

***CHEROKEE NATIONAL HISTORICAL  
SOCIETY, INC.***

***AUDIT REPORT AND FINANCIAL STATEMENTS***

***DECEMBER 31, 2015 and 2014***

**CHEROKEE NATIONAL HISTORICAL SOCIETY INC.  
INDEX TO AUDIT REPORT  
DECEMBER 31, 2015**

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**KATHY HEWITT CPA, LLP**  
Certified Public Accountant

918.682.8529 • Fax 918.682.4176

web: kathyhewittcpa.com • email: khewitt@hewittcpainc.com

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees of  
Cherokee National Historical Society, Inc.

We have audited the accompanying financial statements of the Cherokee National Historical Society, Inc., (a nonprofit organization), which comprise the statement of financial position as of December 31, 2015 and 2014, and the related statements of activities 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 above present fairly, in all material respects, the financial position of the Cherokee National Historical Society, Inc., as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matter**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statement of functional expenses for the years ended December 31, 2015 and 2014, presented on pages 14 and 15 are presented for purposes of additional analysis and is 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 has been subjected to the

auditing procedures applied in the audit of the financial statements and 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 additional 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.

Kathy Hewitt CPA, LLP

October 1, 2016

CHEROKEE NATIONAL HISTORICAL SOCIETY, INC.  
COMPARATIVE STATEMENT OF FINANCIAL POSITION  
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

<b>ASSETS</b>	<u>2015</u>	<u>2014</u>
<b>CURRENT ASSETS</b>		
Cash & Cash Equivalents:		
Unrestricted	\$ 72,203	\$ 20,818
Restricted-Savings & Special Funding	\$ 180,224	\$ 202,075
Accounts Receivable		
Trade Receivables	\$ 20,323	\$ 17,298
Promises to Give		
Inventory	\$ 96,340	\$ 112,519
Total Current Assets	<u>\$ 369,090</u>	<u>\$ 352,710</u>
<b>NON CURRENT ASSETS</b>		
Permanently Restricted Investment	\$ 350,962	\$ 351,142
Long Term Restricted Investment	\$ 550,915	\$ 581,126
Land	\$ 198,867	\$ 198,867
Property & Equipment	\$ 3,018,760	\$ 3,015,911
Property Improvements & Ancient Village	\$ 868,812	\$ 862,812
Less Accumulated Depreciation	<u>\$ (2,856,363)</u>	<u>\$ (2,806,494)</u>
Total Non Current Assets	<u>\$ 2,131,953</u>	<u>\$ 2,203,363</u>
TOTAL ASSETS	<u><u>\$ 2,501,044</u></u>	<u><u>\$ 2,556,073</u></u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 5,032	\$ 32,151
Notes Payable-Current Portion	<u>\$ 4,608</u>	<u>\$ -</u>
Total Current Liabilities	<u>\$ 9,640</u>	<u>\$ 32,151</u>
<b>LONG TERM LIABILITIES</b>		
Long Term Debt	<u>\$ 85,330</u>	<u>\$ 91,858</u>
Total Long Term Liabilities	<u>\$ 85,330</u>	<u>\$ 91,858</u>
TOTAL LIABILITIES	<u>\$ 94,970</u>	<u>\$ 124,009</u>
<b>NET ASSETS</b>		
Unrestricted	\$ 1,994,600	\$ 2,032,690
Temporarily Restricted	\$ 61,473	\$ 49,373
Permanently Restricted	<u>\$ 350,000</u>	<u>\$ 350,000</u>
TOTAL NET ASSETS	<u>\$ 2,406,073</u>	<u>\$ 2,432,064</u>
TOTAL LIABILITIES & NET ASSETS	<u><u>\$ 2,501,043</u></u>	<u><u>\$ 2,556,073</u></u>

See accountant's audit report and accompanying notes to financial statements

CHEROKEE NATIONAL HISTORICAL SOCIETY, INC.  
 COMPARATIVE STATEMENT OF ACTIVITIES  
 FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

<b>UNRESTRICTED NET ASSETS</b>	<u>2015</u>	<u>2014</u>
<b>Increases in Unrestricted Net Assets</b>		
Contributions and Grants	\$ 1,144,484	\$ 1,139,404
Program Service Fees	\$ 180,159	\$ 161,242
Investment Income	\$ 20,412	\$ 64,065
Merchandise Sales Net of Cost	\$ 11,143	\$ 24,550
Other	<u>\$ 14,732</u>	<u>\$ 11,137</u>
Total Increases in Unrestricted Net Assets	\$ 1,370,929	\$ 1,400,398
<b>Decreases in Unrestricted Net Assets</b>		
<b>Program Services</b>		
Museum & Exhibits	\$ 148,959	\$ 150,317
Outreach & Education	\$ 155,945	\$ 187,681
Genealogy & Preservation	\$ 163,617	\$ 165,781
Adam's Corner & Dillgwa	\$ 236,756	\$ 246,760
Heritage Press & Art Show	\$ 39,929	\$ 61,890
<b>Supporting Services</b>		
Management and General	\$ 404,432	\$ 375,774
Fundraising & Development	<u>\$ 292,077</u>	<u>\$ 296,438</u>
Total Decreases in Unrestricted Net Assets	\$ 1,441,715	\$ 1,484,641
Change in Unrestricted Net Assets	<u>\$ (70,786)</u>	<u>\$ (84,243)</u>
<b>TEMPORARILY RESTRICTED NET ASSETS</b>		
Temporarily restricted revenues	<u>\$ 26,499</u>	<u>\$ 15,920</u>
Total Temporary Revenues & Gains	\$ 26,499	\$ 15,920
Net Assets released from restrictions	<u>\$ 14,399</u>	<u>\$ 11,968</u>
Total Temporary assets released	\$ 14,399	\$ 11,968
Change in Temporarily Restricted Net Assets	<u>\$ 12,100</u>	<u>\$ 3,952</u>
<b>PERMANENTLY RESTRICTED NET ASSETS</b>		
Endowment Fund Contributions	\$ -	\$ -
Increase (Decrease) in Permanently Change in Permanently Restricted Net Assets	<u>\$ -</u>	<u>\$ -</u>
TOTAL DECREASE IN UNRESTRICTED NET ASSETS	\$ (70,786)	\$ (84,243)
INCREASE IN RESTRICTED NET ASSETS & ADJUSTMENT	\$ 12,100	\$ 3,952
NET ASSETS AT BEGINNING OF YEAR	\$ 2,432,064	\$ 2,512,355
PRIOR PERIOD ADJUSTMENTS FOR INVENTORY AND RECLASSIFICATION OF TEMPORARILY RESTRICTED FUNDS	<u>\$ 32,695</u>	<u>\$ -</u>
NET ASSETS AT END OF YEAR	<u>\$ 2,406,073</u>	<u>\$ 2,432,064</u>

See accountant's audit report and accompanying notes to financial statements

CHEROKEE NATIONAL HISTORICAL SOCIETY, INC.  
 COMPARATIVE STATEMENT OF CASH FLOWS  
 FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015	2014
<b>OPERATING ACTIVITIES</b>		
Increase In Net Assets For Year Ended December 31, 2013	\$ (58,685)	\$ (80,291)
Adjustments To Reconcile Increase in Net Assets To Net Cash Provided By Operations:		
Depreciation on Assets	\$ 49,867	\$ 44,655
Decrease (Increase) in Accounts Receivable	\$ 23,370	\$ 20,840
Decrease (Increase) in Inventories	\$ (8,430)	\$ 8,204
(Decrease) Increase in Accounts Payable	\$ (2,120)	\$ 28,776
Net Cash Provided By Operating Activities	\$ 4,003	\$ 22,184
<b>INVESTING ACTIVITIES</b>		
Property Improvements & Disposal of Idle Assets	\$ (2,849)	\$ (118,402)
Change in Market Value of Investments	\$ 30,391	\$ (13,085)
Net Cash Provided by Investing Activities	\$ 27,541	\$ (131,486)
<b>FINANCING ACTIVITIES</b>		
Reduction in debt	\$ (1,920)	\$ (840)
Use of Temporarily Restricted Net Assets	\$ -	\$ 11,968
Net Cash Provided by Financing Activities	\$ (1,920)	\$ 11,128
Net Cash Increase (Decrease) for Period	\$ 29,624	\$ (98,174)
Prior Period Adjustments		
Cash at Beginning of Period	\$ 222,803	\$ 320,977
Cash at End of Period	\$ 252,427	\$ 222,803

The amount of interest paid during the year ended December 31, 2015 was \$2,940.  
 The organization paid no income taxes for the year ended December 31, 2015.

# Cherokee National Historical Society, Inc

## Notes To Financial Statements

December 31, 2015

### **NATURE OF THE ORGANIZATION & SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **Nature of activities**

The Cherokee National Historical Society, Inc. (the "Society") is an educational, cultural and charitable membership nonprofit organization originally incorporated under the laws of the State of Oklahoma in 1963. The Society operates a museum displaying Native American artifacts and other historical and cultural exhibits, and a historically re-created Cherokee Village. The Cherokee Heritage Center complex and the Society's principal offices are located in Park Hill, Oklahoma. The Society is supported primarily through donor contributions, grants, the Cherokee Nation and Cherokee Nation Entertainment. The mission of the Society is to preserve, promote and teach Cherokee history and culture. The Society is recognized as a 501(c)3 nonprofit organization by the Internal Revenue Service.

#### **Basis of accounting**

The financial statements of the Society have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board ASC #958. Under Financial Accounting Standards Board ASC #958,

#### **Financial statement presentation**

The Society is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the organization and changes therein are required to be classified and reported as follows:

*Unrestricted net assets* – Net assets that are not subject to donor-imposed stipulations.

*Temporarily restricted net assets* – Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Society and/or passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.



# Cherokee National Historical Society, Inc

## Notes To Financial Statements

December 31, 2015

*Permanently restricted net assets* – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Society. Generally, the donors of these assets permit the non-profit entity to use all or part of the income earned on any related investments for general or specific purposes.

### Fair value measurements

The Society has adopted Statement of Financial Accounting Standards FASB ASC 820.10, *Fair Value Measurements* with respect to reporting financial assets and liabilities. This codified standard defines fair value measurement based on an exit price. An exit price is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date as opposed to an entry price which is the transaction price that would be paid to acquire an asset or received to assume a liability. In most instances these prices are different however they can be equal. The codified standard also establishes valuation techniques which include the following:

1. Market approach – prices derived from market transactions for identical or comparable assets or liabilities,
2. Income approach – conversion of future amounts such as cash flows or earnings to a single present amount based on current market expectations about those future amounts and/or,
3. Cost approach – the amount that would currently be required to replace the service capacity of an asset.

Finally, the codified standard establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels:

- |          |  |
|----------|--|
| Level 1: | Quoted prices in active markets for identical assets or liabilities. These include, but are not limited to, cash and cash equivalents, common and preferred stocks, and mutual funds;        |
| Level 2: | Inputs that are derived principally from or corroborated by observable market data. These include but are not limited to government agency issues, corporate bonds and municipal securities; |
| Level 3: | Inputs that are unobservable and significant to the overall fair value measurement. These include but are not limited to non-public common stocks and personally held notes receivable.      |

Financial assets and liabilities are carried at fair value on a recurring basis and therefore currently subject to the codified standard which include investments and beneficial interest in assets, if any, held by others. Fair value for these financial statements are stated at Level 1.

# Cherokee National Historical Society, Inc

## Notes To Financial Statements

December 31, 2015

### Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### Cash and cash equivalents

The Society considers all unrestricted cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Restricted Savings and Special Funding accounts fall in this category also.

### Trade Receivables

Trade receivables are recorded at their invoiced value. Uncollectible receivables are written off periodically. There is no provision for allowance for doubtful accounts. Interest is not charged on past due accounts.

### Inventories

Inventories are stated at cost. Cost is determined by the invoiced amount of the goods purchased. The Society's inventory for sale consists of historical and cultural publications relating to the Cherokee Indian Nation. In addition a small inventory of craft supplies is maintained for educational programs. During the year ended December 31, 2015 an inventory adjustment was necessary for the cost of certain books the Society held ownership to but were not physically present on the premises. These books are maintained at a distribution center and are primarily sold online. The resulting inventory reduction was \$34,608.

### Investments

As noted above, it is the policy of the Society to use Fair Value Measurements to report investments. The codified standard for reporting Fair Value Measurements establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels. The Society's investments fall within Level 1 of the fair value hierarchy which utilizes quoted prices in active markets for identical assets or liabilities. These include, but are not limited to, cash and cash equivalents, common and preferred stocks, and mutual funds. The Society recognized approximately \$29,120 in realized gains and approximately \$42,181 in unrealized losses during the year on restricted investments carried at fair value during the year ended December 31, 2015. Restricted Investments include one account designated by the Adams Family for capital purchases related to the Ancient Village (Diligwa). The account is with an investment firm and earns dividends.

# Cherokee National Historical Society, Inc

## Notes To Financial Statements

December 31, 2015

Unrestricted investments earned approximately \$434 in interest income. At December 31, 2015 and 2014, the Society held no U.S. government securities with original maturity dates of greater than three months. Investments are primarily in equity securities. It is the investment policy of the Society to preserve capital, avoid the risk of large losses, maintain sufficient liquidity to provide for withdrawals as needed, provide inflation protection and to grow principal and income to meet future obligations. The policy defines ranges for suitable investments which include equities, fixed income, cash equivalents and alternative investments. Rebalancing is done periodically. Performance is evaluated at least semi-annually.

### Endowment Funds

The Society has endowment funds that are both temporary and permanent. Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires or the purpose of the restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. See *Financial Statement Presentation* above for classification and reporting definitions. There were \$26,499 of temporarily restricted contributions during the year. The ending balance of the temporarily restricted fund after recognizing the release or completion of the intended restriction was \$61,473. The underlying accounting software of the Society does not have the capability to properly record the changes in the unrestricted fund, the temporarily restricted fund or the permanently restricted fund. The separately stated fund balances must be manually calculated. During the year ended December 31, 2015, an adjustment to the temporarily restricted from the unrestricted fund was necessary to properly report the balance in the fund. The amount was in the amount of \$67,303. The balance of the permanently restricted fund at year end was \$350,000. There were no additions or reductions to the fund during the year. Permanently restricted net assets consist of endowment investments to be held indefinitely, the income from which is expendable for maintenance and capital improvements.

### Property and equipment

It is the Society's policy to capitalize property and equipment of \$5,000 or greater. Lesser amounts are expensed unless management takes the position that capitalization is appropriate. Purchased property and equipment are capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair market value at the date of donation. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are

# Cherokee National Historical Society, Inc

## Notes To Financial Statements

December 31, 2015

reported as restricted contributions. Absent donor stipulations regarding how long these assets must be maintained, the Society reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Society reclassifies temporarily restricted net assets to unrestricted net assets at that time. Depreciation is computed using the straight-line method based on the estimated useful lives of the related assets as follows:

Buildings	5 - 40 years
Leasehold Improvements	4 - 35 years
Furniture, Fixtures and Equipment	3 - 35 years

Following is a summary of property and equipment at December 31, 2015:

	12/31/15	(Memorandum Only) 12/31/14
Land	\$ 198,867	\$ 198,867
Vehicles	5,500	5,500
Buildings	2,576,621	2,576,621
Ancient Village/Diligwa Improvements	714,873	463,998
	153,939	398,814
Furniture, Fixtures and Equipment	436,639	433,790
Total	4,086,439	4,077,590
Less accumulated depreciation	(2,856,361)	(2,806,494)
Net property and equipment	\$1,230,078	\$1,271,096

### Current Liabilities

Current liabilities include trade payables and payroll taxes as well as a note payable that matures in less than one year. The Society has not accrued compensated absences because the amount cannot be reasonably estimated and is not considered material to the financial statements taken as a whole.

### Long Term Liabilities

The Society entered into a loan agreement in August of 2010 with a local bank to finance the replacement of the roof at the facility. The total amount of the note was \$130,000 however the Society did not draw more than \$93,000 of the proceeds available. The original note was a single payment loan with an interest rate of approximately 4%. The note matured August 12, 2013. The Society has annually renewed the note and paid interest on the loan monthly since its inception. At the latest maturity the loan was renewed with a new maturity date of November 12, 2015. The loan was prematurely renewed July 17, 2015. The new terms of the loan require

# Cherokee National Historical Society, Inc

## Notes To Financial Statements

December 31, 2015

59 principal payments of \$384 per month plus interest with the first payment due August 15, 2015, and a balloon payment due July 15, 2020. The interest rate is a floating 1.8 percentage points over the London Inter-Bank Offered Rate (LIBOR). At the inception of the note the rate was 1.99%. The note is collateralized by a long term restricted account which allows borrowing and had a year end balance of approximately \$89,938.

### Contribution revenues

The Society reports contribution revenues in accordance with the provisions of Financial Accounting Standards Board ASC #958-605-20. Unconditional promises to give are recorded when commitments are received. All contributions are available for unrestricted use unless specifically restricted by the donor. Revenues from conditional promises to give are recognized when the conditions on which they depend are substantially met.

In accordance with Financial Accounting Standards Board ASC #958-605-20, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

### Income taxes

The Society is generally exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for federal income taxes has been made in the accompanying financial statements. The Society is qualified to receive tax deductible contributions from its supporters. While the Society has not taken any known uncertain tax positions, it could be examined by tax authorities who may render a different opinion which could ultimately result in the loss of tax exempt status. Current open years for possible examinations include the years ended December 31, 2013, 2014 and 2015. After the date of last field work and prior to the issuance of the audited financial statements for the year ended December 31, 2014, the Society was notified that the Internal Revenue Service was opening an examination of the 2013 form 990, Return of Organization Exempt From Income Tax. The field agent began the examination October 20<sup>th</sup>, 2015. As of the date of the audit report, November 1, 2015, all requested information had been submitted to the auditor however there had been no determination of any findings. Subsequent to the issuance of the audited financial statement the Society was notified by the Internal Revenue Service that the examination had been completed and there were no changes to the originally filed return.

### In-kind contributions

Contributions of goods and services are recognized at fair value only if their receipt (a) creates or enhances non-financial assets or (b) requires specialized skills that are

# Cherokee National Historical Society, Inc

## Notes To Financial Statements

December 31, 2015

provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

### Contributed Services

During the year ended December 31, 2015, an architectural firm donated their services toward a projected archival project. The value of their services was determined to be \$35,000. The contributed services were recognized as revenue. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Society at the Museum, but these services do not meet the criteria for recognition as contributed services.

### Employee Benefit Plans – Compensated Absences

The Society does not provide any health insurance or pension plan to employees. Employees are allowed to accrue 1040 hours of sick leave and 240 hours of vacation. No provision has been made in these financial statements for compensated absences as the amounts are not material.

### Interest Expense

Interest charged to expense for the year ended December 31, 2015 was \$2,940. This amount is included in the Comparative Statement of Activities, Supporting Services, Management and General.

### Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services they benefit.

### Concentrations

On October 1, 2010, the Society renewed a Memorandum of Agreement (MOA) with the Cherokee Nation (CN) and Cherokee Nation Entertainment (CNE). The MOA is designed to provide management, financial and marketing assistance to the Society in pursuit of its nonprofit endeavors. The MOA is for a term of one year beginning October 1, 2010, and renews automatically each succeeding October 1. Either party may withdraw from this agreement by giving notice to the other parties on or before July 1, effective September 30 of that year. The Society received \$915,369 and \$946,480 from these entities under the MOA for the years ending December 31, 2015 and 2014, respectively. If the Cherokee Nation and Cherokee Nation Entertainment failed to renew the Memorandum of Agreement the loss of these funds would be catastrophic to the Society.

# **Cherokee National Historical Society, Inc**

## **Notes To Financial Statements**

**December 31, 2015**

CNE operates the gift shop located within the museum while the Society sells items at art shows, food and drink at special events and books.

### **Subsequent Events**

Subsequent events have been considered through the date of Independent Auditor's Report on page 1 which is the date the financial statements were issued.

### **Related Party**

The Society has closely related ties to the Cherokee Nation (the Nation) and its affiliates. The Nation supports the Society financially and through its vast network of related entities helps market the Society's mission. See the note above with regard to concentrations.

CHEROKEE NATIONAL HISTORICAL SOCIETY, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2015

	PROGRAM SERVICES					SUPPORT SERVICES			TOTAL
	MUSEUM & EXHIBITS	OUTREACH & EDUCATION	GENEALOGY & PRESERVATION	ADAM'S CORNER & DILIGWA	HERITAGE PRESS & ART SHOW	MANAGEMENT & GENERAL	FUNDRAISING & DEVELOPMENT		
Total Salaries and Related Expenses	\$ 61,753	\$ 93,276	\$ 101,852	\$ 153,368		\$ 290,888	\$ 35,704	\$ 736,843	
Professional Fees & Other Personnel	\$ 2,510	\$ 19,765	\$ 36,000		\$ 33,602	\$ 15,960	\$ 9,386	\$ 117,223	
Special Events Expense	\$ 301	\$ 988	\$ 338		\$ 1,222		\$ 2,700	\$ 5,549	
Marketing	\$ 7,546			\$ 25,442			\$ 225,943	\$ 258,931	
Advertising Expenses					\$ 350	\$ 84		\$ 434	
Supplies	\$ 12,272	\$ 4,436	\$ 2,558	\$ 4,482	\$ 2,949	\$ 6,636	\$ 2,818	\$ 36,150	
Telephone	\$ 469	\$ 1,085	\$ 651	\$ 159		\$ 10,841	\$ 2,098	\$ 15,304	
Postage, Shipping & Delivery	\$ 85	\$ 138	\$ 841		\$ 1,302	\$ 1,309	\$ 2,122	\$ 5,797	
Equipment Rental	\$ 265	\$ 522	\$ 472			\$ 365	\$ 1,590	\$ 3,215	
Repairs and Maintenance	\$ 243	\$ 212	\$ 307	\$ 435		\$ 2,991	\$ 157	\$ 4,345	
Professional Printing	\$ 2,999	\$ 621	\$ 1,034			\$ 837	\$ 1,774	\$ 7,265	
Depreciation	\$ 21,470			\$ 30,158				\$ 51,628	
Occupancy									
Security Services	\$ 330	\$ 21	\$ 34			\$ 29	\$ 25	\$ 439	
Utilities	\$ 21,289	\$ 1,727	\$ 6,242	\$ 1,703		\$ 5,637	\$ 2,707	\$ 39,305	
Interest						\$ 2,940		\$ 2,940	
Insurance	\$ 8,375	\$ 561	\$ 34	\$ 1,915		\$ 2,971		\$ 13,856	
Dues, Subscriptions & Permits	\$ 265	\$ 385	\$ 1,199	\$ 120		\$ 3,329	\$ 1,140	\$ 6,438	
Staff Development	\$ 140	\$ 11				\$ 3,021	\$ 139	\$ 3,311	
Indirect Cost Allocation	\$ 8,015	\$ 12,022	\$ 12,022	\$ 18,434		\$ 23,243	\$ 5,842	\$ 79,579	
Bank and Credit Card Fees								\$ -	
Travel & Transportation	\$ 567	\$ 1,520	\$ 32	\$ 468	\$ 358	\$ 4,641	\$ 312	\$ 7,898	
Meetings		\$ 3,495						\$ 3,495	
Meals		\$ 1,451			\$ 58	\$ 1,204		\$ 2,713	
Endowment Expense						\$ 23,591		\$ 23,591	
Other	\$ 65	\$ 13,709	\$ -	\$ 72	\$ 88	\$ 3,915	\$ (2,383)	\$ 15,467	
Total Functional Expenses	\$ 148,959	\$ 155,945	\$ 163,617	\$ 236,756	\$ 39,929	\$ 404,432	\$ 292,077	\$ 1,441,715	



CHEROKEE NATIONAL HISTORICAL SOCIETY, INC.  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2014

	PROGRAM SERVICES				SUPPORT SERVICES			TOTAL
	MUSEUM & EXHIBITS	OUTREACH & EDUCATION	GENEALOGY & PRESERVATION	ADAM'S CORNER & DILIGWA	HERITAGE PRESS & ART SHOW	MANAGEMENT & GENERAL	FUNDRAISING & DEVELOPMENT	
Total Salaries and Related Expenses	\$ 71,309	\$ 118,969	\$ 136,547	\$ 201,122		\$ 186,375	\$ 16,002	\$ 730,323
Professional Fees & Other Personnel	\$ 526	\$ 15,035		\$ 7,560	\$ 29,340	\$ 98,436	\$ 5,675	\$ 156,572
Special Events Expense	\$ 52	\$ 336		\$ 319	\$ 4,320	\$ 35	\$ 672	\$ 5,735
Marketing Expenses							\$ 229,178	\$ 229,178
Supplies	\$ 5,360	\$ 9,558	\$ 3,910	\$ 5,046	\$ 4,523	\$ 8,858	\$ 13,692	\$ 50,947
Telephone	\$ 330	\$ 1,018	\$ 540	\$ 142		\$ 9,402	\$ 1,581	\$ 13,014
Postage, Shipping & Delivery	\$ 208	\$ 150	\$ 1,065		\$ 1,144	\$ 10,185	\$ 2,535	\$ 15,287
Equipment Rental		\$ 400	\$ 200	\$ 775		\$ 485	\$ 840	\$ 2,700
Repairs and Maintenance	\$ 520	\$ 154	\$ 419	\$ 222		\$ 3,259	\$ 163	\$ 4,738
Professional Printing	\$ 1,208	\$ 750	\$ 1,501	\$ 72	\$ 425	\$ 1,000	\$ 1,009	\$ 5,965
Depreciation	\$ 24,617	\$ 2,420		\$ 5,077			\$ 12,541	\$ 44,655
Occupancy								
Security Services	\$ 164	\$ 21	\$ 34			\$ 95	\$ 25	\$ 339
Utilities	\$ 23,358	\$ 1,867	\$ 6,239	\$ 2,214		\$ 6,288	\$ 2,961	\$ 42,927
Interest	\$ 3,408							\$ 3,408
Insurance	\$ 8,848	\$ 586		\$ 2,065		\$ 4,616		\$ 16,116
Dues, Subscriptions & Permits	\$ 373	\$ 360	\$ 1,352	\$ 120		\$ 2,764	\$ 1,239	\$ 6,208
Staff Development			\$ 104			\$ 6,853	\$ 135	\$ 7,091
Indirect Cost Allocation				\$ 20,673		\$ 26,066	\$ 7,191	\$ 89,884
Bank and Credit Card Fees						\$ 1,459		\$ 1,459
Travel & Transportation	\$ 333	\$ 7,826	\$ 235	\$ 1,089	\$ 990	\$ 6,035	\$ 411	\$ 16,920
Meetings	\$ 8		\$ 125			\$ 175	\$ 40	\$ 348
Meals		\$ 1,404	\$ 27	\$ 266	\$ 55	\$ 448	\$ 60	\$ 2,260
Endowment Expense					\$ 20,728	\$ 2,482		\$ 23,210
Other	\$ 705	\$ 13,342			\$ 366	\$ 456	\$ 487	\$ 15,356
Total Functional Expenses	\$ 150,317	\$ 187,681	\$ 165,781	\$ 246,760	\$ 61,890	\$ 375,774	\$ 296,438	\$ 1,484,641