

**THE GILDER LEHRMAN INSTITUTE
OF AMERICAN HISTORY**

**Financial Statements
for year ended
June 30, 2019
(with Summarized Comparative
Information for 2018)**

Independent Auditor's Report

To the Board of Trustees
The Gilder Lehrman Institute of American History

We have audited the accompanying financial statements of The Gilder Lehrman Institute of American History (the "Institute") which comprise the statement of financial position as of June 30, 2019 and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to in the first paragraph on the previous page present fairly, in all material respects, the financial position of The Gilder Lehrman Institute of American History as of June 30, 2019 and the results of its activities and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Institute's 2018 financial statements and our report dated September 25, 2018, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Coudon O'Meara McGearty & Donnelly LLP

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY

Statement of Financial Position

Assets

	June 30	
	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 2,706,014	\$ 4,482,499
Investments, at fair value	33,918,978	27,807,913
Pledges receivable, net	14,712,980	17,580,789
Other receivables	683,690	240,819
Inventory	-	72,608
Prepaid expenses	407,985	305,208
Property and equipment, at cost (net of accumulated depreciation of \$382,963 in 2019 and \$314,125 in 2018)	429,936	498,774
Security deposit	<u>82,875</u>	<u>82,875</u>
Total assets	<u>\$ 52,942,458</u>	<u>\$ 51,071,485</u>

Liabilities and Net Assets

Liabilities

Accounts payable and accrued expenses	\$ 581,422	\$ 545,753
Unearned revenue	<u>239,651</u>	<u>219,975</u>
Total liabilities	<u>821,073</u>	<u>765,728</u>

Net assets

Without donor restrictions	33,280,239	27,270,301
With donor restrictions	<u>18,841,146</u>	<u>23,035,456</u>
Total net assets	<u>52,121,385</u>	<u>50,305,757</u>
Total liabilities and net assets	<u>\$ 52,942,458</u>	<u>\$ 51,071,485</u>

See notes to financial statements.

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY

**Statement of Activities
For the Year Ended June 30, 2019
(with Summarized Comparative Information for the Year Ended June 30, 2018)**

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and revenue				
Contributions	\$ 730,550	\$ 6,474,576	\$ 7,205,126	\$ 16,184,423
Educational services	1,955,582	-	1,955,582	823,997
Educational resources	85,889	-	85,889	90,745
Gala	1,526,140	-	1,526,140	1,304,752
Capital campaign funds	4,024,055	-	4,024,055	5,537,939
Sale of historical documents	-	-	-	-
Net investment return - operating	884,111	-	884,111	444,689
Other	82,016	-	82,016	38,059
Net assets released from restrictions	<u>10,668,886</u>	<u>(10,668,886)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>19,957,229</u>	<u>(4,194,310)</u>	<u>15,762,919</u>	<u>24,424,604</u>
Expenses				
Program services				
Programs and grants	12,153,972	-	12,153,972	10,706,456
Purchase of historical documents	<u>244,577</u>	<u>-</u>	<u>244,577</u>	<u>166,366</u>
Total program services	<u>12,398,549</u>	<u>-</u>	<u>12,398,549</u>	<u>10,872,822</u>
Supporting activities				
Management and general	1,236,625	-	1,236,625	1,145,904
Fundraising	<u>831,542</u>	<u>-</u>	<u>831,542</u>	<u>799,820</u>
Total supporting activities	<u>2,068,167</u>	<u>-</u>	<u>2,068,167</u>	<u>1,945,724</u>
Total expenses	<u>14,466,716</u>	<u>-</u>	<u>14,466,716</u>	<u>12,818,546</u>
Excess of revenue over expenses before net investment return - non-operating	5,490,513	(4,194,310)	1,296,203	11,606,058
Net investment return, non-operating	<u>519,425</u>	<u>-</u>	<u>519,425</u>	<u>793,571</u>
Increase (decrease) in net assets	<u>6,009,938</u>	<u>(4,194,310)</u>	<u>1,815,628</u>	<u>12,399,629</u>
Net assets, beginning of year	<u>27,270,301</u>	<u>23,035,456</u>	<u>50,305,757</u>	<u>37,906,128</u>
Net assets, end of year	<u>\$ 33,280,239</u>	<u>\$ 18,841,146</u>	<u>\$ 52,121,385</u>	<u>\$ 50,305,757</u>

See notes to financial statements.

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY

Statement of Functional Expenses

	Year Ended June 30							
	2019		2018					
	Programs Services	Management and General	Fundraising	Total	Programs Services	Management and General	Fundraising	Total
Salaries and benefits	\$ 2,832,771	\$ 672,258	\$ 566,422	\$ 4,071,451	\$ 2,281,126	\$ 548,209	\$ 502,765	\$ 3,332,100
Professional fees	1,052,456	58,823	78,911	1,190,190	333,331	112,936	126,942	573,209
Fellowships, honorariums and awards	1,131,954	-	1,500	1,133,454	1,109,826	-	1,500	1,111,326
Rent and utilities	104,305	249,742	-	354,047	96,402	175,364	-	271,766
Grants and awards	3,898,646	-	-	3,898,646	3,950,817	-	-	3,950,817
Educational resources	253,983	8,018	4,015	266,016	174,539	1,889	2,889	179,317
Travel	1,332,725	1,381	5,652	1,339,758	1,362,457	413	6,321	1,369,191
Insurance	21,385	59,187	-	80,572	13,529	46,635	-	60,164
Communications	405,233	23,251	13,742	442,226	188,220	38,986	21,654	248,860
Office expense and supplies	73,216	22,549	4,293	100,058	18,955	55,476	1,982	76,413
Equipment	99,350	39,936	12,504	151,790	91,537	81,870	3,927	177,334
Dues and subscriptions	19,178	1,563	609	21,350	19,664	2,000	409	22,073
Meals and entertainment	559,539	7,992	122,536	690,067	785,423	5,256	107,018	897,697
Postage and delivery	310,622	5,251	13,292	329,165	248,390	7,326	14,533	270,249
Purchase of historical documents	244,577	-	-	244,577	166,366	-	-	166,366
Depreciation and amortization	-	68,838	-	68,838	-	63,606	-	63,606
Other	58,609	17,836	8,066	84,511	32,240	5,938	9,880	48,058
Total	\$ 12,398,549	\$ 1,236,625	\$ 831,542	\$ 14,466,716	\$ 10,872,822	\$ 1,145,904	\$ 799,820	\$ 12,818,546

See notes to financial statements.

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY

Statement of Cash Flows

	Year Ended	
	June 30	
	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Increase in net assets	\$ 1,815,628	\$12,399,629
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	68,838	63,606
Donated investments	(1,139,611)	(3,831,450)
Proceeds from sale of donated investments	1,136,043	3,796,217
Realized (gain) on sale of investments	(490,993)	(290,494)
Unrealized (gain) on investments	(28,432)	(503,077)
(Increase) decrease in pledges receivable	2,867,809	(27,559)
(Increase) decrease in other receivables	(442,871)	136,446
Decrease in inventory	72,608	110,946
(Increase) in prepaid expenses	(102,777)	(12,952)
Increase in accounts payable and accrued expenses	35,669	68,396
Increase in unearned revenue	19,676	8,550
Net cash provided by operating activities	<u>3,811,587</u>	<u>11,918,258</u>
Cash flows from investing activities		
Expenditures for property and equipment	-	(501,937)
Proceeds from sales of investments	6,083,336	9,323,136
Purchases of investments	<u>(11,671,408)</u>	<u>(22,197,519)</u>
Net cash (used in) investing activities	<u>(5,588,072)</u>	<u>(13,376,320)</u>
Net (decrease) in cash and cash equivalents	(1,776,485)	(1,458,062)
Cash and cash equivalents, beginning of year	<u>4,482,499</u>	<u>5,940,561</u>
Cash and cash equivalents, end of year	<u>\$ 2,706,014</u>	<u>\$ 4,482,499</u>

See notes to financial statements.

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY

Notes to Financial Statements June 30, 2019

Note 1 – Nature of organization

The Gilder Lehrman Institute of American History (the “Institute”), founded by Richard Gilder and Lewis E. Lehrman, promotes the study of American history. The Institute introduces teachers to scholars for seminars and enrichment programs; supports publications and traveling exhibitions; and sponsors lectures and symposia of interest to the general public. The Institute can also own, hold or accept contributions or donations of artifacts, documents and other cultural objects, as would a museum or library.

Note 2 – Summary of significant accounting policies

Net assets

The Institute maintains two classes of net assets as follows:

- Net assets without donor restrictions include funds having no restrictions as to use or purpose imposed by donors and are available for general operations.

During the 2011 fiscal year, the Institute established a \$600,000 board-designated fund for its History Schools Program. The fund was established from prior years’ surpluses and is being used towards a matching grant of \$1,000,000 from the National Endowment for the Humanities. During the 2019 fiscal year, the Institute transferred \$3,319,224 into the board-designated fund. As of June 30, 2019, the board-designated fund balance totaled \$17,935,005.

In August 2012, the document fund was set up with proceeds from the de-accession of collection materials. Additions to the fund will be made as items are de-accessioned, and withdrawals to the fund will be made per the Institute’s collection management policy which states that proceeds resulting from the de-accession of materials shall be used solely for purchases and conservation, but not for general operating expenses. During the 2019 fiscal year, the Institute incurred expenditures totaling \$166,366 for document purchases and conservation. Additions into the fund consist of interest and appreciation.

These funds are included in net assets without donor restrictions in the accompanying financial assets.

The following is a summary of the activity of the board-designated fund for the year ended June 30, 2019:

	Balance, June 30, 2018	Additions	Expenditures	Balance, June 30, 2019
History Schools Program	\$ 14,615,781	\$ 3,319,224	\$ -	\$ 17,935,005
Document Fund	4,090,802	359,082	(166,366)	4,283,518
Total	<u>\$ 18,706,583</u>	<u>\$ 3,678,306</u>	<u>\$ (166,366)</u>	<u>\$ 22,218,523</u>

- Net assets with donor restrictions consist of contributions restricted for a particular purpose or related to future periods.

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY

Notes to Financial Statements (continued)

June 30, 2019

Note 2 – Summary of significant accounting policies (continued)

Contributions

Contributions are considered available for general use unless specifically restricted by the donor or subject to other legal restrictions. Contributions that are received with donor stipulations that limit the use of the donated assets are recorded as support with temporary donor restrictions. When a donor stipulation expires, that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Cash equivalents

The Institute considers highly liquid investments to be cash equivalents.

Investments

Investments are recorded at fair value. The value of the Institute's investments has been determined by using publicly reported market quotes. Net realized gains or (losses) on the sale of investments are determined using the first-in, first-out method and along with the net unrealized gain or (loss) on investments, are recorded in the statement of activities.

The Institute's investments consist of the following:

	2019		2018	
	Cost	Fair Value	Cost	Fair Value
Cash and cash equivalents	\$ 11,401,348	\$ 11,401,348	\$ 7,981,167	\$ 7,981,167
U.S. common stocks	2,963,057	4,213,845	3,128,959	4,441,538
International common stocks	576,106	486,717	851,433	781,690
Fixed income exchange traded fund	432	468	965,099	919,939
Fixed income mutual funds	3,870,779	3,808,746	2,610,905	2,575,435
Equity mutual funds	<u>13,377,882</u>	<u>14,007,854</u>	<u>10,569,408</u>	<u>11,108,144</u>
Total	<u>\$ 32,189,604</u>	<u>\$ 33,918,978</u>	<u>\$ 26,106,971</u>	<u>\$ 27,807,913</u>

The following table represents the net investment return of the Institute for the years ended June 30, 2019 and 2018:

	2019	2018
Net investment return – operating		
Interest and dividends	\$ 948,762	\$ 508,784
Less: Investment management fees	(64,383)	(63,658)
Foreign taxes	<u>(268)</u>	<u>(437)</u>
Net investment return - operating	<u>884,111</u>	<u>444,689</u>
Net investment return – non-operating		
Realized gain on sale of investments	490,993	290,494
Unrealized gain on investments	<u>28,432</u>	<u>503,077</u>
Net investment return – non-operating	<u>519,425</u>	<u>793,571</u>
Net investment return	<u>\$ 1,403,536</u>	<u>\$ 1,238,260</u>

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY
Notes to Financial Statements (continued)
June 30, 2019

Note 2 – Summary of significant accounting policies (continued)

Fair value measurement

Fair value refers to the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value hierarchy gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data. Fair value measurements are required to be separately disclosed by level within the fair value hierarchy. The three levels of inputs that may be used to measure fair value are as follows:

- Level 1 – Quoted prices in active markets for identical assets.
- Level 2 – Observable inputs other than Level 1 prices, such as quoted prices of similar assets; quoted prices in markets with insufficient volume or infrequent transactions (less active markets).
- Level 3 – Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets.

The Institute's investments are all measured using Level 1 inputs. Their fair values are based on quoted prices in active markets that the Institute can access at the measurement date.

Investment return recognition

Purchases and sales of securities are recorded on a trade-date basis. Interest is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of changes in net assets.

Historical documents

The Institute has purchased and has received donations of documents of national historical significance. The documents are primarily maintained for public exhibition, education, and research in furtherance of public service, rather than for financial gain.

In conformity with accounting policies generally followed by museums, the value of the historical documents has been excluded from the statement of financial position, and gifts of historical documents are excluded from revenue in the statement of activities. Purchases of historical documents are recorded as decreases in the statement of activities and proceeds from deaccessions are reflected as increases in the statement of activities in the year in which the items are acquired or sold.

Allowance for doubtful accounts

The Institute deems all pledges and other receivables to be collectible and, accordingly, an allowance for doubtful accounts is not necessary. Such estimate is based on management's experience, the aging of the receivables, subsequent receipts and current economic conditions.

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY**Notes to Financial Statements (continued)****June 30, 2019****Note 2 – Summary of significant accounting policies (continued)**Inventory

Inventory items are accounted for using the first-in, first-out (FIFO) method of accounting.

Property and equipment

Property and equipment is recorded at cost. The Institute capitalizes expenditures for such assets in excess of \$5,000 with an estimated useful life of greater than one year. Depreciation of property and equipment is recorded on a straight-line basis over the 5 year estimated useful life of the assets. Leasehold improvements are being amortized over the remaining term of the lease. During the 2018 fiscal year, fully depreciated leasehold improvements totaling \$105,116, which were related to the Institute's terminated office space lease (see note 6), were removed from the accounts of the Institute.

Unearned revenue

Unearned revenue consists of amounts paid in advance for educational seminars and workshops.

Concentrations of credit risk

The Institute's financial instruments that are potentially exposed to concentrations of credit risk consist primarily of cash and cash equivalents, investments and pledges receivable. The Institute places its cash and cash equivalents with quality financial institutions. At times during the year, balances in the Institute's cash and cash equivalents exceeded the FDIC insurance limit; however, the Institute has not experienced any losses in such accounts to date. The Institute's investments are exposed to various risks such as interest rate, market volatility, liquidity and credit. Due to the level of uncertainty related to the aforementioned risks, it is at least reasonably possible that changes in these risks could have a material effect on the amounts reported in the statement of financial position and the statement of activities. The Institute's pledges receivable are deemed collectible by management. The Institute believes no significant concentrations of credit risk exist with respect to its cash and cash equivalents, investments and pledges receivable.

Concentration of support

The Institute is funded primarily by Richard Gilder, one of the Founders, Officers and Trustees of the Institute. During the 2012 fiscal year, The Gilder Foundation made a 10-year pledge of \$3,000,000 per year, totaling \$30,000,000, retroactive to July 1, 2010. Cash receipts for pledges from The Gilder Foundation during the 2019 fiscal year totaled approximately 31.1% of the total cash receipts for contributions and gala revenue received by the Institute.

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY**Notes to Financial Statements (continued)****June 30, 2019****Note 2 – Summary of significant accounting policies (continued)**Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses attributable to more than one functional expense category are allocated using an estimate of time and effort spent.

Use of 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 the amounts reported in the financial statements. Actual results could differ from these estimates.

Comparative information

The financial statements include certain prior-year summarized comparative information in total but not by net asset classification. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Institute's financial statements for the year ended June 30, 2018, from which the summarized information was derived.

Recent accounting pronouncement*Not-for-Profit Financial Statement Presentation*

During 2019, the Institute adopted the relevant provisions of Accounting Standards Update No. 2016-14 – *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. This guidance is intended to improve the net asset classification requirements and the information presented in the financial statements and notes about a not-for-profit entity's liquidity and financial performance.

Subsequent events

The Institute has evaluated subsequent events for potential recognition or disclosure through October 18, 2019, which is the date these financial statements were available to be issued.

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY

Notes to Financial Statements (continued)

June 30, 2019

Note 3 – Liquidity and availability of financial assets

The Institute's working capital and cash flows have seasonal variations during the year attributable to cash receipts from contributions, capital campaign funds and other revenue items. The following is a summary of the Institute's financial assets as of June 30, 2019 that are available for general use within one year of the statement of financial position date:

Cash and cash equivalents	\$ 2,706,014
Investments, at fair value	33,918,978
Current portion of pledges receivable	7,645,902
Other receivables	<u>683,690</u>
Sub-total	44,954,584
Less: estimate of net assets with donor restrictions that will not be available within one year	7,406,000
Board-designated fund	<u>22,218,523</u>
Total	<u>\$ 15,330,061</u>

As part of the Institute's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Institute's Board-designated fund has been established to support the Institute's History Schools Program (see note 2). The Institute does not intend to spend these funds, however, the funds can be released from designations by the Board if deemed necessary.

Note 4 – Pledges receivable

Pledges receivable consist of the following as of June 30, 2019 and June 30, 2018:

	<u>2019</u>	<u>2018</u>
Due within one year	\$ 7,645,902	\$ 6,831,989
Due in subsequent years	<u>7,135,218</u>	<u>10,851,868</u>
Total	14,781,120	17,683,857
Less: Discount of 3% in 2019 and 2018 to reduce to present value	<u>68,140</u>	<u>103,068</u>
Pledges receivable, net	<u>\$14,712,980</u>	<u>\$17,580,789</u>

Included in pledges receivable as of June 30, 2019 is \$6,000,000 from The Gilder Foundation and \$49,840 from James G. Basker, who is the President of The Gilder Lehrman Institute of American History.

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY
Notes to Financial Statements (continued)
June 30, 2019

Note 5 – Net assets with temporary donor restrictions

The transactions in the net assets with temporary donor restrictions during 2018 and 2019 were as follows:

	June 30, 2017	Additions	Net Assets Released from Restrictions	June 30, 2018	Additions	Net Assets Released from Restrictions	June 30, 2019
Gilder Foundation	\$ 12,000,000	-	\$ (3,000,000)	\$ 9,000,000	-	\$ (3,000,000)	\$ 6,000,000
Virginia James	1,750,000	-	(290,236)	1,459,764	-	(200,000)	1,259,764
Rockefeller Foundation	1,223,804	1,410,369	-	2,634,173	1,500,000	(62,466)	4,071,707
Bank of America Corporation	500,000	-	-	500,000	100,000	(499,370)	100,630
Kenneth Griffin	500,000	-	-	500,000	350,000	(500,000)	350,000
Prizeo donors	278,462	-	(278,462)	-	-	-	-
San Francisco Golden Gate	257,270	-	(257,270)	32,439	-	-	32,439
Silicon Valley Community Foundation	250,000	265,000	(482,561)	250,000	253,081	(253,316)	249,765
Charles Koch Foundation	250,000	-	-	70,000	70,000	(70,000)	70,000
Robert and Kate Niehaus Foundation	130,000	700,000	(60,000)	70,000	-	(315,414)	-
Tides Foundation	106,136	5,000	(490,722)	315,414	-	(30,000)	20,000
Charina Endowment Fund, Inc.	100,000	175,500	(55,000)	50,000	-	(154,000)	140,000
Fred C. and Mary R. Koch Foundation	81,000	-	(102,500)	154,000	140,000	(154,000)	-
Seven Turns Fund	60,000	-	(30,000)	30,000	-	(30,000)	-
Joseph & Diana DiMenna	60,000	60,000	(60,000)	60,000	85,000	(60,000)	85,000
Anonymous	50,000	2,100,000	(903,876)	1,246,124	35,000	(695,266)	585,858
Hayden Foundation	37,000	52,504	(37,000)	52,504	35,000	(52,504)	35,000
Fry Foundation	35,000	35,000	(70,000)	-	-	-	-
Rachor Family Foundation	34,500	17,500	(17,000)	35,000	24,500	(17,500)	42,000
New England Foundation	25,000	30,000	(30,000)	25,000	25,000	(25,000)	25,000
Stapleton Charitable Trust	25,000	25,000	(25,000)	25,000	25,000	-	50,000
Lewis & Clark Trust, Inc.	25,000	-	(25,000)	-	-	-	-
Fred Maytag Family Foundation	21,000	-	(21,000)	-	23,000	-	23,000
Snider Foundation	20,000	45,000	(20,000)	45,000	76,096	(45,000)	76,096
Library of America	19,088	-	(19,088)	-	-	-	-
F.M. Kirby Foundation	14,000	40,000	(43,747)	10,253	40,000	(10,253)	40,000
McInerney Family Foundation	10,500	74,945	(71,445)	14,000	-	(14,000)	-
Thomas & Paula McInerney	10,500	-	(10,500)	-	-	-	-
Ambassador Frank & Kathy Baxter	10,500	12,000	(10,500)	12,000	10,000	(12,000)	10,000
John J. Pohanka Family Foundation	10,500	-	(10,500)	-	-	-	-
Richard and Barbara Gaby Foundation	10,500	-	(10,500)	-	10,000	(10,000)	-
Randolph Foundation	10,000	-	(10,000)	-	-	-	-
Jandon Foundation	7,000	5,000	(3,500)	3,500	3,500	(3,500)	3,500
Dian Graves Owen Foundation	3,500	-	(8,500)	-	-	-	-
Ohnell Family Foundation	3,500	-	(3,500)	-	-	-	-
Andrew and Wendy Fentress	-	3,500	-	3,500	3,500	(3,500)	3,500
Annenberg Foundation	-	277,500	(202,996)	74,504	72,500	(72,500)	74,504
Achelis and Bodman Foundation	-	100,000	-	100,000	-	(100,000)	-
Robert Daum	-	10,000	-	10,000	10,250	(20,250)	-

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY

Notes to Financial Statements (continued)
June 30, 2019

Note 5 – Net assets with temporary donor restrictions (continued)

	June 30, 2017	Additions	Net Assets Released from Restrictions	June 30, 2018	Additions	Net Assets Released from Restrictions	June 30, 2019
DCCD and Partners	\$ -	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -	\$ (687,500)	\$ 312,500
Entertainment Industry Foundation	-	265,000	-	265,000	-	-	265,000
Abraham Lincoln Presidential Library.	-	-	-	-	21,768	(21,768)	-
Sidney Lapidus	-	37,835	(2,500)	35,335	-	(35,335)	-
Harnes Fishback Foundation	-	75,000	-	75,000	25,000	(50,000)	50,000
David and Sophia Frederick	-	100,000	-	100,000	-	(100,000)	-
Anonymous	-	100,000	-	100,000	-	-	100,000
John Gore Organization	-	500,000	-	500,000	-	-	500,000
Kaufman Family Foundation	-	250,000	-	250,000	50,000	(162,851)	137,149
National Endowment for the Humanities	-	400,000	(150,000)	250,000	-	(100,000)	150,000
Steward Family Foundation	-	150,000	-	150,000	-	-	150,000
Stuart Foundation	-	185,000	(167,500)	17,500	190,000	(17,500)	190,000
Toys R Us	-	1,000,000	(281,539)	718,461	-	(510,929)	207,532
Ed Uihlein Family Foundation	-	10,000	-	10,000	10,000	(10,000)	10,000
US Department of Education	-	1,780,053	(475,000)	1,305,053	129,458	(425,053)	1,009,458
Vinik Family Foundation	-	50,000	-	50,000	-	(50,000)	-
Helen and Will Webster Foundation	-	1,600,000	-	1,600,000	-	(319,802)	1,280,198
Chappell Culpeper Family Foundation	-	-	-	-	50,000	-	50,000
Coca Cola Foundation	-	-	-	-	500,000	-	500,000
Emerson Collective	-	-	-	-	250,000	-	250,000
Gardiner Foundation, Robert David Lion	-	-	-	-	250,000	(113,598)	136,402
Hamilton Family Charitable Trust	-	-	-	-	28,283	-	28,283
Roger Hertog	-	-	-	-	125,000	-	125,000
Rosenthal Family Foundation	-	-	-	-	100,000	-	100,000
Sheila Stone	-	-	-	-	10,000	-	10,000
Restricted assets received & released	-	2,562,090	(2,562,090)	-	1,808,711	(1,808,711)	-
Less: Present value discount	(118,203)	15,135	-	(103,068)	34,929	-	(68,139)
Total	\$ 17,810,557	\$ 15,523,931	\$ (10,299,032)	\$ 23,035,456	\$ 6,474,576	\$ (10,668,886)	\$ 18,841,146

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY

**Notes to Financial Statements (continued)
June 30, 2019**

Note 6 – Commitments

During March 2013, the Institute entered into a sub-lease agreement for office space, which was to expire May 30, 2023. The sub-lease required annual base rent of \$165,750 for the first five years, exclusive of common area maintenance charges. In connection with the sub-lease, the Institute paid a security deposit of \$82,875. This lease was terminated during the 2018 fiscal year.

During August 2017, the Institute entered into a new sub-lease agreement for office space. The initial term of the agreement commenced during January 2018 and shall expire on December 31, 2027. The sub-lease requires monthly rent payments of \$14,333 through December 31, 2018, increasing to \$24,885 in the final year of the agreement. The Institute shall be eligible to receive rent abatements as defined in the agreement. The Institute's security deposit of \$82,875 (see above) was transferred to be used as security for the new sub-lease.

Rent expense under the sub-lease agreements totaled \$209,214 and \$175,364 for the fiscal years ended June 30, 2019 and June 30, 2018, respectively.

As of June 30, 2019, the future minimum annual rental payments, exclusive of increases in certain operating costs of the landlord are as follows:

<u>Year Ended June 30</u>	<u>Amount</u>
2020	\$ 222,681
2021	228,051
2022	252,643
2023	250,962
2024	268,516
2025 and thereafter	<u>996,135</u>
Total	<u>\$ 2,218,988</u>

Note 7 – 401(k) Retirement plan

The Institute has a 401(k) retirement plan (the "Plan") for eligible employees. Eligible employees may contribute a portion of their salary not to exceed limits established by the Internal Revenue Code. The Institute, at its discretion, may make contributions to the Plan. During the 2019 and 2018 fiscal years, the Institute made contributions to the Plan totaling \$51,962 and \$41,790, respectively.

THE GILDER LEHRMAN INSTITUTE OF AMERICAN HISTORY**Notes to Financial Statements (continued)****June 30, 2019****Note 8 – Related party transactions**

Two Trustees of the Institute are members of a firm which provides investment management services to the Institute. The Institute does not pay the firm directly for these services. Any fees or commissions earned by the firm, either directly or indirectly, are not readily determinable.

Note 9 – Tax status

The Institute is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the “Code”). In addition, the Institute has been determined by the Internal Revenue Service to be a publicly supported organization as described in Section 509(a)(1) and 170(b)(1)(A)(vi) of the Code and not a private foundation. The Institute qualifies for the maximum charitable contribution deduction for donors.