

**NATIONAL MUSIC MUSEUM:  
AMERICA'S SHRINE TO MUSIC**

**FINANCIAL STATEMENTS  
AND  
AUDITOR'S REPORT**

**JUNE 30, 2013**

NATIONAL MUSIC MUSEUM: AMERICA'S SHRINE TO MUSIC  
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JUNE 30, 2013

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# QUAM & BERGLIN, P.C.

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## INDEPENDENT AUDITOR'S REPORT

The Board of Trustees of  
National Music Museum: America's Shrine to Music  
Vermillion, South Dakota

We have audited the accompanying financial statements of National Music Museum: America's Shrine to Music, (a nonprofit organization) which comprise the statements of financial position as of June 30, 2013, 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 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 of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk 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 organization'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 organization'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 National Music Museum: America's Shrine to Music, as of June 30, 2013, 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.

## **Report on Summarized Comparative Information**

We have previously audited National Music Museum's 2012 financial statements, and our report dated December 31, 2012, 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, 2012, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## ***Supplemental Information***

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of the National Music Museum: America's Shrine to Music, taken as a whole. The accompanying supplemental information listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic 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 basic 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 taken as a whole.

*Quam & Berglin, P.C.*

Quam and Berglin, P.C.  
Elk Point, SD

December 20, 2013

**NATIONAL MUSIC MUSEUM: AMERICA'S SHRINE TO MUSIC**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30,**

	<u>2013</u>	<u>2012</u>
<b>ASSETS:</b>		
<u>Current Assets</u>		
Operating Cash & Cash Equivalents	\$ 423,301.57	\$ 520,236.89
Contributions Receivable, Current	24,060.00	302,500.00
Accounts Receivable	660.65	2,437.81
Inventories	127,194.78	83,016.45
Prepaid Expense	<u>4,279.54</u>	<u>3,877.96</u>
Total Current Assets	<u>579,496.54</u>	<u>912,069.11</u>
<u>Capital Assets</u>		
Property & Equipment, net	<u>62,613.36</u>	<u>72,125.28</u>
Total Capital Assets	<u>62,613.36</u>	<u>72,125.28</u>
<u>Other Assets</u>		
Investments	1,192,923.93	475,123.91
Reserve Cash - Expansion		3,792.45
Contributions Receivable, Noncurrent		200,000.00
Reserve Investments	<u>4,429,320.93</u>	<u>3,868,034.07</u>
Total Other Assets	<u>5,622,244.86</u>	<u>4,546,950.43</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 6,264,354.76</u></b>	<b><u>\$ 5,531,144.82</u></b>
<b>LIABILITIES AND NET ASSETS:</b>		
<u>Current Liabilities</u>		
Accounts Payable	\$ 53,503.98	\$ 18,878.29
Salaries Payable	11,302.29	
Accrued Leave Payable	32,219.26	29,495.31
Deferred Revenue	363.54	
Current Portion of Long Term Debt		<u>30,450.00</u>
Total Current Liabilities	<u>97,389.07</u>	<u>78,823.60</u>
<u>Noncurrent Liabilities</u>		
Long Term Debt		30,450.00
Less: Current Portion		<u>(30,450.00)</u>
Total Noncurrent Liabilities		<u>                    </u>
<b>TOTAL LIABILITIES</b>	<b><u>97,389.07</u></b>	<b><u>78,823.60</u></b>
<b>NET ASSETS</b>		
Unrestricted	2,062,223.58	873,963.17
Temporarily Restricted (Schedule 1)	512,274.10	1,073,593.81
Permanently Restricted (Schedule 2)	<u>3,592,468.01</u>	<u>3,504,764.24</u>
<b>TOTAL NET ASSETS</b>	<b><u>6,166,965.69</u></b>	<b><u>5,452,321.22</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 6,264,354.76</u></b>	<b><u>\$ 5,531,144.82</u></b>

The attached notes are an integral part of these financial statements

**NATIONAL MUSIC MUSEUM: AMERICA'S SHRINE TO MUSIC**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED**

	June 30, 2013			June 30, 2012	
	Unrestricted	Temporarily Restricted	Permanently Restricted	TOTAL	TOTAL
<b>Support:</b>					
Memberships	\$ 11,989.42	\$	\$	\$ 11,989.42	\$ 13,875.00
General Cash Contributions	92,801.66	2,795.00		95,596.66	110,330.20
Acquisitions Contributions		259,060.00		259,060.00	28,728.00
Corporate Contributions	613,912.50	14,796.00	63,437.29	692,145.79	900,206.87
Expansion Fund Contributions		5,288.76		5,288.76	131,498.04
Contributions-noncash (Schedule 3)		318,609.00		318,609.00	111,174.00
Grants & Other Support (Schedule 4)	583,966.08			583,966.08	487,918.22
<b>Revenue:</b>					
Investment Income (Schedule 5)		6,104.62	90,641.21	96,745.83	95,051.92
Public Programming	674.36			674.36	2,321.10
Research Services	15.00			15.00	9.55
Other Revenue (Schedule 6)	10,582.07	9,008.45		19,590.52	15,682.82
Total Support and Revenue	<u>1,313,941.09</u>	<u>615,661.83</u>	<u>154,078.50</u>	<u>2,083,681.42</u>	<u>1,896,795.72</u>
Net Assets Added to/(Released from) Restrictions	<u>1,110,781.27</u>	<u>(579,659.11)</u>	<u>(531,122.16)</u>		
Total Support and Revenue after Restriction Adjustments	<u>2,424,722.36</u>	<u>36,002.72</u>	<u>(377,043.66)</u>	<u>2,083,681.42</u>	<u>1,896,795.72</u>
<b>Expenses:</b>					
Program Services	826,137.41			826,137.41	577,406.90
Supporting Services:					
Management and General	341,532.53			341,532.53	330,377.45
Fund Raising	68,792.01			68,792.01	64,751.47
Total Expenses	<u>1,236,461.95</u>			<u>1,236,461.95</u>	<u>972,535.82</u>
Excess Revenue Over/(Under) Expense	<u>1,188,260.41</u>	<u>36,002.72</u>	<u>(377,043.66)</u>	<u>847,219.47</u>	<u>924,259.90</u>
<b>Capital Additions:</b>					
Acquisition of contributed musical instruments, books and music		(318,609.00)		(318,609.00)	(111,174.00)
Acquisitions of musical instruments, books, and music		(278,713.43)		(278,713.43)	(12,712.49)
Net unrealized investment gain (loss) - market fluctuation			464,747.43	464,747.43	(34,749.26)
Total Capital Additions		<u>(597,322.43)</u>	<u>464,747.43</u>	<u>(132,575.00)</u>	<u>(158,635.75)</u>
Excess(deficiency) of support and revenue over expenses after capital additions	1,188,260.41	(561,319.71)	87,703.77	714,644.47	765,624.15
Net Assets, Beginning of year	<u>873,963.17</u>	<u>1,073,593.81</u>	<u>3,504,764.24</u>	<u>5,452,321.22</u>	<u>4,686,697.07</u>
<b>Net Assets, End of Year</b>	<u>\$2,062,223.58</u>	<u>\$ 512,274.10</u>	<u>\$ 3,592,468.01</u>	<u>\$ 6,166,965.69</u>	<u>\$ 5,452,321.22</u>

The attached notes are an integral part of these financial statements

**NATIONAL MUSIC MUSEUM: AMERICA'S SHRINE TO MUSIC**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED**

	June 30, <u>2013</u>	June 30, <u>2012</u>
<b>OPERATING ACTIVITIES</b>		
Changes in net assets	\$ 714,644.47	\$765,624.15
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	13,606.62	13,195.82
Change in receivables	480,217.16	70,334.19
Change in prepaid expense	(401.58)	(1,373.52)
Change in inventories	(44,178.33)	(41,130.81)
Change in deferred revenue	363.54	
Change in liabilities	<u>48,651.93</u>	<u>16,560.65</u>
Net cash used by operating activities	<u>1,212,903.81</u>	<u>823,210.48</u>
<b>INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	(4,094.70)	(646.51)
Change in investments	(717,800.02)	(475,123.91)
Change in reserve investments	<u>(561,286.86)</u>	<u>72,653.51</u>
Net cash from investing activities	<u>(1,283,181.58)</u>	<u>(403,116.91)</u>
<b>FINANCING ACTIVITIES</b>		
Payment of long-term debt	<u>(30,450.00)</u>	<u>(22,837.50)</u>
Net cash from financing activities	<u>(30,450.00)</u>	<u>(22,837.50)</u>
Net increase (decrease) in cash and cash equivalents	(100,727.77)	397,256.07
Cash and Cash Equivalents, beginning of year	<u>524,029.34</u>	<u>126,773.27</u>
Cash and Cash Equivalents, end of year	<u>\$ 423,301.57</u>	<u>\$524,029.34</u>
Noncash Investing Activity-		
Value of Donated Instruments, Books and Music	<u>\$ 318,609.00</u>	<u>\$111,174.00</u>

The attached notes are an integral part of these financial statements



**NATIONAL MUSIC MUSEUM: AMERICA'S SHRINE TO MUSIC**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED**

	June 30, 2013			June 30, 2012	
	PROGRAM	SUPPORTING SERVICES	FUND		
	<u>SERVICES</u>	<u>ADMINISTRATIVE</u>	<u>RAISING</u>	<u>TOTAL</u>	<u>TOTAL</u>
Operating:					
Personnel	\$512,323.75	\$166,159.05	\$ 13,846.59	\$ 692,329.39	\$ 528,458.07
Internship Program	5,551.69			5,551.69	2,287.38
Graduate Program	25,256.00			25,256.00	12,400.00
Other Expenses (Schedule 7)	283,005.97	117,245.33	4,042.94	404,294.24	245,229.35
Expansion Fund			50,902.48	50,902.48	51,730.02
Utilities/ Security	<u>                    </u>	<u>58,128.15</u>	<u>                    </u>	<u>58,128.15</u>	<u>132,431.00</u>
 TOTAL EXPENSES	 <u>\$826,137.41</u>	 <u>\$341,532.53</u>	 <u>\$ 68,792.01</u>	 <u>\$ 1,236,461.95</u>	 <u>\$ 972,535.82</u>

The attached notes are an integral part of these financial statements

**NATIONAL MUSIC MUSEUM: AMERICA'S SHRINE TO MUSIC**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2013**

**NOTE 1 – Summary of Significant Accounting Policies**

Nature of Organization

The National Music Museum: America's Shrine to Music (the Museum) serves the people of South Dakota and the Nation as an international center for collecting and conserving musical instruments of all cultures and bringing people together to study, enjoy, and understand our diverse musical heritage. It partners with and is located on the campus of The University of South Dakota.

Basis of Accounting: The accompanying financial statements have been prepared on the accrual basis in accordance with generally accepted accounting principles.

Financial Statement Presentation: The Museum has adopted Statement of Financial Accounting Standards No. FASB ASC-958, "Financial Statements of Not-for-Profit Organizations." Under FASB ASC-958, the organization is required to report information regarding its financial position and activities according to the following three classes of net assets:

Unrestricted net assets represents the portion of expendable funds that is available for support of the Museum's operations.

Temporarily restricted net assets represent resources that are restricted for the acquisition of musical instruments, capital construction, exhibitions, publications, and other restricted purposes. When the purpose of the restriction is accomplished, temporarily restricted assets are classified to unrestricted net assets and reported in the statement of activities as released from restriction.

Permanently restricted net assets are endowment funds that are subject to restrictions of gift instruments requiring in perpetuity that the principal be invested and the income only be used for purposes designated.

Public Support and Revenue

Contributions, memberships, and grants are generally available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give are recorded as received. Pledges receivable due in the next year are reflected as current promises to give and are recorded at their net receivable value.

All gain and losses from the sale, collection, or other disposition of investments are accounted for in the fund that owned the assets. Ordinary income from investments is accounted for in the fund that owned the assets.

Contributions of donated services that either create or enhance nonfinancial assets or that require specialized skills are provided by individuals possessing those skills. These services typically would need to be paid by the organization if not provided by donation. They are recorded at fair value in the period received. Donated services include travel to retrieve donations and other miscellaneous tasks.

Cash and Cash Equivalents

The Museum considers all highly liquid investments with maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents for the purposes of the statement of cash flows exclude permanently restricted cash and cash equivalents.

### Use of Estimates

The organization prepares its financial statements on the accrual basis of accounting in conformity with generally accepted accounting principles. These principles require management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual amounts could differ from those estimates.

### Comparative Data:

The financial statements include certain June 30, 2012 comparative information. With respect to the statement of financial position, the statement of activities, and the statement of cash flows, such prior information is not presented by net asset class and, in the statement of functional expenses, the June 30, 2012 expenses by object are presented in total rather than by functional category. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended June 30, 2012 from which the summarized information was derived.

### Museum Collections

The Museum collections, which were acquired through purchases and contributions since the organization's inception, are not recognized as assets on the statement of financial position. Purchases of collection items are recorded as decreases in unrestricted net assets in the year in which the items are acquired, or as temporarily or permanently restricted net assets if the assets used to purchase the items are restricted by donors. Proceeds from deaccessions or insurance recoveries are reflected as increases in the appropriate net asset classes.

### Merchandise Inventories

Merchandise inventories are carried at the lower of average cost or market.

### Investments

Some of the Museum's endowed accounts are invested in a pooled account with the University of South Dakota Foundation. On June 30, 2013, the University of South Dakota Foundation reported a current year unrealized gain on its pooled account. Net earnings and any additions from donations were allocated to each endowed account of the National Music Museum's Investment Fund. University of South Dakota Foundation has a policy of providing a payout of 4.80%, which was available for each account on July 1, 2012.

Investments are composed of mutual funds investing in debt and equity securities and are carried at fair value. Appreciation and depreciation in fair value are reflected in the period incurred.

### Property and Equipment

The Museum occupies state-owned buildings without charge from the state of South Dakota. Generally, expenses that are attached to the building are not capitalized. Property and equipment are depreciated over their useful lives using the straight-line method.

### Income Taxes

The Museum is a nonprofit organization as described in section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes.

## **NOTE 2 – Temporarily Restricted**

Temporarily restricted net assets are available for acquisition of musical instruments, capital construction, exhibitions, publications, and other restrictive purposes. During the year a total of \$579,659.11 was released from the temporarily restricted fund to the unrestricted fund to carry on the above activities. See Schedule 1 for a breakdown of current balances as of June 30, 2013.

### **NOTE 3 – Permanently Restricted Net Assets**

Permanently restricted net assets are endowment funds restricted in perpetuity with the principal invested and the income used for the purposes designated. Income generated by these assets is transferred to temporarily restricted net assets and unrestricted net assets unless stipulated otherwise. During the year a total of \$531,122.16 was released from the permanently restricted fund to the unrestricted fund.

### **NOTE 4 – Capital Campaign Contribution**

The University of South Dakota Foundation (USDF) began a capital campaign during the current fiscal year for a Museum expansion project which will be of mutual benefit to both the University and The Museum. As of June 30, 2013, pledges were in place totaling \$3,468,000 and payments had been received on those pledges in the amount of \$1,150,250, leaving a balance to be received of \$2,317,570. In addition, \$207,547.73 was received for one-time gifts for this capital campaign.

### **NOTE 5 – University of South Dakota Foundation**

Funds held by the University of South Dakota Foundation as of June 30, 2013 are summarized as follows:

	<u>Contributed Value</u>	<u>Market Value</u>	<u>Carrying Value</u>
Balance, June 30, 2013	<u>\$ 2,992,444.45</u>	<u>\$ 4,361,384.97</u>	<u>\$ 4,361,384.97</u>

### **NOTE 6 – Changes in Investments**

The following summarizes the reserve investment changes in the Statement of Financial Position for the year ended June 30, 2013.

	<u>SD Community Fdn</u>	<u>Certificates Of Deposit</u>	<u>USD Foundation</u>	<u>Total</u>
Beginning Balance	\$ 11,960.40	\$ 351,309.43	\$ 3,504,764.24	\$ 3,868,034.07
<u>Additions:</u>				
Contributions		54,766.82	500,000.00	554,766.82
Investment Income	119.93		90,038.75	90,158.68
Realized Gain (Loss)	39.01		39,909.61	39,948.62
Unrealized Gain (Loss)	1,739.68		423,059.13	424,798.81
<u>Distributions:</u>				
Transfers/Reclassification	(554.72)	(351,309.43)	(144,925.11)	(496,789.26)
Investment Expenses	(135.16)		(51,461.65)	(51,596.81)
Ending balance	<u>\$ 13,169.14</u>	<u>\$ 54,766.82</u>	<u>\$ 4,361,384.97</u>	<u>\$ 4,429,320.93</u>

**NOTE 7 – Property and Equipment**

The following is a summary of property and equipment as of June 30, 2013 and June 30, 2012.

	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Property & Equipment	\$ 163,104.26	\$ 159,009.56
Less Accumulated Depreciation	<u>(100,490.90)</u>	<u>(86,884.28)</u>
Total	<u>\$ 62,613.36</u>	<u>\$ 72,125.28</u>

**NOTE 8 – Long-Term Debt**

The following is a summary of long-term debt as of June 30, 2013

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
USD Note Payable	\$30,450.00	\$	\$(30,450.00)	\$ 0.00

The note payable issued to USD was to finance the purchase of software and services.

**NOTE 9 – Concentration of Credit Risk**

The Museum maintains cash balances at Bank of the West, First Dakota Bank, First Financial Bank, First Premier Bank and First Bank and Trust in South Dakota, which are insured by the Federal Deposit Insurance Corporation up to \$250,000. As of June 30, 2013, \$42,384.79 of the deposits held at First Dakota Bank, \$5,982.57 of the deposits held at Bank of the West, and \$97,036.05 of the deposits held at First Bank and Trust are not insured by the FDIC.

The Museum is one of nine non-related organizations which hold investments with the University of South Dakota Foundation in Vermillion, South Dakota. The University of South Dakota Foundation investments are held 18% in fixed income securities, 49.2% in domestic equity securities, 17.3% in international equity securities, and 15.4% in other assets.

**NOTE 10- Donated Facilities**

The Museum occupies several buildings on the University of South Dakota campus. No rent is paid by the Museum. It is estimated that the approximate fair value of the annual rent, utilities, maintenance, and security is \$222,922 and it is included in contributions and expenses in the Statement of Activities.

**NOTE 11 – Subsequent Events**

In preparing these financial statements, the Museum has evaluated events and transactions for potential recognition or disclosure through December 20, 2013, the date the financial statements were available to be issued.

**NATIONAL MUSIC MUSEUM: AMERICA'S SHRINE TO MUSIC  
SCHEDULES TO FINANCIAL STATEMENTS**

**Schedule 1 - Temporarily Restricted Funds consist of the following:**

Donor	Purpose	June, 30 <u>2013</u>	June 30, <u>2012</u>
Arne B. Larson Estate	Acquisitions	\$ 11,143.16	\$ 11,507.12
Board of Trustees	Acquisitions	161.16	204.16
Joe and Joella Utley Foundation	Institute for Brass Studies	25,029.72	95,460.95
Indiana Historical Society	CLIO Grant	2,764.13	2,764.13
DAR (Skyrm)	Recording Project	6,326.47	6,326.47
Alan Bates	Acquisitions Fund	3,857.18	3,857.18
John D. & Margaret Fowler	Acquisitions	29,776.25	29,776.25
Al Hegyl	Personnel	3,517.70	25,605.67
Kevin Schieffer	Acquisitions	830.91	830.91
South Dakota Community Foundation	Acquisitions		11,960.40
Dakota Baroque	Dakota Baroque	4,382.85	4,382.85
Publication Sales	Publications	85,748.96	74,307.14
D'Aquisto Guitar Catalog	Publications	26,306.36	50,000.00
John Walter Memorial	Acquisitions	55.00	55.00
Deaccessioned Instruments & Furnishings	Publications	856.41	856.41
Ebay Sales	Publications	1,049.94	1,588.19
Multi Media Tour	Multi Media	8,267.00	8,267.00
Ana Silver Salary	Personnel	1,206.07	
Andre Larson Books	Publications	703.39	
Expansion Fund Pledges Receivable	Expansion		502,500.00
Expansion Fund	Expansion	300,291.44	243,343.98
		<u>\$ 512,274.10</u>	<u>\$ 1,073,593.81</u>

**Schedule 2 - Permanently Restricted Funds consist of the following:**

<u>Donor</u>	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Mr. & Mrs. R. E. Rawlins/Larson Estate	\$ 2,060,759.21	\$ 1,882,843.38
Mr. & Mrs. Clifford E. Graese	230,055.29	210,193.45
Mr. & Mrs. R. E. Rawlins	449,499.96	410,692.34
Marge Rawlins Estate	636,867.36	581,883.38
Marge Rawlins Estate		290,941.69
Edith Siegrist Estate	113,882.98	99,090.00
SD Community Foundation	13,169.14	
Clois E. Smith	54,766.82	
Mary Adams Estate	33,467.25	29,120.00
	<u>\$ 3,592,468.01</u>	<u>\$ 3,504,764.24</u>

**Schedule 3 - Contributions-Noncash**

Contributions of items or services other than cash, valued at market value for stocks, appraised value for instruments, books, music, etc., consist of the following:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Books/ Periodicals	\$	\$ 5,265.00	\$	\$ 5,265.00	\$ 11,116.00
Instruments		295,180.00		295,180.00	90,070.00
Miscellaneous		16,417.00		16,417.00	1,475.00
Music		1,457.00		1,457.00	1,975.00
Photographs		180.00		180.00	3,183.00
Sound Recordings		110.00		110.00	3,355.00
	<u>\$</u>	<u>\$ 318,609.00</u>	<u>\$</u>	<u>\$ 318,609.00</u>	<u>\$ 111,174.00</u>

**Schedule 4 - Grants & Other Support**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>June 30, 2013</u>	<u>June 30, 2012</u>
University of South Dakota					
Personnel	\$ 298,107.00	\$	\$	\$ 298,107.00	\$ 215,037.06
Operation and Maintenance	65,266.37			65,266.37	69,056.01
Utilities/Security/Maintenance	157,655.68			157,655.68	132,431.00
Student Association					
Public Programming	13,882.03			13,882.03	13,404.65
City of Vermillion	15,000.00			15,000.00	22,500.00
South Dakota Arts Council	30,905.00			30,905.00	32,714.50
Clay County	2,900.00			2,900.00	2,775.00
Other Grants	250.00			250.00	
	<u>\$ 583,966.08</u>	<u>\$</u>	<u>\$</u>	<u>\$ 583,966.08</u>	<u>\$ 487,918.22</u>

**Schedule 5 - Investment Income**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Checking and Certificates University of South Dakota Foundation	\$	\$ 6,104.62	\$	\$ 6,104.62	\$ 4,456.60
Unrealized Gain/(Loss)			464,747.43	464,747.43	10,785.52
Investment Income			90,641.21	90,641.21	79,809.80
Investment Income	<u>\$</u>	<u>\$ 6,104.62</u>	<u>\$ 555,388.64</u>	<u>\$ 561,493.26</u>	<u>\$ 95,051.92</u>

**Schedule 6 - Other Revenue**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Merchandise Sold					
Sales	\$	\$ 15,735.04	\$	\$ 15,735.04	\$ 27,064.42
Cost of Goods Sold		(6,726.59)		(6,726.59)	(11,681.60)
Miscellaneous	175.00			175.00	131.79
Concert Hall Rental	10,155.00			10,155.00	
Tea Room	252.07			252.07	168.21
Total	<u>\$ 10,582.07</u>	<u>\$ 9,008.45</u>	<u>\$</u>	<u>\$ 19,590.52</u>	<u>\$ 15,682.82</u>



**Schedule 7 - Other Expenses**

	Unrestricted	Temporarily Restricted	Permanently Restricted	June 30, 2013	June 30, 2012
Archival Supplies/ Equipment	\$ 1,025.73	\$	\$	\$ 1,025.73	\$ 305.72
Audit/Legal	26,716.44			26,716.44	10,941.55
Bank Charges/ Credit Card Fees	303.43			303.43	427.63
Billboards	54,437.75			54,437.75	29,820.00
Board Activities	5,877.58			5,877.58	3,092.92
Computer Software & Support	2,000.00			2,000.00	3,200.00
Conservation	8,802.78			8,802.78	316.61
Depreciation	13,606.62			13,606.62	13,195.82
Dues & Membership Fees	2,802.65			2,802.65	4,164.34
Exhibitions	1,236.44			1,236.44	3,056.41
Subscriptions	638.20			638.20	1,463.82
Fees	158.74			158.74	8,236.08
Freight & Shipping	164.15			164.15	110.68
Furniture & Fixtures					17,345.78
Hospitality	1,008.44			1,008.44	1,578.16
Insurance	15,522.33			15,522.33	16,678.00
Investment Manager Fees	51,192.35			51,192.35	47,931.57
Library Materials	3,415.16			3,415.16	3,249.36
Maintenance & Rental	105,006.36			105,006.36	5,675.08
Marketing	2,764.22			2,764.22	7,682.63
Miscellaneous					99.97
Office Supplies	26,196.06			26,196.06	13,957.16
Photography	613.44			613.44	
Postage	3,574.61			3,574.61	3,884.44
Printing & Copying	16,301.28			16,301.28	7,976.24
Profession Development	12,309.05			12,309.05	
Public Programming	13,218.14			13,218.14	26,744.53
Public Relations-Books, Etc.					340.26
Research Center					2,916.67
Taxes	4,543.18			4,543.18	3,789.87
Storage Room	2,769.32			2,769.32	1,073.50
Tea Room	131.87			131.87	163.15
Telephone	5,256.84			5,256.84	2,511.70
Travel	22,701.08			22,701.08	3,299.70
	<u>\$ 404,294.24</u>	<u>\$</u>	<u>\$</u>	<u>\$ 404,294.24</u>	<u>\$ 245,229.35</u>