162,484	58,443	121,436	342,363
Sales and facilities use	229,274	-	-	229,274	-	-	229,274	-	-	229,274
Special events	173,713	-	-	173,713	-	-	173,713	-	-	173,713
Program services income	824,764	-	-	824,764	-	-	824,764	-	-	824,764
Other revenue	884,396	-	-	884,396	-	-	884,396	-	-	884,396
Total revenue	3,186,012	58,443	121,436	3,365,891	-	-	3,186,012	58,443	121,436	3,365,891
Net assets released from restriction	1,890,120	(1,890,120)	-	-	-	-	1,890,120	(1,890,120)	-	-
Total support and revenue	24,521,991	1,150,950	165,131	25,838,072	(1,579,591)	-	22,942,400	1,150,950	165,131	24,258,481
<b>EXPENSES:</b>										
Program expenses:										
Site operations, educational and interpretive programs	9,312,217	12,719	-	9,324,936	-	-	9,312,217	12,719	-	9,324,936
Contributed materials and services	624,450	-	-	624,450	-	-	624,450	-	-	624,450
State archives and library	1,013,929	-	-	1,013,929	-	-	1,013,929	-	-	1,013,929
Historic preservation office	2,034,116	-	-	2,034,116	-	-	2,034,116	-	-	2,034,116
Capital projects	5,042,021	-	-	5,042,021	-	-	5,042,021	-	-	5,042,021
Support services:										
Management and general	3,532,689	3,798	12,896	3,549,383	-	-	3,532,689	3,798	12,896	3,549,383
Fundraising	706,323	-	-	706,323	-	-	706,323	-	-	706,323
Total expenses	22,265,745	16,517	12,896	22,295,158	-	-	22,265,745	16,517	12,896	22,295,158
Changes in net assets from operations	2,256,246	1,134,433	152,235	3,542,914	(1,579,591)	-	676,655	1,134,433	152,235	1,963,323
<b>OTHER INCOME(EXPENSES):</b>										
Collections items purchased but not capitalized	(440,299)	-	-	(440,299)	-	-	(440,299)	-	-	(440,299)
Net realized and unrealized gains (losses) on investments	163,835	60,597	139,711	364,143	-	-	163,835	60,597	139,711	364,143
Transfer of net assets restrictions	(2,007,355)	686,515	(258,751)	(1,579,591)	-	(1,579,591)	(427,764)	686,515	(258,751)	-
Changes in net assets	(27,573)	1,881,545	33,195	1,887,167	(1,579,591)	(1,579,591)	(27,573)	1,881,545	33,195	1,887,167
NET ASSETS, beginning of year	5,660,253	5,621,835	4,213,419	15,495,507	-	-	5,660,253	5,621,835	4,213,419	15,495,507
NET ASSETS, end of year	<u>\$ 5,632,680</u>	<u>\$ 7,503,380</u>	<u>\$ 4,246,614</u>	<u>\$ 17,382,674</u>	<u>\$ (1,579,591)</u>	<u>\$ (1,579,591)</u>	<u>\$ 5,632,680</u>	<u>\$ 7,503,380</u>	<u>\$ 4,246,614</u>	<u>\$ 17,382,674</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, 2014

	Ohio Historical Society			Ohio Historical Society Foundation				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>SUPPORT:</b>								
State appropriations:								
Operating subsidies	\$ 9,355,935	\$ -	\$ -	\$ 9,355,935	\$ -	\$ -	\$ -	\$ -
Capital projects	2,946,447	-	-	2,946,447	-	-	-	-
Government contracts and grants	2,114,559	-	-	2,114,559	-	-	-	-
Private contracts and grants	122,312	-	-	122,312	-	-	-	-
Contributions	1,802,893	-	-	1,802,893	620,912	1,084,854	22,405	1,728,171
Contributed materials and services	780,624	-	-	780,624	-	-	-	-
Other support	-	-	-	-	-	2,000	-	2,000
<b>Total support</b>	<b>17,122,770</b>	<b>-</b>	<b>-</b>	<b>17,122,770</b>	<b>620,912</b>	<b>1,086,854</b>	<b>22,405</b>	<b>1,730,171</b>
<b>REVENUE:</b>								
Admissions and parking	288,038	-	-	288,038	-	-	-	-
Memberships and subscriptions	480,520	-	-	480,520	-	-	-	-
Investment income	5,121	-	-	5,121	183,802	122,535	-	306,337
Sales and facilities use	301,133	-	-	301,133	-	-	-	-
Special events	182,507	-	-	182,507	-	-	-	-
Program services income	458,482	-	-	458,482	-	-	-	-
Other revenue	770,793	-	-	770,793	(350)	-	-	(350)
<b>Total revenue</b>	<b>2,486,594</b>	<b>-</b>	<b>-</b>	<b>2,486,594</b>	<b>183,452</b>	<b>122,535</b>	<b>-</b>	<b>305,987</b>
Net assets released from restriction	-	-	-	-	533,515	(533,515)	-	-
<b>Total support and revenue</b>	<b>19,609,364</b>	<b>-</b>	<b>-</b>	<b>19,609,364</b>	<b>1,337,879</b>	<b>675,874</b>	<b>22,405</b>	<b>2,036,158</b>
<b>EXPENSES:</b>								
Program expenses:								
Site operations, educational and interpretive programs	11,024,569	-	-	11,024,569	-	-	-	-
Contributed materials and services	780,624	-	-	780,624	-	-	-	-
State archives and library	1,247,217	-	-	1,247,217	-	-	-	-
Historic preservation office	1,907,155	-	-	1,907,155	-	-	-	-
Capital projects	2,946,447	-	-	2,946,447	-	-	-	-
Support services:								
Management and general	2,014,209	-	-	2,014,209	9,806	-	-	9,806
Fundraising	680,979	-	-	680,979	-	-	-	-
<b>Total expenses</b>	<b>20,601,200</b>	<b>-</b>	<b>-</b>	<b>20,601,200</b>	<b>9,806</b>	<b>-</b>	<b>-</b>	<b>9,806</b>
Changes in net assets from operations	(991,836)	-	-	(991,836)	1,328,073	675,874	22,405	2,026,352
<b>OTHER INCOME(EXPENSES):</b>								
Collections items purchased but not capitalized	(23,690)	-	-	(23,690)	-	-	-	-
Net realized and unrealized gains (losses) on investments	-	-	-	-	1,315,507	676,412	-	1,991,919
Transfer of net assets restrictions	400,000	-	-	400,000	(2,469,454)	-	285,333	(2,184,121)
<b>Changes in net assets</b>	<b>(615,526)</b>	<b>-</b>	<b>-</b>	<b>(615,526)</b>	<b>174,126</b>	<b>1,352,286</b>	<b>307,738</b>	<b>1,834,150</b>
NET ASSETS, beginning of year	(310,159)	148,087	-	(162,072)	6,411,812	4,121,462	3,905,681	14,438,955
<b>NET ASSETS, end of year</b>	<b>\$ (925,685)</b>	<b>\$ 148,087</b>	<b>\$ -</b>	<b>\$ (777,598)</b>	<b>\$ 6,585,938</b>	<b>\$ 5,473,748</b>	<b>\$ 4,213,419</b>	<b>\$ 16,273,105</b>

	Total				Intercompany Adjustments		Combined Total			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	OHS	OHSF	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
<b>SUPPORT:</b>										
State appropriations:										
Operating subsidies	\$ 9,355,935	\$ -	\$ -	\$ 9,355,935	\$ -	\$ -	\$ 9,355,935	\$ -	\$ -	\$ 9,355,935
Capital projects	2,946,447	-	-	2,946,447	-	-	2,946,447	-	-	2,946,447
Government contracts and grants	2,114,559	-	-	2,114,559	-	-	2,114,559	-	-	2,114,559
Private contracts and grants	122,312	-	-	122,312	-	-	122,312	-	-	122,312
Contributions	2,423,805	1,084,854	22,405	3,531,064	(1,784,121)	-	639,684	1,084,854	22,405	1,746,943
Contributed materials and services	780,624	-	-	780,624	-	-	780,624	-	-	780,624
Other support	-	2,000	-	2,000	-	-	-	2,000	-	2,000
Total support	17,743,682	1,086,854	22,405	18,852,941	(1,784,121)	-	15,959,561	1,086,854	22,405	17,068,820
<b>REVENUE:</b>										
Admissions and parking	288,038	-	-	288,038	-	-	288,038	-	-	288,038
Memberships and subscriptions	480,520	-	-	480,520	-	-	480,520	-	-	480,520
Investment income	188,923	122,535	-	311,458	-	-	188,923	122,535	-	311,458
Sales and facilities use	301,133	-	-	301,133	-	-	301,133	-	-	301,133
Special events	182,507	-	-	182,507	-	-	182,507	-	-	182,507
Program services income	458,482	-	-	458,482	-	-	458,482	-	-	458,482
Other revenue	770,443	-	-	770,443	-	-	770,443	-	-	770,443
Total revenue	2,670,046	122,535	-	2,792,581	-	-	2,670,046	122,535	-	2,792,581
Net assets released from restriction	533,515	(533,515)	-	-	-	-	533,515	(533,515)	-	-
Total support and revenue	20,947,243	675,874	22,405	21,645,522	(1,784,121)	-	19,163,122	675,874	22,405	19,861,401
<b>EXPENSES:</b>										
Program expenses:										
Site operations, educational and interpretive programs	11,024,569	-	-	11,024,569	-	-	11,024,569	-	-	11,024,569
Contributed materials and services	780,624	-	-	780,624	-	-	780,624	-	-	780,624
State archives and library	1,247,217	-	-	1,247,217	-	-	1,247,217	-	-	1,247,217
Historic preservation office	1,907,155	-	-	1,907,155	-	-	1,907,155	-	-	1,907,155
Capital projects	2,946,447	-	-	2,946,447	-	-	2,946,447	-	-	2,946,447
Support services:										
Management and general	2,024,015	-	-	2,024,015	-	-	2,024,015	-	-	2,024,015
Fundraising	680,979	-	-	680,979	-	-	680,979	-	-	680,979
Total expenses	20,611,006	-	-	20,611,006	-	-	20,611,006	-	-	20,611,006
Changes in net assets from operations	336,237	675,874	22,405	1,034,516	(1,784,121)	-	(1,447,884)	675,874	22,405	(749,605)
<b>OTHER INCOME(EXPENSES):</b>										
Collections items purchased but not capitalized	(23,690)	-	-	(23,690)	-	-	(23,690)	-	-	(23,690)
Net realized and unrealized gains (losses) on investments	1,315,507	676,412	-	1,991,919	-	-	1,315,507	676,412	-	1,991,919
Transfer of net assets restrictions	(2,069,454)	-	285,333	(1,784,121)	-	1,784,121	(285,333)	-	285,333	-
Changes in net assets	(441,400)	1,352,286	307,738	1,218,624	(1,784,121)	1,784,121	(441,400)	1,352,286	307,738	1,218,624
NET ASSETS, beginning of year	6,101,653	4,269,549	3,905,681	14,276,883	-	-	6,101,653	4,269,549	3,905,681	14,276,883
NET ASSETS, end of year	\$ 5,660,253	\$ 5,621,835	\$ 4,213,419	\$ 15,495,507	\$ (1,784,121)	\$ 1,784,121	\$ 5,660,253	\$ 5,621,835	\$ 4,213,419	\$ 15,495,507

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# Dave Yost • Auditor of State

## 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  
JANUARY 26, 2016