

# ELLIN & TUCKER

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MARYLAND HISTORICAL SOCIETY, INC.  
D/B/A THE MARYLAND CENTER FOR HISTORY AND CULTURE  
FINANCIAL STATEMENTS  
JUNE 30, 2024 AND 2023



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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of  
Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture

### OPINION

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We audited the accompanying financial statements of Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture (Society) (a nonprofit organization), which comprise the Statements of Financial Position as of June 30, 2024 and 2023, the related Statements of Activities, Functional Expenses, and Cash Flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Society as of June 30, 2024 and 2023 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### BASIS FOR OPINION

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We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of the Society and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

### RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Society's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### AUDITORS' RESPONSIBILITIES FOR THE AUDITS OF THE FINANCIAL STATEMENTS

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Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing

standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Society's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance matters regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.



ELLIN & TUCKER  
Certified Public Accountants

Baltimore, Maryland  
May 8, 2025

**STATEMENTS OF FINANCIAL POSITION**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**  
**June 30, 2024 and 2023**

<u>ASSETS</u>	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 16,498	\$ 8,761
Investments (Note 2)	27,922,942	26,219,269
Unconditional Promises to Give, Net (Note 3)	291,965	522,742
Grants and Other Receivables	42,800	54,047
Employee Retention Credit Receivable (Note 4)	-	273,288
Inventory, Net	58,888	105,689
Prepaid Expenses and Other Assets	101,602	84,316
Right-of-Use Asset, Net (Note 6)	53,553	70,203
Intangible Asset, Net	6,188	11,491
Property and Equipment, Net (Note 5)	13,310,885	13,285,210
Total Assets	<u>\$ 41,805,321</u>	<u>\$ 40,635,016</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>LIABILITIES</b>		
Accounts Payable and Accrued Expenses	\$ 258,952	\$ 442,570
Deferred Revenue	140,000	124,640
Operating Lease Obligations (Note 6)	52,221	68,889
Total Liabilities	<u>451,173</u>	<u>636,099</u>
<b>COMMITMENTS AND CONTINGENCIES (Note 9)</b>		
<b>NET ASSETS</b>		
<b>Without Donor Restrictions:</b>		
Undesignated	13,466,827	13,398,989
Board Designated	5,714,291	4,732,553
Total Without Donor Restrictions	19,181,118	18,131,542
With Donor Restrictions (Note 10)	22,173,030	21,867,375
Total Net Assets	<u>41,354,148</u>	<u>39,998,917</u>
Total Liabilities and Net Assets	<u>\$ 41,805,321</u>	<u>\$ 40,635,016</u>

*(See Independent Auditors' Report and Accompanying Notes)*

**STATEMENTS OF ACTIVITIES**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**  
**For the Year Ended June 30, 2024 (With Comparative 2023 Totals)**

	<b>2024</b>			<b>2023</b>
	<b>Net Assets Without Donor Restrictions</b>	<b>Net Assets With Donor Restrictions</b>	<b>Total</b>	
<b>SUPPORT AND REVENUE</b>				
Member Contributions	\$ 631,844	\$ -	\$ 631,844	\$ 468,140
Grants	1,303,934	401,600	1,705,534	820,108
Auxiliary Income	472,464	-	472,464	232,006
Gifts and Donations	10,910	467,438	478,348	925,820
Net Assets Released From Restrictions	1,261,617	(1,261,617)	-	-
<b>Total Support and Revenue</b>	<b>3,680,769</b>	<b>(392,579)</b>	<b>3,288,190</b>	<b>2,446,074</b>
<b>EXPENSES</b>				
Program	3,666,816	-	3,666,816	3,775,724
Management and General	1,256,500	-	1,256,500	1,401,442
Fundraising	543,587	-	543,587	431,214
<b>Total Expenses</b>	<b>5,466,903</b>	<b>-</b>	<b>5,466,903</b>	<b>5,608,380</b>
Change in Net Assets Before Other Income	(1,786,134)	(392,579)	(2,178,713)	(3,162,306)
<b>OTHER INCOME</b>				
Employee Retention Credit (Note 4)	-	-	-	876,374
Gain on Sale of Property, Plant, and Equipment	-	-	-	591,101
Investment Income	2,835,710	698,234	3,533,944	3,356,897
<b>Total Other Income</b>	<b>2,835,710</b>	<b>698,234</b>	<b>3,533,944</b>	<b>4,824,372</b>
Change in Net Assets	1,049,576	305,655	1,355,231	1,662,066
<b>NET ASSETS – BEGINNING OF YEAR</b>	<b>18,131,542</b>	<b>21,867,375</b>	<b>39,998,917</b>	<b>38,336,851</b>
<b>NET ASSETS – END OF YEAR</b>	<b>\$ 19,181,118</b>	<b>\$ 22,173,030</b>	<b>\$ 41,354,148</b>	<b>\$ 39,998,917</b>

*(See Independent Auditors' Report and Accompanying Notes)*

**STATEMENT OF ACTIVITIES**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**  
**For the Year Ended June 30, 2023**

	<b>Net Assets Without Donor Restrictions</b>	<b>Net Assets With Donor Restrictions</b>	<b>Total</b>
<b>SUPPORT AND REVENUE</b>			
Member Contributions	\$ 468,140	\$ -	\$ 468,140
Grants	735,527	84,581	820,108
Auxiliary Income	232,006	-	232,006
Gifts and Donations	39,907	885,913	925,820
Net Assets Released From Restrictions	<u>3,594,387</u>	<u>(3,594,387)</u>	<u>-</u>
 Total Support and Revenue	 <u>5,069,967</u>	 <u>(2,623,893)</u>	 <u>2,446,074</u>
<b>EXPENSES</b>			
Program	3,775,724	-	3,775,724
Management and General	1,401,442	-	1,401,442
Fundraising	<u>431,214</u>	<u>-</u>	<u>431,214</u>
 Total Expenses	 <u>5,608,380</u>	 <u>-</u>	 <u>5,608,380</u>
 Change in Net Assets Before Other Income	 <u>(538,413)</u>	 <u>(2,623,893)</u>	 <u>(3,162,306)</u>
<b>OTHER INCOME</b>			
Employee Retention Credit (Note 4)	876,374	-	876,374
Gain on Sale of Property, Plant, and Equipment	591,101	-	591,101
Investment Income	<u>2,595,706</u>	<u>761,191</u>	<u>3,356,897</u>
 Total Other Income	 <u>4,063,181</u>	 <u>761,191</u>	 <u>4,824,372</u>
 Change in Net Assets	 3,524,768	 (1,862,702)	 1,662,066
 <b>NET ASSETS – BEGINNING OF YEAR</b>	 <u>14,606,774</u>	 <u>23,730,077</u>	 <u>38,336,851</u>
 <b>NET ASSETS – END OF YEAR</b>	 <u>\$ 18,131,542</u>	 <u>\$ 21,867,375</u>	 <u>\$ 39,998,917</u>

*(See Independent Auditors' Report and Accompanying Notes)*

**STATEMENTS OF FUNCTIONAL EXPENSES**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**  
**For the Year Ended June 30, 2024 (With Comparative 2023 Totals)**

	<b>2024</b>			<b>2023</b>	
	<b>Program</b>	<b>Management and General</b>	<b>Fundraising</b>		<b>Total</b>
Advertising and Public Relations	\$ 19,578	\$ -	\$ -	\$ 19,578	\$ 36,378
Depreciation and Amortization	560,763	57,976	-	618,739	538,905
Employee Benefits and Payroll Taxes	250,944	89,420	57,641	398,005	458,120
Events	29,172	16,889	17,941	64,002	64,813
Exhibits	400,232	96	-	400,328	542,278
Grants to Other Organizations	2,000	170,000	-	172,000	201,000
Insurance	12,636	75,229	-	87,865	79,110
Inventory Write-Down	71,434	-	-	71,434	-
Miscellaneous	22,099	51,292	6,372	79,763	64,872
Office Supplies and Postage	16,619	10,088	3,516	30,223	30,152
Printing and Cost of Goods Sold	123,665	2,655	15,854	142,174	126,407
Professional Fees	148,430	101,500	91,715	341,645	367,006
Repairs and Maintenance	227,973	110,397	-	338,370	318,763
Salaries	1,331,357	482,671	317,591	2,131,619	2,159,824
Technology	57,544	47,721	32,957	138,222	149,174
Utilities	392,370	40,566	-	432,936	471,578
	<u>\$ 3,666,816</u>	<u>\$ 1,256,500</u>	<u>\$ 543,587</u>	<u>\$ 5,466,903</u>	<u>\$ 5,608,380</u>

*(See Independent Auditors' Report and Accompanying Notes)*

**STATEMENT OF FUNCTIONAL EXPENSES**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**  
**For the Year Ended June 30, 2023**

	<u>Program</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
Advertising and Public Relations	\$ 36,378	\$ -	\$ -	\$ 36,378
Depreciation and Amortization	483,282	55,623	-	538,905
Employee Benefits and Payroll Taxes	275,320	120,538	62,262	458,120
Events	46,681	6,189	11,943	64,813
Exhibits	542,214	64	-	542,278
Grants to Other Organizations	1,000	200,000	-	201,000
Insurance	10,713	68,397	-	79,110
Miscellaneous	21,515	40,375	2,982	64,872
Office Supplies and Postage	16,836	10,374	2,942	30,152
Printing and Cost of Goods Sold	112,099	2,010	12,298	126,407
Professional Fees	199,720	149,909	17,377	367,006
Repairs and Maintenance	241,315	77,348	100	318,763
Salaries	1,300,474	571,674	287,676	2,159,824
Technology	60,786	54,754	33,634	149,174
Utilities	427,391	44,187	-	471,578
	<u>\$ 3,775,724</u>	<u>\$ 1,401,442</u>	<u>\$ 431,214</u>	<u>\$ 5,608,380</u>

*(See Independent Auditors' Report and Accompanying Notes)*

**STATEMENTS OF CASH FLOWS**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**  
**For the Years Ended June 30, 2024 and 2023**

	<b>2024</b>	<b>2023</b>
<b>OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 1,355,231	\$ 1,662,066
<b>Adjustments to Reconcile Change in Net Assets to Net Cash</b>		
<b>Used in Operating Activities:</b>		
Depreciation and Amortization	618,739	538,905
Non-Cash Lease Expense	(18)	(1,314)
Unrealized Gain on Investments	(1,848,943)	(2,593,499)
Realized Gain on Investments	(1,174,915)	(311,302)
Gain on Sale of Property and Equipment	-	(591,101)
Contributions Restricted for Investment in Endowment Funds	(245,033)	(246,667)
<b>Net Changes in:</b>		
Grants and Other Receivables	11,247	61,504
Employee Retention Credit Receivable	273,288	(273,288)
Inventory	46,801	(33,785)
Prepaid Expenses	(17,286)	8,861
Unconditional Promises to Give	230,777	286,033
Accounts Payable and Accrued Expenses	(183,618)	(32,638)
Deferred Revenue	15,360	(49,977)
Net Cash Used in Operating Activities	(918,370)	(1,576,202)
<b>INVESTING ACTIVITIES</b>		
Purchase of Property and Equipment	(639,111)	(839,081)
Purchase of Investments	(8,869,865)	(5,543,483)
Proceeds From Sale of Property and Equipment	-	283,000
Proceeds From Sale of Investments	10,190,050	7,357,756
Net Cash Provided by Investing Activities	681,074	1,258,192
<b>FINANCING ACTIVITIES</b>		
Contributions Restricted for Investment in Endowment Funds	245,033	246,667
Net Increase (Decrease) in Cash and Cash Equivalents	7,737	(71,343)
<b>CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR</b>	8,761	80,104
<b>CASH AND CASH EQUIVALENTS – END OF YEAR</b>	\$ 16,498	\$ 8,761

*(See Independent Auditors' Report and Accompanying Notes)*

**NOTE 1**    **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**NATURE OF ACTIVITIES**

Maryland Historical Society, Inc. (Society) maintains a museum and library and conducts other activities related to the assembling and dissemination of data and display of artifacts of historical significance related to the state of Maryland.

In September 2020, the Society applied for a new trade name, and the Maryland Department of Assessments and Taxation approved the new trade name, The Maryland Center for History and Culture.

**ACCOUNTING STANDARDS CODIFICATION**

All references in the financial statements to the Codification refer to the Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles (GAAP) issued by the Financial Accounting Standards Board (FASB). The Codification is the single source of authoritative GAAP in the United States.

**BASIS OF ACCOUNTING AND PRESENTATION**

The financial statements were prepared on the accrual basis of accounting in accordance with GAAP. Under the accrual basis of accounting, support and revenue are recorded when earned, and expenses are recorded when incurred. Net assets, revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions.

**NET ASSETS WITHOUT DONOR RESTRICTIONS**

Net assets without donor restrictions are net assets that are not subject to donor-imposed restrictions. Contributions with donor restrictions that are met in the same reporting period that the contribution is received are reported as net assets without donor restrictions.

*Undesignated* – Represents resources available for operations.

*Board Designated* – Designated by the Board of Trustees for specific purposes.

**NET ASSETS WITH DONOR RESTRICTIONS**

Expendable net assets with donor restrictions consist of net assets that are subject to donor-imposed restrictions that either expire by passage of time or can be utilized by the Society for specified purposes. Contributions and grants restricted by donors for acquisition or construction of long-lived assets are released from restrictions when the long-lived asset has been placed in service. Net assets with donor restrictions may also result from contributions

*(See Independent Auditors' Report)*

whose use is prohibited by donor-imposed stipulations that neither expire with the passage of time nor can utilized for any purpose.

**USE OF ESTIMATES**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may vary from those estimates.

**CASH AND CASH EQUIVALENTS**

The Society considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

The Society maintains its cash in bank deposit accounts, which at times may exceed federally insured limits. The Society believes it is not exposed to any significant credit risk on cash and cash equivalents.

**RISKS AND UNCERTAINTIES**

The Society invests in various investment securities, which are exposed to various risks, such as interest rate, credit and overall volatility. Due to the level of risk associated with such investments, it is reasonably possible that changes in the value of investment securities will occur in the near term, and such changes could materially affect amounts reported in the financial statements.

**REVENUE RECOGNITION**

The Society records unconditional contributions and promises to give at fair value at the time of the gift. Promises to give in future periods are discounted to their net present value. Conditional promises to give are not recognized until conditions of gifts are substantially met. Revenue from contributions and promises to give is recorded as support within net assets with or without donor restrictions depending on the existence and nature of donor restrictions.

The Society occasionally receives grants from grantors including state agencies. As grants are not reciprocal exchange transactions, they are recorded at the time grants become unconditional. There are generally conditions associated with grants. When grants have a cost reimbursement arrangement, revenue is recognized as qualified expenditures are incurred. Grant funds received before conditions have been met are recorded as deferred revenue until earned.

*(See Independent Auditors' Report)*

Auxiliary income is recognized either at a point in time or over a contract period as performance obligations are met, depending on the type of exchange transaction. Revenue from point-of-sale exchange transactions, including museum shop sales, retail sales, book and magazine sales, and deaccessioning sales, are recognized at the time of sale. Admissions income, program activity fees, and school activity income are recognized on the date of admission. Facility rental income is recognized at the time of the rental. For long-term rental contracts, income is recognized ratably over the rental contract period. Prepayments are recorded as deferred revenue when received.

#### **DONATED GOODS AND SERVICES**

Many volunteers and organizations have made significant contributions of their time and services to promote the activities of the Society. The value of contributed time is not reflected in these statements. Contributions of professional or other services that require specialized skills are recorded at their fair value, which is estimated using values of comparable services. Donations of in-kind goods and services are recorded at fair value at the date of the gift.

#### **INVENTORY**

Gift shop inventory is valued at the lower of cost, determined on the first-in, first-out basis, or market. The allowance for obsolete inventory totaled \$60,783 and \$30,528 as of June 30, 2024 and 2023, respectively.

#### **INVESTMENTS**

Investments are stated at fair value. Realized and unrealized gains and losses are included in the change in net assets on the Statements of Activities. See Note 2 for a discussion of fair value measurements. Earnings on investments from restricted contributions that are restricted for the same purpose as the original donor contributions are reported as increases to net assets with donor restrictions.

#### **ASSETS HELD IN CHARITABLE REMAINDER UNITRUST**

The Society is named as a beneficiary of an irrevocable charitable remainder unitrust. At the time of death of both donors, one half of the total assets in the trust will be transferred to the Society. This trust was created by donors independent of the Society and is neither in possession of nor under any control of the Society. The trust is administered by an outside fiscal agent as designated by the donors. Charitable remainder unitrusts are recognized as revenue based on the discounted value of the underlying assets at the time the Society is notified that it has been named as a beneficiary of an irrevocable trust. Charitable remainder unitrusts are reported as investments and are stated at the discounted value of the Society's share of the underlying assets in the trust.

*(See Independent Auditors' Report)*

**PROPERTY AND EQUIPMENT**

Property and equipment are stated at cost or at fair value on the date of the gift, if donated. The Society capitalizes all items over \$1,000 that have an estimated useful life of greater than one year. Depreciation is calculated using the straight-line method over the useful lives of the assets.

**VALUATION OF LONG-LIVED ASSETS**

The Society reviews the value of long-lived and intangible assets 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 are stated at the lower of the carrying amount or fair value, less costs to sell. As of June 30, 2024 and 2023, management did not believe any long-lived or intangible assets to be impaired and no assets were identified for disposal.

**LEASES**

The Society determines if an arrangement is a lease at inception. Short-term leases are leases that, at lease commencement, have a lease term of 12 months or less and do not include an option to purchase the underlying asset that the Society is reasonably certain to exercise. With the exception of short-term leases, operating leases are included as right-of-use (ROU) assets and operating lease liabilities in the Statements of Financial Position. ROU assets represent the Society's right to use an underlying asset for the lease term and lease liabilities represent its obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most leases do not provide an implicit rate, the Society uses a risk-free rate in determining the present value of lease payments for all leases. The operating lease ROU asset includes any lease payments made and excludes any lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Society will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

**COLLECTIONS**

The Society holds three collections within the institution: 1) the Permanent Collection, 2) the Baltimore City Life Museum (BCLM) collection, and 3) the For Use (K) Collection. The Permanent Collection consists of accessioned objects that further the Society's mission with the intent to be held in the Society's care and in the public trust for the foreseeable future. The BCLM collection is a part of the permanent collection and was added following the closure

*(See Independent Auditors' Report)*

of the BCLM in 1997. The BCLM collection is a fixed collection with no new accessions. The K Collection is a non-accessioned collection of objects intended for use by Society staff and members of the public, including hands-on activities and demonstrations or educational use by non-professionals and students.

The collections, which were acquired through purchases and contributions since the Society's inception, are not recognized as assets in the Statements of Financial Position. Purchases of collection items are recorded as decreases in net assets without donor restrictions during the year in which the items are acquired or as decreases in net assets with donor restrictions if the net assets used to purchase the items are restricted by donors. Proceeds from deaccessions or insurance recoveries are recorded as increases in the appropriate net asset classes.

#### **FUNCTIONAL ALLOCATION OF EXPENSES**

The costs of providing program services and supporting activities are summarized on a functional basis in the accompanying Statements of Functional Expenses. Costs that are not specifically attributable to a specific program or supporting activity and that benefit more than one functional category are allocated based on estimates of actual time or resources devoted to each functional category.

#### **INCOME TAXES**

The Society is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. Income which is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes. The Society had no net unrelated business income for the years ended June 30, 2024 and 2023.

The Society follows the provisions of Accounting for Uncertainty in Income Taxes under the Income Taxes Topic of the Codification. The Codification requires the Society's evaluation of tax positions, which include maintaining its tax-exempt status and the taxability of any unrelated business income, and does not allow recognition of tax positions which do not meet a "more-likely-than-not" threshold of being sustained by the applicable tax authority. Management does not believe it took any tax positions that would not meet this threshold.

#### **SUBSEQUENT EVENTS**

The Society evaluated subsequent events and transactions through May 8, 2025, the date the financial statements were available to be issued.

*(See Independent Auditors' Report)*

**NOTES TO FINANCIAL STATEMENTS**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**

**NOTE 2**    **INVESTMENTS**

Investments, which include the Society’s endowment and similar funds, are reported at fair value and consisted of the following as of June 30, 2024 and 2023:

	<b>2024</b>	
	<b>Cost</b>	<b>Fair Value</b>
Money Market Funds	\$ 882,058	\$ 882,058
Common Stocks	4,562,965	10,019,441
Mutual Funds	14,652,305	16,829,811
Interest in Charitable Remainder Unitrust	164,057	191,632
	<u>\$ 20,261,385</u>	<u>\$ 27,922,942</u>
	<b>2023</b>	
	<b>Cost</b>	<b>Fair Value</b>
Money Market Funds	\$ 948,119	\$ 948,119
Common Stocks	4,840,978	9,487,162
Mutual Funds	14,453,498	15,601,822
Interest in Charitable Remainder Unitrust	164,057	182,166
	<u>\$ 20,406,652</u>	<u>\$ 26,219,269</u>

Investment income for the years ended June 30, 2024 and 2023 consisted of the following:

	<b>2024</b>	<b>2023</b>
Realized Gains	\$ 1,174,915	\$ 311,302
Unrealized Gains	1,848,943	2,593,499
Interest and Dividends	644,380	571,573
	<u>3,668,238</u>	<u>3,476,374</u>
Less: Investment Management Fees	134,294	119,477
	<u>\$ 3,533,944</u>	<u>\$ 3,356,897</u>

*(See Independent Auditors’ Report)*

The Fair Value Measurements and Disclosures Section of the Codification establishes a hierarchal disclosure framework which prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is affected by a number of factors, including the type of investment, the characteristics specific to the investment and the state of the marketplace, as well as the existence and transparency of transactions between market participants. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices in an orderly market generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. Investments measured and reported at fair value are classified and disclosed in one of the following categories:

- Level 1      Quoted prices are available in active markets for identical investments as of the reporting date. The types of investments in Level 1 include listed equities and listed derivatives. As required by the Codification, the Society does not adjust the quoted price for these investments, even in situations where it holds a large position and a sale could reasonably impact the quoted price.
  
- Level 2      Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Generally, investments in this category include corporate bonds and loans, less liquid and restricted equity securities, and certain over-the-counter derivatives.
  
- Level 3      Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant management judgment or estimation.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The Society's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

Below are descriptions of the valuation methodologies used for assets measured at fair value. There were no changes in the methodologies used at June 30, 2024 and 2023.

Common Stock: Valued using quoted market values in an active market.

Mutual Funds: Valued at the net asset value (NAV) of shares held by the Society at year end. NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. NAV is a quoted price in an active market.

Interest in Charitable Remainder Unitrust: Valued using observable inputs other than quoted market prices.

*(See Independent Auditors' Report)*

**NOTES TO FINANCIAL STATEMENTS**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**

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

The following table sets forth by level, within the fair value hierarchy, the Society's investments at fair value as of June 30, 2024:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
<b>Common Stocks:</b>			
Consumer Discretionary	\$ 953,271	\$ -	\$ 953,271
Consumer Staples	59,114	-	59,114
Energy	169,242	-	169,242
Financial	2,337,917	-	2,337,917
Health Care	1,468,570	-	1,468,570
Industrials	1,465,542	-	1,465,542
Information Technology	1,543,634	-	1,543,634
Materials	896,320	-	896,320
Real Estate	181,472	-	181,472
Telecommunications	944,359	-	944,359
	<u>10,019,441</u>	<u>-</u>	<u>10,019,441</u>
<b>Mutual Funds:</b>			
Bond	5,282,786	-	5,282,786
Growth	382,645	-	382,645
International	7,114,674	-	7,114,674
Mid Cap	1,215,528	-	1,215,528
Small Cap	1,718,441	-	1,718,441
Value	1,115,737	-	1,115,737
	<u>16,829,811</u>	<u>-</u>	<u>16,829,811</u>
Interest in Charitable Remainder			
Unitrust	-	191,632	191,632
	<u>-</u>	<u>191,632</u>	<u>191,632</u>
Total Investments, at Fair Value	<u>\$ 26,849,252</u>	<u>\$ 191,632</u>	<u>\$ 27,040,884</u>

*(See Independent Auditors' Report)*

**NOTES TO FINANCIAL STATEMENTS**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**

The following table sets forth by level, within the fair value hierarchy, the Society's investments at fair value as of June 30, 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
<b>Common Stocks:</b>			
Consumer Discretionary	\$ 895,854	\$ -	\$ 895,854
Consumer Staples	179,012	-	179,012
Energy	176,417	-	176,417
Financial	2,102,114	-	2,102,114
Health Care	1,495,758	-	1,495,758
Industrials	1,302,486	-	1,302,486
Information Technology	1,863,576	-	1,863,576
Materials	392,403	-	392,403
Real Estate	293,643	-	293,643
Telecommunications	785,899	-	785,899
	<u>9,487,162</u>	<u>-</u>	<u>9,487,162</u>
<b>Mutual Funds:</b>			
Bond	3,295,713	-	3,295,713
Growth	883,100	-	883,100
International	7,402,475	-	7,402,475
Mid Cap	1,226,678	-	1,226,678
Small Cap	1,717,733	-	1,717,733
Value	1,076,123	-	1,076,123
	<u>15,601,822</u>	<u>-</u>	<u>15,601,822</u>
Interest in Charitable Remainder Unitrust	<u>-</u>	<u>182,166</u>	<u>182,166</u>
Total Investments, at Fair Value	<u>\$ 25,088,984</u>	<u>\$ 182,166</u>	<u>\$ 25,271,150</u>

Cash and cash equivalents are excluded from the fair value hierarchy as cash and cash equivalents are generally measured at cost. As such, cash and cash equivalents of \$882,058

*(See Independent Auditors' Report)*

and \$948,119 held in the Society's investment portfolio at June 30, 2024 and 2023, respectively, are excluded from this table.

**NOTE 3 UNCONDITIONAL PROMISES TO GIVE**

Unconditional promises to give consisted of the following as of June 30, 2024 and 2023:

	<b>2024</b>	<b>2023</b>
Amounts Due in Less Than One Year	\$ 254,339	\$ 293,254
Amounts Due in One to Five Years	61,876	253,738
	316,215	546,992
Less: Present Value Discount	(19,250)	(19,250)
Less: Reserve for Credit Losses	(5,000)	(5,000)
Unconditional Promises to Give, Net	\$ 291,965	\$ 522,742

As of June 30, 2024 and 2023, two donors accounted for approximately 38% and 29%, respectively, of unconditional promises to give.

**NOTE 4 EMPLOYEE RETENTION CREDIT**

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provided an employee retention credit (ERC), which was a refundable tax credit against certain employment taxes. The Consolidated Appropriations Act extended and expanded the availability of the ERC through June 30, 2021. Subsequently, the American Rescue Plan Act of 2021 extended the availability of the ERC through September 30, 2021. The new legislation amended the ERC to be equal to 70% of qualified wages paid to employees after December 31, 2020 and before October 1, 2021. During calendar year 2021, a maximum of \$10,000 in qualified wages for each employee per qualifying calendar quarter could be counted in determining the 70% credit. Therefore, the maximum tax credit that can be claimed by an eligible employer is \$5,000 per employee for 2020 and \$7,000 per employee per qualifying calendar quarter of 2021. The Society evaluated its eligibility for the ERC through September 30, 2021, determined that it qualified for the ERC, and received credits for qualified wages through September 30, 2021. The Society recognized \$876,374 in other income for the ERC in the Statement of Activities for the year ended June 30, 2023. The Society received refunds totaling \$603,086 through June 30, 2023 and received the remaining balance in September 2023.

*(See Independent Auditors' Report)*

**NOTE 5**    **PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following as of June 30, 2024 and 2023:

	<b>2024</b>	<b>2023</b>
Land and Improvements	\$ 740,833	\$ 740,833
Buildings and Improvements	22,045,361	21,088,595
Furniture, Fixtures, and Equipment	4,053,193	1,492,706
	26,839,387	23,322,134
Less: Accumulated Depreciation	(14,240,066)	(13,626,630)
	12,599,321	9,695,504
Construction in Progress	711,564	3,589,706
Property and Equipment, Net	\$ 13,310,885	\$ 13,285,210

Depreciation expense totaled \$613,436 and \$533,602 for the years ended June 30, 2024 and 2023, respectively.

**NOTE 6**    **OPERATING LEASE OBLIGATIONS**

The Society leases equipment under operating lease agreements expiring on various dates through October 2027. The related right-of-use assets and operating lease liabilities are being amortized over the respective lives of the leases. The weighted average remaining lease term was 3.05 and 4.05 years as of June 30, 2024 and 2023, respectively. The weighted average discount rate was 2.75% as of June 30, 2024 and 2023. Operating lease expense was \$18,294 and \$16,770 for the years ended June 30, 2024 and 2023, respectively.

The future minimum lease payments under operating leases are as follows:

Year Ending June 30,	2025	\$ 18,312
	2026	18,312
	2027	17,014
	2028	684
		54,322
Less: Amount Representing Interest		(2,101)
Present Value of Minimum Lease Payments		\$ 52,221

*(See Independent Auditors' Report)*

**NOTE 7**    **LINE OF CREDIT**

The Society has a revolving line of credit with Truist Bank with maximum available borrowings of \$500,000, maturing in August 2025. The line bears interest at prime plus 0.25%. As of June 30, 2024 and 2023, there was no balance outstanding under the line of credit.

**NOTE 8**    **RETIREMENT PLAN**

The Society has a retirement program under provisions of Section 403(b) of the Internal Revenue Code, which covers all full-time employees as defined. For eligible employees, the Society contributes a maximum of 5% of the employee's salary and, on a voluntary basis, the employee may contribute to the plan. Contributions by the Society to the plan were \$53,149 and \$47,441 for the years ended June 30, 2024 and 2023, respectively.

**NOTE 9**    **COMMITMENTS AND CONTINGENCIES**

**CONDITIONAL PROMISES TO GIVE TO OTHER ORGANIZATIONS**

During each of the years ended June 30, 2024 and 2023, the Society received grants from the state of Maryland in the amount of \$250,000. The Society elected to keep \$50,000 of the proceeds from the grants for each year and donate the remaining \$200,000 to various cultural heritage nonprofit organizations throughout the state of Maryland as part of the competitive Miller History Fund Program. The Society awarded grants totaling \$200,000 during each of the years ended June 30, 2024 and 2023 to various organizations that include certain conditions that must be met in order for the recipient organizations to recognize the grant revenue. The Society does not expense grant awards until substantially all conditions are met by recipient organizations. As of June 30, 2024 and 2023, \$140,000 and \$109,500, respectively, in conditional grants to other organizations were not yet recognized in the accompanying Statements of Functional Expenses. As of June 30, 2024 and 2023, \$140,000 and \$109,500, respectively, in unspent funds received from the state of Maryland were not recognized as revenue and are recorded as deferred revenue in the accompanying Statements of Financial Position.

**CONDITIONAL GRANT RECEIVABLE**

The Society was awarded a \$2 million grant by the Maryland Board of Public Works in March 2022. The grant is restricted for use in funding of capital improvements to the Society's facility and requires certain matching funds to be raised by the Society. The Society has not begun work on the capital improvements to be funded by the grant and, therefore, has not recognized any revenue associated with the grant as of June 30, 2024 and 2023.

*(See Independent Auditors' Report)*

**NOTE 10**    **NET ASSETS WITH DONOR RESTRICTIONS**

Net assets with donor restrictions at June 30, 2024 and 2023 consisted of following:

	<b>2024</b>	<b>2023</b>
Endowment Funds to Be Held in Perpetuity	\$ 15,493,027	\$ 15,247,994
<b>Subject to Expenditure for Specified Purposes:</b>		
General Operations	1,320,806	1,065,717
Collections, Acquisitions, and Care	1,757,177	1,869,790
Education and Programs	2,763,861	2,560,954
Capital Campaign – Various Donor Restrictions	838,159	1,122,920
	<b>\$ 22,173,030</b>	<b>\$ 21,867,375</b>

Net assets released from restrictions were as follows for the years ended June 30, 2024 and 2023:

	<b>2024</b>	<b>2023</b>
Endowed Funds	\$ 40,547	\$ 2,464,873
Non-Endowed Funds	1,476,066	1,129,514
	<b>\$ 1,516,613</b>	<b>\$ 3,594,387</b>

**NOTE 11**    **ENDOWMENT FUNDS**

The Society’s endowment includes various donor-restricted funds established to provide a source of income for a variety of purposes. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

**INTERPRETATION OF RELEVANT LAW**

The Society is subject to the Maryland Uniform Prudent Management of Institutional Funds Act (UPMIFA) and thus classifies amounts in its donor-restricted endowment funds as net assets with donor restrictions because those net assets are time restricted until the Board of Trustees appropriates such amounts for expenditure. Most of those net assets also are subject to purpose restrictions that must be met before reclassifying those net assets to net assets without donor restrictions. The Board of Trustees interprets UPMIFA as not requiring

*(See Independent Auditors’ Report)*

**NOTES TO FINANCIAL STATEMENTS**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**

the maintenance of purchasing power of the original gift amount contributed to an endowment fund, unless a donor stipulates the contrary. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Society considers a fund to be underwater if the fair value of the fund is less than the sum of (a) the original value of initial and subsequent gift amounts donated to the fund and (b) any accumulations to the fund that are required to be maintained in perpetuity in accordance with the direction of the applicable donor gift instrument. The Society interprets UPMIFA to permit spending from underwater funds in accordance with the prudent measures required under the law. Additionally, in accordance with UPMIFA, the Society considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) Duration and preservation of the fund
- (2) Purposes of the Society and the donor-restricted endowment fund
- (3) General economic conditions
- (4) Possible effect of inflation and deflation
- (5) Expected total return from income and the appreciation of investments
- (6) Other resources of the Society
- (7) Investment policies of the Society

Endowment fund composition by type of fund as of June 30, 2024 and 2023:

	<b>2024</b>			
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Appropriation to Be Held in Perpetuity</b>	<b>Total</b>
Donor-Restricted Endowment Funds	\$ -	\$ 1,006,482	\$ 15,493,027	\$ 16,499,509
Board-Designated Endowment Funds	5,714,291	-	-	5,714,291
	<u>\$ 5,714,291</u>	<u>\$ 1,006,482</u>	<u>\$ 15,493,027</u>	<u>\$ 22,213,800</u>
	<b>2023</b>			
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Appropriation to Be Held in Perpetuity</b>	<b>Total</b>
Donor-Restricted Endowment Funds	\$ -	\$ 838,714	\$ 15,247,994	\$ 16,086,708
Board-Designated Endowment Funds	4,732,553	-	-	4,732,553
	<u>\$ 4,732,553</u>	<u>\$ 838,714</u>	<u>\$ 15,247,994</u>	<u>\$ 20,819,261</u>

*(See Independent Auditors' Report)*

**NOTES TO FINANCIAL STATEMENTS**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**

Changes in endowment funds for the year ended June 30, 2024:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Appropriation to Be Held in Perpetuity</b>	<b>Total</b>
Endowment Funds, July 1, 2023	\$ 4,732,553	\$ 838,714	\$ 15,247,994	\$ 20,819,261
Contributions	10,823	-	245,033	255,856
Investment Income	2,718,485	208,315	-	2,926,800
Appropriation of Endowment Funds for Expenditure	<u>(1,747,570)</u>	<u>(40,547)</u>	<u>-</u>	<u>(1,788,117)</u>
Endowment Funds, June 30, 2024	<u>\$ 5,714,291</u>	<u>\$ 1,006,482</u>	<u>\$ 15,493,027</u>	<u>\$ 22,213,800</u>

Changes in endowment funds for the year ended June 30, 2023:

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Appropriation to Be Held in Perpetuity</b>	<b>Total</b>
Endowment Funds, July 1, 2022	\$ 2,109,060	\$ 2,959,890	\$ 15,001,327	\$ 20,070,277
Contributions	-	-	246,667	246,667
Investment Income	2,632,200	191,065	-	2,823,265
Appropriation of Endowment Funds for Expenditure	<u>(8,707)</u>	<u>(2,312,241)</u>	<u>-</u>	<u>(2,320,948)</u>
Endowment Funds, June 30, 2023	<u>\$ 4,732,553</u>	<u>\$ 838,714</u>	<u>\$ 15,247,994</u>	<u>\$ 20,819,261</u>

**UNDERWATER ENDOWMENT FUNDS**

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor and UPMIFA requires the Society to retain as a fund of perpetual duration. As of June 30, 2024 and 2023, there were no deficiencies in endowment funds.

**RETURN OBJECTIVES AND RISK PARAMETERS**

The Society adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to preserve the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Society must hold in perpetuity or for donor-specified periods. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed

*(See Independent Auditors' Report)*

the price and yield results of a composite index, which is a weighted blend of the indices reflected in the Society's target asset allocation while assuming a moderate level of investment risk. The Society expects its endowment funds, over time, to provide an average rate of return approximating the spending rate plus the Consumer Price Index annually. Actual returns in any given year may vary from this amount.

**STRATEGIES EMPLOYED FOR ACHIEVING OBJECTIVES**

To satisfy its long-term rate-of-return objectives, the Society relies on a total return strategy in which investment returns are achieved through capital appreciation (realized and unrealized) and current yield (interest and dividends). The Society targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

**SPENDING POLICY AND HOW THE INVESTMENT OBJECTIVES RELATE TO SPENDING POLICY**

The Society has a policy of appropriating for distribution each year up to 5.5% of the investment portfolio's average fair value for the preceding twelve months. In establishing this policy, the Society considered the long-term expected return on its endowment. Annually, the Board of Trustees debates the prudence of continuing the 5.5% spending percentage, keeping in mind the seven prudence guidelines for appropriation as outlined by UPMIFA. Accordingly, over the long term, the Society expects the current spending policy to allow its endowment to grow at an average rate of return approximating the spending rate plus the rate of inflation. This is consistent with the objective to maintain the purchasing power of the endowment assets in perpetuity or for a donor-specified term as well as to provide additional real growth through new gifts and investment return.

**NOTE 12 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS**

As of June 30, 2024 and 2023, the Society's financial assets available to meet cash needs for general expenditures within one year of the Statements of Financial Position date are as follows:

	<b>2024</b>	<b>2023</b>
Cash and Cash Equivalents	\$ 16,498	\$ 8,761
Investments	27,922,942	26,219,269
Unconditional Promises to Give	291,965	522,742
Grants and Other Receivables	42,800	327,335
Employee Retention Credit Receivable	-	273,288
	<b>28,274,205</b>	<b>27,351,395</b>
Total Financial Assets		

*(See Independent Auditors' Report)*

**NOTES TO FINANCIAL STATEMENTS**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**

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	<b>2024</b>	<b>2023</b>
Less: Net Assets With Donor Restrictions	(22,173,030)	(21,867,375)
Less: Board-Designated Net Assets	(5,714,291)	(4,732,553)
Plus: Appropriation From Endowment Funds Available for General Operations in Subsequent Year	1,221,759	1,145,059
 Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year After Board Designations	\$ 1,608,643	\$ 1,896,526

As part of the Society’s liquidity management, it has a policy to structure its financial assets to be available as its expenditures, liabilities, and other obligations come due. Furthermore, the schedule above includes appropriations from endowment funds available in subsequent years under the Society’s 5.5% spending policy. As of June 30, 2024 and 2023, respectively, the Society has \$4,492,532 and \$3,587,484 in endowment funds in excess of the Society’s annual spending policy that are available to fund operations upon approval of the Board.

*(See Independent Auditors’ Report)*

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**SUPPLEMENTARY INFORMATION**

## INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Trustees of  
Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture

We audited the financial statements of Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture (Society) (a nonprofit organization) as of and for the years ended June 30, 2024 and 2023 and our report thereon dated May 8, 2025, which expressed an unmodified opinion on those financial statements, appears on Pages 1 and 2. Our audits were performed for the purpose of forming an opinion on the financial statements as a whole.

The Schedules of Departmental Operating Expenses are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information was subjected to the auditing procedures applied in the audits of the financial statements and to certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



ELLIN & TUCKER  
Certified Public Accountants

Baltimore, Maryland  
May 8, 2025

**SCHEDULE OF DEPARTMENTAL OPERATING EXPENSES**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**  
**For the Year Ended June 30, 2024**

	Education and Outreach					Programs				Management and General			Total Departmental Unrestricted Operating Expenses	
	School and Public Programming	Museum – Gallery Experience	Library	Publications	Total	Collections Care and Management	Public Relations	Building Operations – Program Allocation	Total	Management and General	Building Operations – Management and General Allocation	Total		Fundraising
Advertising and Public Relations	\$ -	\$ -	\$ 375	\$ -	\$ 375	\$ -	\$ 19,203	\$ -	\$ 19,578	\$ -	\$ -	\$ -	\$ -	\$ 19,578
Depreciation and Amortization	-	-	-	-	-	-	-	560,763	560,763	-	57,976	57,976	-	618,739
Employee Benefits and Payroll														
Taxes	64,896	17,803	69,609	7,281	159,589	59,449	6,579	25,327	250,944	86,802	2,618	89,420	57,641	398,005
Events	24,398	1,905	773	328	27,404	1,768	-	-	29,172	16,889	-	16,889	17,941	64,002
Exhibits	548	205,970	10,433	373	217,324	182,908	-	-	400,232	96	-	96	-	400,328
Grants to Other Organizations	500	495	-	-	995	1,005	-	-	2,000	170,000	-	170,000	-	172,000
Insurance	-	-	-	-	-	12,636	-	-	12,636	75,229	-	75,229	-	87,865
Inventory Write-Down	41,179	-	-	30,255	71,434	-	-	-	71,434	-	-	-	-	71,434
Miscellaneous	12,095	1,951	1,343	3,045	18,434	2,732	-	933	22,099	51,196	96	51,292	6,372	79,763
Office Supplies and Postage	6,481	1,230	1,338	4,054	13,103	572	2,926	18	16,619	10,086	2	10,088	3,516	30,223
Printing and Cost of Goods Sold	21,231	50,491	359	14,457	86,538	1,538	31,649	3,940	123,665	2,248	407	2,655	15,854	142,174
Professional Fees	15,085	8,827	47,311	4,342	75,565	17,917	36,573	18,375	148,430	99,600	1,900	101,500	91,715	341,645
Repairs and Maintenance	-	-	-	-	-	-	-	227,973	227,973	88,155	22,242	110,397	-	338,370
Salaries	347,827	117,298	348,989	61,158	875,272	339,885	33,832	82,368	1,331,357	474,155	8,516	482,671	317,591	2,131,619
Technology	6,489	3,214	15,762	-	25,465	822	20,764	10,493	57,544	46,636	1,085	47,721	32,957	138,222
Utilities	-	-	-	-	-	-	-	392,370	392,370	-	40,566	40,566	-	432,936
<b>Total Operating Expenses</b>	<b>\$ 540,729</b>	<b>\$ 409,184</b>	<b>\$ 496,292</b>	<b>\$ 125,293</b>	<b>\$ 1,571,498</b>	<b>\$ 621,232</b>	<b>\$ 151,526</b>	<b>\$ 1,322,560</b>	<b>\$ 3,666,816</b>	<b>\$ 1,121,092</b>	<b>\$ 135,408</b>	<b>\$ 1,256,500</b>	<b>\$ 543,587</b>	<b>\$ 5,466,903</b>

(See Independent Auditors' Report on Supplementary Information)

**SCHEDULE OF DEPARTMENTAL OPERATING EXPENSES**  
**Maryland Historical Society, Inc. d/b/a The Maryland Center for History and Culture**  
**For the Year Ended June 30, 2023**

	Education and Outreach					Programs				Management and General			Total Departmental Unrestricted Operating Expenses	
	School and Public Programming	Museum – Gallery Experience	Library	Publications	Total	Collections Care and Management	Public Relations	Building Operations – Program Allocation	Total	Management and General	Building Operations – Management and General Allocation	Total		Fundraising
Advertising and Public Relations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 36,378	\$ -	\$ 36,378	\$ -	\$ -	\$ -	\$ -	\$ 36,378
Depreciation and Amortization	-	-	-	-	-	-	-	483,282	483,282	-	55,623	55,623	-	538,905
Employee Benefits and Payroll														
Taxes	72,482	18,976	83,884	13,999	189,341	56,568	6,376	23,035	275,320	118,156	2,382	120,538	62,262	458,120
Events	45,620	602	-	-	46,222	459	-	-	46,681	6,189	-	6,189	11,943	64,813
Exhibits	-	502,619	2,391	449	505,459	36,755	-	-	542,214	64	-	64	-	542,278
Grants to Other Organizations	1,000	-	-	-	1,000	-	-	-	1,000	200,000	-	200,000	-	201,000
Insurance	-	-	-	-	-	10,713	-	-	10,713	68,397	-	68,397	-	79,110
Miscellaneous	9,424	6,474	1,378	430	17,706	3,291	-	518	21,515	40,321	54	40,375	2,982	64,872
Office Supplies and Postage	10,405	1,073	1,594	3,603	16,675	135	-	26	16,836	10,372	2	10,374	2,942	30,152
Printing and Cost of Goods Sold	24,615	26,639	889	27,434	79,577	313	30,562	1,647	112,099	1,840	170	2,010	12,298	126,407
Professional Fees	15,072	5,927	89,229	4,577	114,805	14,200	22,879	47,836	199,720	144,963	4,946	149,909	17,377	367,006
Repairs and Maintenance	1,925	97	-	-	2,022	1,692	-	237,601	241,315	52,783	24,565	77,348	100	318,763
Salaries	330,921	120,204	370,249	44,135	865,509	306,563	41,804	86,598	1,300,474	562,720	8,954	571,674	287,676	2,159,824
Technology	4,606	4,114	15,636	127	24,483	2,672	15,333	18,298	60,786	52,862	1,892	54,754	33,634	149,174
Utilities	-	-	-	-	-	-	-	427,391	427,391	-	44,187	44,187	-	471,578
<b>Total Operating Expenses</b>	<b>\$ 516,070</b>	<b>\$ 686,725</b>	<b>\$ 565,250</b>	<b>\$ 94,754</b>	<b>\$ 1,862,799</b>	<b>\$ 433,361</b>	<b>\$ 153,332</b>	<b>\$ 1,326,232</b>	<b>\$ 3,775,724</b>	<b>\$ 1,258,667</b>	<b>\$ 142,775</b>	<b>\$ 1,401,442</b>	<b>\$ 431,214</b>	<b>\$ 5,608,380</b>

(See Independent Auditors' Report on Supplementary Information)