Exhibit C:

Notes for FY 2021 Budget to Actual

November 2021 Board Meeting

Summary: Before increase in allowance for vacation for ASOR staff, we are forecasting that ASOR will have a small operational shortfall ($50.92) for Fiscal Year 2021. It should also be noted that this small shortfall does not include the Second Draw PPP Loan of $118,700.00—which we anticipate will be forgiven. Once the PPP loan is forgiven, we anticipate that unrestricted assets available for operations will return to above $525,000 (i.e., levels prior to the pandemic).

Other notable increases in net assets during Fiscal Year 2021 (see page 2 of audit [Exhibit A]):

- Board-designated net assets increased by $463,157; new total = $583,748
- Total net assets without donor restrictions increased by $432,366; new total = $2,072,248
- Total net assets with donor restrictions increased by $969,019; new total = $3,998,550
- Total net assets increased by more than $1.4 million; new total net assets = $6,070,798

In short, in spite of all of the challenges from COVID, we had a very positive year. We also carried out mission in new ways, dramatically increased our online presence, reached a peak in membership numbers, and our endowments for grants and operations reached new highs. This was aided by a robust equities market, but we also received close to $1 million in donations for third year in a row.

Significant variances from the budget:

a. Annual Meeting (1 and 1'). Both direct revenue and direct revenues were lower because we did nothold the AM in Boston. Excluding staff time, the Annual Meeting net was unfavorable by $45,000 compared to the budgeted revenue versus expenses for FY21 (comparing the revenue verses expenses of the budget and the actual columns). ASOR also spent considerably more in staff time, so trustees will note that functional expense table of the audit (Page 5) shows expenses exceeding revenues for the Annual meeting and other events by $96,000. This unfavorable experience was to be expected because of the ongoing pandemic, and the PPP forgivable loans helped greatly with this shortfall. ASOR also avoided any penalties with the 2020 Meeting that had originally been scheduled for Boston.
b. Excavation grants placed in endowment (6). This was favorable, but it is an in-out item that doesnot impact our bottom line for operations.
c. Memberships (13): Unfavorable by about $19,000. ASOR reached an all-time high for membership as of September 30, 2021; however, much of the revenue from these new memberships count for FY22 because of deferred revenue. Again, the PPP loan helped with the reduction in memberships during the first two quarters of FY21.
d. Annual Fund (16): Actual is favorable by $16,000 over the budget. During the Board Meeting, we set a goal of $125,000, and we reached that goal. Last year (FY20), we had $145,000. This amazing support is due to the generosity of our Trustees and members. Thank you!
e. Use of prior year unrestricted (25): Due to other favorable items (especially the PPP forgivableloans), we did not use the budgeted prior year unrestricted surplus. ASOR may need to use some of the prior year surplus to meet diversity expenditures in FY22 as discussed at the May Board Meeting.
f. PPP Loan (27): ASOR was fortunate to qualify for a Second Draw forgivable loan. The second loan is not reflected in the budget to actual.

g. Membership and student scholarships (33): Unfavorable in terms of expenses, but they of coursebenefit our members. The unfavorable expenses are offset by favorable designated revenue.
h. Book production (36): Large increase for FY21 that is unfavorable (see below).
i. Audit / accounting (42): Unfavorable because of non-budgeted hiring of external accounting firm.
j. Allocable Expenses (37-47): Many of these items are favorable because expenses were not incurred due to the pandemic. Savings were offset by larger unfavorable items mentioned above.
k. Depreciation (48). Andy mistakenly reported in the May Board meeting that depreciation was part of the change in net assets for operations. Andy has removed it from the Budget to Actual because depreciation is factored into the changed in unrestricted assets without donor restrictions, but it doesn't impact the operational net assets. Since the budget had $5,000 for depreciation, this is favorable by $5,000
l. Increase in vacation allowance (49). Due to the pandemic, staff who were working remotely did not take vacation at prior year levels. The result was a large increase in the allowance for vacation. It is anticipated that staff will take vacation in FY2022, and this allowance will decrease back to normal levels.

1. Annual meeting registration fees and income. Income includes registration fees, exhibitor fees, program advertising, grants (TFBA, AIIrS), hotel concessions and reimbursements from research centers. For the 2020 VAM, ASOR did not have any hotel income or expenses. Registrations for 2020 were lower because of the virtual meeting, but we had a favorable situation where members allowed ASOR to keep $100,000 of registrations paid a higher rate for Boston. We refunded or reduced about $25,000 in registrations, and there was a high staff and bank charge cost associated with those refunds.

1' Annual Meeting expenses. These were outlined in more detailed in the December 2020 Executive Director's report. Direct expenses were lower than budgeted because we did not have hotel expenses—including reimbursement expenses from the research centers and other groups that bill events through ASOR. Expenses primarily consisted of the platform for the VAM and other costs related to Boston that were incurred prior to the meeting (e.g., cancellation insurance for the meeting—unfortunately, pandemics were excluded). The direct expenses do not include staff time.

Bottom line for Annual Meeting: The difference between budgeted direct revenue and direct expenses (again not including staff time or indirect expenses) compared to actual revenue and expenses was unfavorable by $45,000. Added staff time is on top of this. As noted above, the functional expense table in the audit shows expenses (including staff time) greater than revenues by about $96,000. Again, this unfavorable experience is one reason that ASOR qualified for the PPP loans.

2. Other educational events. The FY21 budget included FOA seminars and trips as "other education events." No in-person events or trips were conducted due to the ongoing pandemic. However, ASOR launched the FOA webinar series. Revenue from these events is included in this line item and also in the FOA revenue line item (sponsorships are found there). The FOA webinars have been very successful, and they have more net revenue than we pay for all FOA direct expenses (included the stipend for the editor of ANE Today). The webinars support scholarships, which directly help ASOR's bottom line as well as our members.

2’ Other education events expenses: These are charges directly related to the webinars (not including the Zoom licenses—where were covered by FOA designated gifts and sponsorships).

3. Dig scholarships awarded: For FY21, these were summer stipends. The stipends and scholarships were funded by endowment distributions and designated giving. The expenses (3’) equal revenue, and they are marked in gray because these designated funds do not impact our bottom line for unrestricted operations.

4. Dig scholarships funds placed in endowment: These are contributions to the endowment accounts (i.e., contributions to Meyers Endowment or Strange/Midkiff endowment). The expenses (4’) arethe same as revenue because all funds are placed in the endowment account. They are marked in gray because these designated funds do not impact our bottom line for unrestricted operations.

5. Excavation grants awarded in fiscal year. The excavation grants (Harris, Seger, and Shepard) are funded by endowment distributions and designated giving. The expenses (5’) equal revenue, and they are marked in gray because these designated funds do not impact our bottom line for unrestricted operations.Shepard Urgent Action Grants are included here even though not an endowment (yet).

6. Excavation grants placed in endowment. These are contributions to the endowment accounts (i.e., contributions to Geraty Endowment or Dana-2 Endowment). The expenses (6’) are the same as revenue because all funds are placed in the corresponding endowment account. They are marked in graybecause these designated funds do not impact our bottom line for unrestricted operations.

7. Fellowships for members in Fiscal Year. These were not awarded in FY21 because of the ongoing global pandemic. There is $11,000 in the TR Account for the Dever Fellowship and Travel to Collections Fellowship, and those restricted funds will be spent (assuming safe global health conditions) in FY22.

8. Fellowships for members placed in endowment. These are contributions to an endowment account (i.e., Mason Endowment). The expenses (8’) are the same as revenue because all funds are placed in the corresponding endowment account. They are marked in gray because these designated funds do notimpact our bottom line for unrestricted operations.

9. Nies Trust income and expenses. There are three revenue items: a) funds received from Citibank that are placed in the TR account (9’ has a corresponding expense); b) funds released from the TR account for direct expenses authorized by the Baghdad Committee (9’ has a responding expense); and c) funds ($7500) released for the support of JCS expenses incurred by ASOR staff (this expense is found in #34 below, and the JCS support is favorable for ASOR’s bottom line for unrestricted operations because it offsets ASOR salaries).

10. Cultural Heritage Initiatives (CHI)—Federal Grants. We have broken this category into federal and non-federal grants. The federal revenue includes income for direct expenses, as well as indirect dollars. The in-kind revenue is used for tracking volunteers contributing cost-shareto federal grants. The expenses (10’) are broken down into salaries and other direct expenses. Almost all of the salaries are favorable for ASOR’s bottom line because these are replacement dollars for ASOR staff. For FY21, ASOR received about $45,000 for continuing ASOR salaries. Some of the direct expenses also cover expenses that ASOR might otherwise incur (e.g., DropBox and Adobe licenses—of course these are used for

government grants primarily). The indirect funds are beneficial for ASOR's bottom line, and they are not marked as an expense. Per the implied directive in ASOR's strategic plan, ASOR CHI does not use unrestricted revenue.

11. Non-federal grants. These are gifts to ASOR CHI and non-federal grants. Again, ASOR CHI does not use unrestricted dollars,and these funds often offset ASOR staff salaries.

12. Subscription revenue. These funds are the royalties that ASOR's receives from University of Chicago Press. They are unrestricted revenue dollars. Fortunately, we have a guaranteed contract, so these funds have been consistent in spite of challenges presented by the ongoing global pandemic.

13. Membership revenue. These are unrestricted revenue dollars from membership dues. ASOR's membership reached an all-time high in Fiscal Year 22, but the revenue is slightly lower than budgeted. One reason for the difference is that many of the new memberships were Associate Memberships ($40 compared to $150). Another reason is that many ASOR members let their memberships lapse until March or April because of later due dates for the 2021 Annual Meeting paper proposals. Renewals in March and April only provide 25% of the membership fee for FY21, and the rest (75%) is deferred to FY22. Fortunately ASOR qualified for a Second Draw PPP Loan in part because of the drop in membership revenue from July
– September 2020.

14. Royalties and advertising. This is income from JSTOR back content. ASOR's income remained stable, but other societies reported lower income from JSTOR back content. We may see this income lineitem drop in future fiscal year because JSTOR has changed their royalty payment models.

15. TR Funds (gifts) released for current book expenses. Some books require a subvention, and this listed amount equals what has been released to support direct production expenses for the books. Startingwith FY21, ASOR is recognizing costs are they are incurred rather than when the books are sold. This is a more conservative method for recognizing all costs rather than postponing them.

Sales Revenue: Starting with FY21, we are recognizing revenue when it's received (we are pay two quarters behind by ISD). Because of lag in book production in 2019 and 2020, there was little revenue this fiscal year (FY21). In general, ASOR uses either money from the Opportunity Fund or from unrestricted dollars to support books. This year (FY21), the costs will be far greater than support from the OF, and so books were unfavorable by about $17,000 towards our bottom line for operations. Hopefully sales revenues will pick up in FY22 with the new accounting method and with more consistent output of books. Sales from ISD have been going down consistently, and ASOR may want to consider selling more books directly to our members (as we did in the Fall of 2021). 15' contains the release of funds from the OF to support book production, and #36 (book production is reduced by this release amount.

16. Annual Fund. FY20 was a banner year for unrestricted contributions ($147,000). That is amazing and a result of the generous gifts by our trustees and members. Although we budgeted $110,000 for FY21, we set a higher goal of $125,000 at the May Board Meeting (the same as the FY20 budget). This higher amount was needed in order to have close to a balanced budget for operations (also including the benefit of a Second Draw PPP forgivable loan). Unrestricted revenue.

17. Institutional memberships. We thought institutional memberships have leveled out to about 60

member institutions, but we experienced a further drop in FY21—probably because of the global pandemic.We have had several institutions pay in the last few weeks; Felice has done excellent work with renewals and re-joining in FY22. We are very close to getting back close to 60. I do not see this income line growing in future years, and it may continue to drop.

18. Endowment distribution. This is slightly higher than budgeted. We budgeted for the inclusion of the legacy gift from P. E. MacAllister and a 5% distribution rate beginning in 2021. The endowment distribution will be significantly higher in FY22 because we calculate distributions on the average from thepast 12 quarters, and because of the 5% distribution for the entire fiscal year.

19. Interest income and administrative fees: We budgeted $4,000 for interest income, and the actual was less than $50 for the entire year (rates dropped to almost zero). Fortunately, named endowment account balances have increased, so the admin fees (1% of the market value) are about $5,000more than budgeted. The result is that the combined revenue line item was slightly favorable for the fiscal year. The drop in interest income also was one contributing factor to qualification for a PPP forgivable loan. ASOR has forecast little to no interest revenue for FY22.

20. Designated gifts for endowment. These gifts are placed directly into the Endowment for Operations and contribute to increasing the market value (and then distributions) over time. The amountdonated for Endowment is slightly above budgeted. The Kershaw Bequest ($200,000) was placed in a Board-designated endowment that will function very similarly to the Endowment for Operations.

21. Designated gifts for the Board-designated Building Fund. We are now over half-way to reaching our goal of $500,00 for this board-designated fund. Unless the Board changes its instructions, distributions will not begin until we reach the $500,000 goal. Once the distributions begin, they will pay for upkeep and maintenance for the StrangeCenter, as well as support costs that currently impact our bottom line for operations. As of the date of the Board Meeting, this board-designated fund is approximately $320,000.

22. Designated gifts for diversity and the Diversity Challenge Campaign. This was not budgeted in FY21, but it was made possible by an extraordinary challenge gift from Carolyn Strange. These gifts established an endowment for BIPOC Fellowships, and they enabled ASOR to partner with Archaeology in the Community (AITC) to develop teaching resources to benefit underserved community at the Middle School and Secondary Level. They are also supporting funds for increased participation in ASOR by people ofcolor. At present, no unrestricted funds have been used to support direct expenses for diversity initiatives.

23. Other designated gifts. These gifts support such costs as our Zoom license (FOA gifts were given for this purpose), membership scholarships, and online resources. These expenses are tracked in the TR spreadsheet. Expenses for such items like membership scholarships may be supported by this revenue item.

24. Designated gifts for development. These are gifts to support development travel, fundraising events, and other development expenses. Because of the pandemic, these expenses were not incurred (e.g., no Legacy Circle Dinner or travel to meet with donors).

25. Use of prior year unrestricted balance. This is an allowance for using what has been called our "rainy day fund" to pay for expenses that are not ongoing. As noted above, ASOR did not need to make use of prior year surplus in FY21.

26. Reimbursement in lieu of rent. This reflects funds received from ACOR and other groups for building expenses, for direct postage costs, and for utilities / phones.

27. PPP loan forgiveness. ASOR received forgiveness of the First Draw loan in January 2021. ASOR anticipates qualifying for forgiveness of the Second Draw Loan, but that will not take place until next Fiscal Year (2022). Because most of the expenses will be incurred this fiscal year, the amount is listed as revenue, but the audit will not show the revenue from the Second Draw loan until Fiscal Year 2022. ASOR qualified for the Second Draw Loan because revenue from the 3rd calendar quarter (Jul – Sept) was lower by more than 25% for 2020 compared with 2019.

28. Legal services (in-kind). ASOR benefits from in-kind gifts from Arnold and Porter for various legal needs. This is an in-out items and does not impact our bottom line for operations.

29. Chair support (including LCP). This expense line item identifies direct expense support for activities of committees chaired by a member of the CCC, and it identifies programs that directly support ASOR archaeological and program support. These expenses use unrestricted revenue rather than program- specific revenue, or designated giving. For FY21, most of these expenses have been zero because of the pandemic. We have budget $10,000 of unrestricted dollars per year for the Levantine Ceramics Project (LCP), and this year (FY21) the actual was very close to that amount.

30. Meetings and travel for archaeological support (CAP trip). Because of the pandemic, thiscategory has not had any expenses.

31. Website. We should probably rename this line for the FY23 budget. Our new accounting firm puts expenses for the website in other areas. The expenses here are DropBox and other licenses used specificallyto increase online resources. This line item does not include any salaries or BlueHost fees for the website.

32. Presidential discretionary expenses. This enables the President to support something not budgeted. For FY21, this amount ($3,000) supported additional work (above the $10,000 commitment) for the LCP.

33. Membership and student scholarships. These are membership scholarships and other scholarships supported by the FOA webinars and designated gifts. The FOA webinars have been the drivingforce behind these scholarships, and the FOA program has contributed to ASOR's bottom line through sponsorships and registrations.

34. BASOR, NEA, JCS. Expenses directly related to the production of the journals. For BASOR, these are all editorial stipends and stipends for managing editor(s). For most years for NEA, these include travel to the Annual Meeting, but that expense was not incurred in FY21. For NEA it was all editorial and assistantstipends. For JCS, the only direct cost is to contribute $7500 to ASOR's costs, and that reduces staff salaries for ASOR.

35. JSTOR, journal, and membership expenses. This includes JSTOR fees, $1500 per month for

theANE Today editor, email (Informz) expenses, and other direct (non-salary) membership expenses.

36. Book production. Starting with FY21, ASOR is recognizing book expenses when they are incurred rather than when the books are sold. Because we did not produce many books in FY19 and FY20, there is not much revenue coming in now. Book expenses are up because the Caesarea volume (Holum) cost morethan normal, and because we have published more books this fiscal year. The Opportunity Fund is used to cover production expenses, and it has covered $12,500 of costs this fiscal year. Hopefully the situation will level in FY22 out as revenues offset future year expenses.

37. Salaries and benefits. The forecast is slightly above budget, and the cost is supported by the PPPforgivable loans. This line item is net of salaries allocated to CHI, diversity gift support, and JCS support. The actual is also higher than budgeted because we hired new staff to carry out diversity initiatives, and those new staff salaries were funded by designated gifts to diversity.

38. Building expenses, Office Administrative, and Utilities/Telephone. Our new auditing firm has placed more items in these categories. They also include maintenance and property taxes. When the Board- designated Building Fund reaching $500,000, this line item will be supported by that board-designated fund. The reimbursement revenue item reduces ASOR's direct cost for these line items.

39. Bank charges. These charges are now part of the specific program line items above, and this lineitem will not appear in the FY22 budget to actual.

40. Insurance. Non-building insurance policies, including liability, travel, errors and omissions. Rates went up slightly in FY21, and we anticipate that rates will be modestly higher than budgeted for FY22.

41. Auditing and accounting. Thanks for the volunteer work of Sheldon Fox, our auditing charges from Romeo and Wiggins was reduced. We increased our accounting support in November with the retention of Charity CFO and Todd Mann Management Group ($1500 per month for both). ASOR was informed by Charity CFO last month that they cannot provide the level of services that they agreed to provide in their two-year contract. We renegotiated the contract, and Britta has re-assumed all bookkeeping and QuickBooks entries. Charity CFO continues to do monthly reconciliations, which is a large benefit in terms of safety controls—the persons reconciling the accounts are not the ones who can make withdraws or write checks. With the return to Britta assuming journal entries, Andy has much more confidence in the accuracy of the financial entries, and Andy and Britta no long have to spend several days per month correcting errors that were consistently introduced by CCFO. At the May Board Meeting, it was hoped that Andy and Britta could reduce their level of effort with the onboarding of Charity CFO. That proved not to be the case, and there will not be any cost savings in FY22.

42. Equipment and supplies. This category includes more items than in past years including computers, stationary, and supplies for the Strange Center. It also includes direct mailing expenses and newstationary with ASOR's new name.

43. Abila database. This line item is ASOR's membership database and customer relationship module.

44. Office events, Jibrin, consulting. Reduced in FY21, and primarily includes $1500 for Clearview Fiduciary for investment advice and analysis.

45. Dues, etc. Membership and support of National Humanities Alliances, American Council ofLearned Societies, etc.

46. Travel. Greatly reduced in FY21 (one-time reduction).

47. Development. Greatly reduced in FY21 (one-time reduction).

48. Depreciation (including building). This expense reduces ASOR's fixed net assets without donor restrictions. The depreciation is not listed in the budget to actual because this spreadsheet only reflects the change in net assets available for operations. Andy mistakenly listed depreciation as effecting operations in the May Board Meeting.

49. Increase in vacation allowance. As noted above, staff did not take much vacation in FY21, so these allowance (which impacts our total net assets available for operations) increased by a much larger amount than in most years.