

TREASURER'S ANNUAL REPORT (PROVISIONAL) FY 2019

Reporting Period: October 1, 2018 – May 31, 2019

The Association of Black Psychologists, Inc.

Email: abpsi@abpsi.org

Website: www.abpsi.org

Tel: 301-449-3082

7119 Allentown Road, Ste, 203,
Ft. Washington, MD 20744

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TO OUR MEMBERS

Strategic Developments

ABPsi held a strategic planning workshop in January 2019. This workshop trained board members and other attendees on strategic management. It kicked off the development of a revised strategic framework to help guide business operations.

Financial Snapshot

While ABPsi earns \$500,000 in revenue, the organization is cash poor. ABPsi current owes \$62,978.19 in long-term liabilities due to using credit to pay for 2018 convention costs and using cash to pay for interim staffing solutions.

Operating Highlights

ABPsi took significant steps toward stabilizing its staffing infrastructure by hiring a Managing Director in June 2019. This essential leadership position had been vacant for approximately 12 months.

Looking Ahead

ABPsi aims to continue to right-size its staffing structure and stabilize its cash solvency. ABPsi anticipates generating earned revenue from ongoing fundraising efforts to increase its cash assets. Future strategic initiatives include developing Continuing Education webinars and other revenue generating products, programs that qualify to receive grant funding, maximizing efficiencies with limited staffing and financial resources, and reducing debt.

Ericka Jenifer, PhD, MPH, MBA

Treasurer

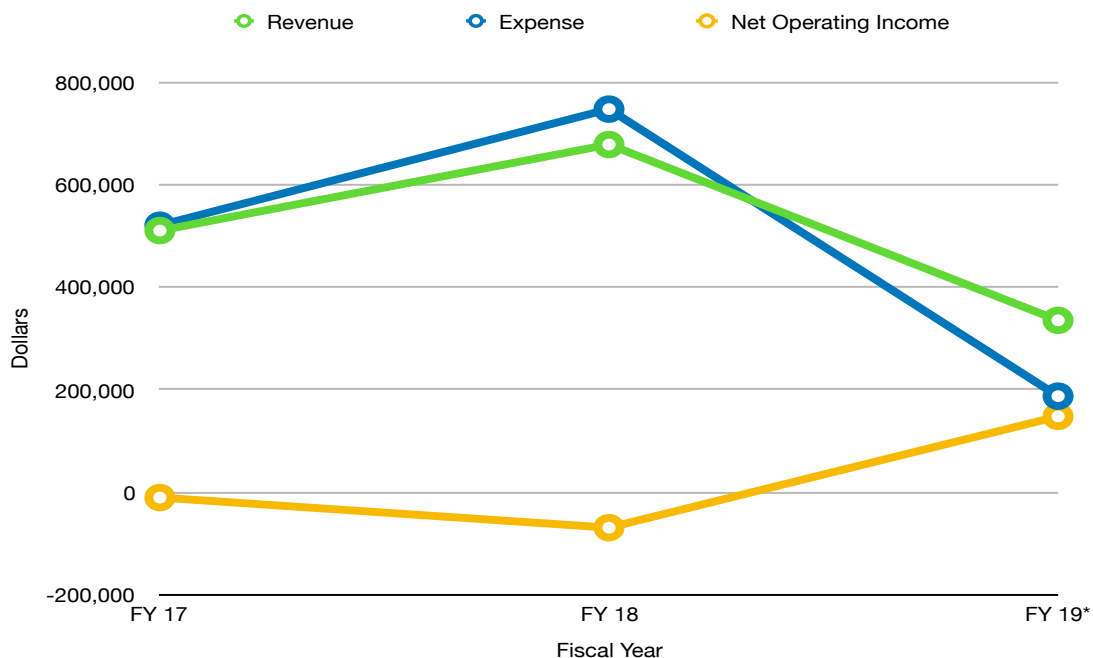
July 23, 2019

FINANCIAL SUMMARY

Revenue, Expense, and Income Trends

- ABPsi continued to successfully generate over a half a million dollars in revenue for the past two fiscal years. ABPsi remains on target to generate \$450,000 - \$500,000 in revenue in Fiscal Year (FY) 19.
- ABPsi's operated at a loss in FY 17 and FY 18. ABPsi's net loss was \$10,387.21 and \$69,135.90, respectively, for FY 17 and FY 18. See the figure below for additional details.

ABPsi's Revenue, Expense, and Income Trends in Dollars, FY 17 - FY 19*

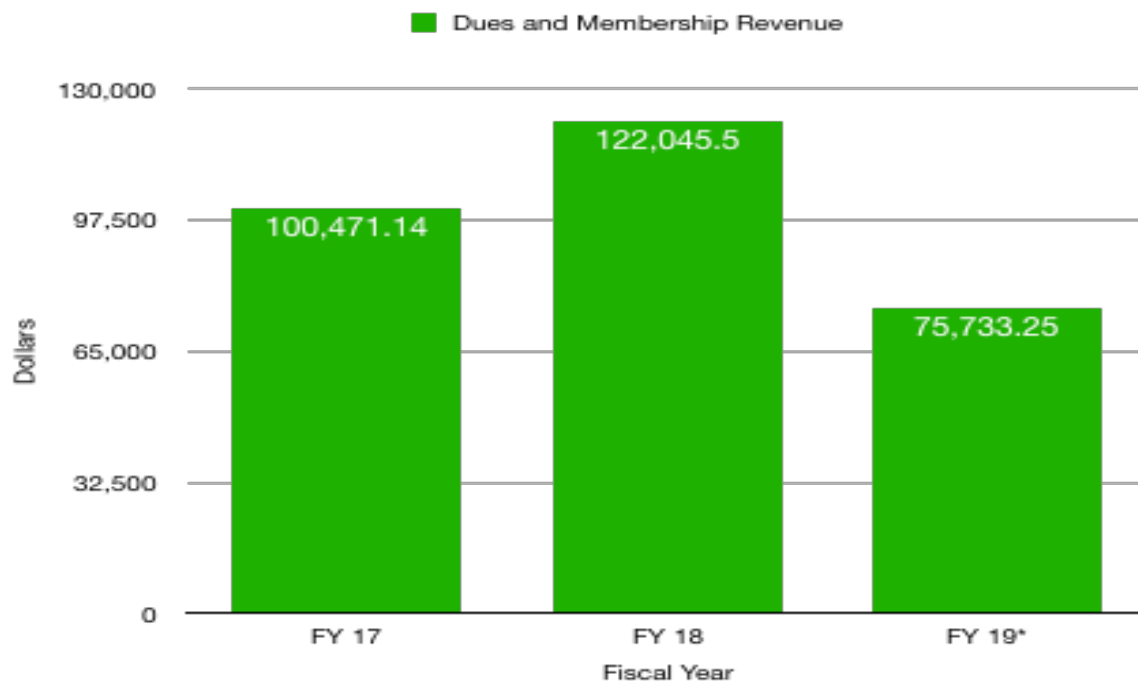


*Note: Because ABPsi is still in the current fiscal year, the data used for FY 19 in this provisional report is from a partial reporting period (i.e., October 1, 2018 - March 31, 2019). The data will be updated to include the entire fiscal year after FY 19 ends on September 30, 2019.

Dues and Membership Revenue Trends

- ABPsi continues to maintain a steady stream of revenue from dues and memberships. Dues and membership revenue may have been higher in FY 18 due to ABPsi's 50th Anniversary. See the figure below for details.

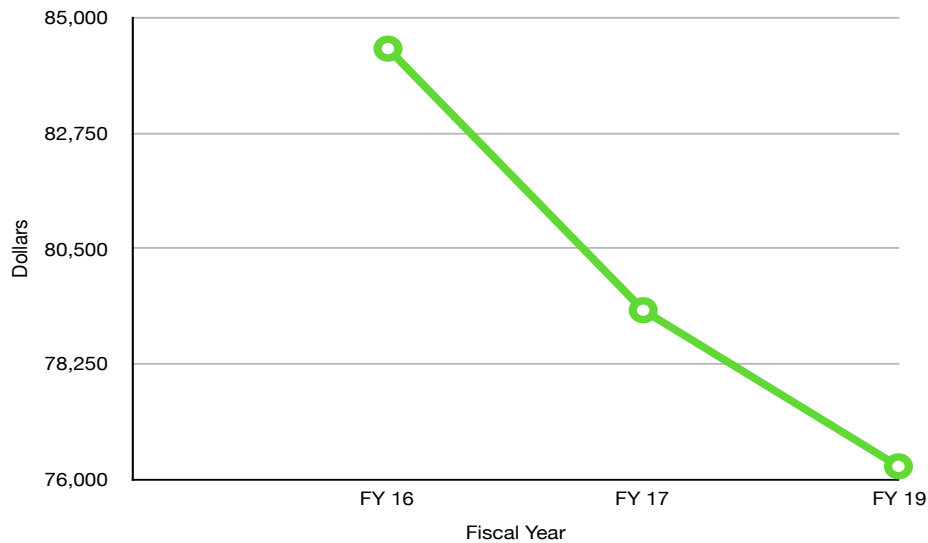
ABPsi's Dues and Membership Revenue Trends in Dollars, FY 17 - FY 19*



*Note: Because ABPsi is still in the current fiscal year, the data used for FY 19 in this provisional report is from a partial reporting period (i.e., October 1, 2018 - March 31, 2019). The data will be updated to include the entire fiscal year after FY 19 ends on September 30, 2019.

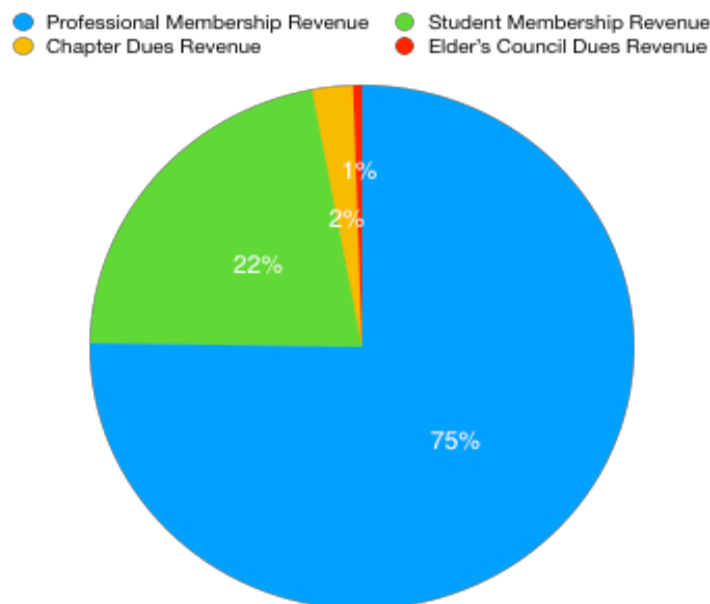
- Dues and membership revenue seems to be on a slight downward trend, compared to the amount of dues and membership revenue earned in FY 16 and FY 17 during the same reporting period (October 1 - May 31). See the figure below for additional details.
- On average, the amount of dues and membership revenue earned from October 1, 2018 to May 31, 2019 is \$6,000 less than the amount of dues and membership revenue earned in the same reporting period in FY 16 and FY 17 (\$84,400.00 and \$79,301.14, respectively). Staffing shortages contributed to delays with invoicing dues and membership renewals, which may have contributed to the downward trend in dues and membership revenue.

ABPsi's Dues and Membership Revenue in Dollars from
October 1st - May 31st for FY 16, FY17, and FY 19



Revenue from professional memberships comprises the majority (75%) of money ABPsi earned from dues and memberships in FY 19. Student memberships (22%) is the second largest source of ABPsi's revenue earned from Dues and Memberships in FY 19. See the figure below for additional details.

Percentage of ABPsi's Dues and Membership Revenue Earned in FY 19*, by Category



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FINANCIAL STATEMENTS

Statement of Financial Position

Association of Black Psychologists, Inc.

BALANCE SHEET COMPARISON

As of May 31, 2019

	TOTAL		
	AS OF MAY 31, 2019	AS OF MAY 31, 2018 (PY)	% CHANGE
ASSETS			
Current Assets			
Bank Accounts			
Checking/Operating			
10000 Wells Fargo Bank - Operating - 6266	201,947.68	192,949.04	4.66 %
10005 PNC Bank Non-Profit Checking - 1208	-1,415.50	80.24	-1,864.08 %
10015 Wells Fargo Bank - Past Pres. Council - 8345	1,096.16	1,453.25	-24.57 %
10016 Wells Fargo Bank - Elders - 4343	5,458.44	3,511.44	55.45 %
10020 Wells Fargo Bank - Student Circle - 7299	1,387.64	6,164.51	-77.49 %
10025 Wells Fargo Bank - Alliance Grant (AECF) - 7735	18,515.95	42,167.36	-56.09 %
1072 Bill.com Money (Holding) Out Clearing	0.00	0.00	
Total Checking/Operating	226,990.37	246,325.84	-7.85 %
Money Market/Savings			
11000 Calvert Money Market - 1385	105,766.52	154,289.10	-31.45 %
11010 Maddisons Fund - Mosaic Fund - 7556	533.37	527.60	1.09 %
11100 Petty Cash (Cash on Hand)	0.00	0.00	
PayPal (Abpsi National)	518.99	242.45	114.06 %
PayPal (Abpsi SC)	3,335.72	1,830.81	82.20 %
Total Money Market/Savings	110,154.60	156,889.96	-29.79 %
Total Bank Accounts	\$337,144.97	\$403,215.80	-16.39 %
Accounts Receivable			
Accounts Receivable	0.00	0.00	
12010 Other Accounts Receivable	0.00	0.00	
12060 Allowance - Non Collectible Commitments	630.00	630.00	0.00 %
Total Accounts Receivable	630.00	630.00	0.00 %
Total Accounts Receivable	\$630.00	\$630.00	0.00 %
Other Current Assets			
12099 Undeposited Funds	0.00	2,500.00	-100.00 %
13010 Inventory (Merchandise For Sale)	4,334.00	1,965.00	120.56 %
14000 Prepaid Expenses	0.00	0.00	
14010 Prepaid General Expenses	720.00	3,358.98	-78.56 %
14015 Prepaid Insurance Expenses	2,282.28	1,089.00	109.58 %
14016 Prepaid Conference & Meeting Expenses	36,649.22	46,000.00	-20.33 %
Total 14000 Prepaid Expenses	39,651.50	50,447.98	-21.40 %
15010 Security Deposit(s)	2,500.00	2,500.00	0.00 %
15050 Employee Advances	0.00	0.00	
15090 Other Current Assets	0.00	0.00	
Inventory Asset	2,000.00		
Total Other Current Assets	\$48,485.50	\$57,412.98	-15.55 %
Total Current Assets	\$386,260.47	\$461,258.78	-16.26 %

	TOTAL		
	AS OF MAY 31, 2019	AS OF MAY 31, 2018 (PY)	% CHANGE
Fixed Assets			
16030 Furniture and Fittings	7,400.77	7,400.77	0.00 %
16035 Acc Depre Furniture & Fittings	-3,258.08	-2,495.24	-30.57 %
Total 16030 Furniture and Fittings	4,142.69	4,905.53	-15.55 %
16040 Machinery & Equipment	307.39	307.39	0.00 %
16045 Accum Deprec - Equipment	-307.39	-307.39	0.00 %
Total 16040 Machinery & Equipment	0.00	0.00	
16050 Computer Equipment	13,171.98	7,382.93	78.41 %
16055 Acc Depreciation Computers	-8,603.47	-7,174.09	-19.92 %
Total 16050 Computer Equipment	4,568.51	208.84	2,087.56 %
Total Fixed Assets	\$8,711.20	\$5,114.37	70.33 %
TOTAL ASSETS	\$394,971.67	\$466,373.15	-15.31 %
LIABILITIES AND EQUITY			
Liabilities			
Current Liabilities			
Accounts Payable			
20010 Accounts Payable	0.00	0.00	
Total Accounts Payable	\$0.00	\$0.00	0.00 %
Credit Cards			
20030 Dell Business Credit - 4828143	3,580.15	0.00	
20031 Staples Credit - 0860	0.00	0.00	
20033 Wells Fargo Bank Visa - Office	0.00	3,316.08	-100.00 %
20034 20034 Wells Fargo Bank Visa - President	18,473.95	4,529.73	307.84 %
Total Credit Cards	\$22,054.10	\$7,845.81	181.09 %
Other Current Liabilities			
20050 Accrued Expenses	0.00		
24002 Deferred Grants	0.00	18,333.00	-100.00 %
26000 Payroll Tax Liabilities	0.00	0.00	
27001 PNC Bank - LOC - 0793	44,504.24	16,541.20	169.05 %
Deferred Revenue(s)			
24000 Deferred Conference Registration	50,685.00	103,611.50	-51.08 %
24001 Deferred Sponsorships	0.00	34,500.00	-100.00 %
Total Deferred Revenue(s)	50,685.00	138,111.50	-63.30 %
Total Other Current Liabilities	\$95,189.24	\$172,985.70	-44.97 %
Total Current Liabilities	\$117,243.34	\$180,831.51	-35.16 %
Total Liabilities	\$117,243.34	\$180,831.51	-35.16 %
Equity			
30000 Retained Earnings	234,596.55	228,484.16	2.68 %
30010 Fund Equity	0.00	0.00	
30030 Unrealized gain/loss on investments	-10,916.40	-10,916.40	0.00 %
Net Income	54,048.18	67,973.88	-20.49 %
Total Equity	\$277,728.33	\$285,541.64	-2.74 %
TOTAL LIABILITIES AND EQUITY	\$394,971.67	\$466,373.15	-15.31 %

Statement of Comprehensive Income (Profits and Losses)

The Association of Black Psychologists, Inc				
FY 19 - Budget vs. Actual				
October 1, 2018 - May 31, 2019				
	Actual	Budget	over Budget	% of Budget
Income				
4 GRANTS & CONTRIBUTED INCOME SUPPORT	0.00	0.00	0.00	
40010 Government Grants	0.00	10,000.00	-10,000.00	0.00%
40015 Corporate-Business Grants	10,000.00	0.00	10,000.00	
40030 Partners/Sponsors Gift Support	1,500.00	0.00	1,500.00	
40040 General Fundraising	0.00	1,000.00	-1,000.00	0.00%
40050 Scholarship Fund	250.00	1,000.00	-750.00	25.00%
40060 Funding Donation(s)	15,212.18	16,000.00	-787.82	95.08%
40065 General Donations	2,823.91	10,000.00	-7,176.09	28.24%
Total 4 GRANTS & CONTRIBUTED INCOME SUPPORT	\$ 29,786.09	\$ 38,000.00	-\$ 8,213.91	78.38%
5 EARNED REVENUES	0.00	0.00	0.00	
50001 Dues-Memberships	87,732.00	95,000.00	-7,268.00	92.35%
50005 Royalties	118,483.75	118,000.00	483.75	100.41%
50008 Other Income	5,500.00	5,500.00	0.00	100.00%
CONFERENCE and MEETING INCOME	0.00	0.00	0.00	
51002 Specialized Training	0.00	6,800.00	-6,800.00	0.00%
51005 General Partnership/Sponsorship	7,000.00	30,000.00	-23,000.00	23.33%
51006 Registration-Fee Income	69,360.00	98,000.00	-28,640.00	70.78%
51007 Registration-Exhibitor(s) Income	5,625.00	8,000.00	-2,375.00	70.31%
51008 Ticketed Activities	195.00	200.00	-5.00	97.50%
52000 Program Book Advertisement	4,700.00	5,000.00	-300.00	94.00%
Total CONFERENCE and MEETING INCOME	\$ 86,880.00	\$ 148,000.00	-\$ 61,120.00	58.70%
PROGRAMS & SPECIAL EVENTS INCOME	0.00	0.00	0.00	
42000 News Journal Advertising	0.00	250.00	-250.00	0.00%
42100 Subscriptions	110.00	0.00	110.00	
43090 Student Circle	100.00	2,000.00	-1,900.00	5.00%
43100 JBP Editorial Board Stipend	17,500.00	25,000.00	-7,500.00	70.00%
43250 Online Career Center Income	68,046.10	65,000.00	3,046.10	104.69%
43300 Ancillary Revenue (Amazon Smile)	349.46	400.00	-50.54	87.37%
43500 License, Certification & Proficiency Programs	-45.25	0.00	-45.25	
46100 Trauma Relief Fund	0.00	50.00	-50.00	0.00%
47000 Continuing Education Income (CEU)	6,600.00	5,900.00	700.00	111.86%
47300 Journal of Black Psychology Sales	18,750.00	15,000.00	3,750.00	125.00%
51011 Merchandise Sales	450.00	2,500.00	-2,050.00	18.00%
Total PROGRAMS & SPECIAL EVENTS INCOME	\$ 111,860.31	\$ 116,100.00	-\$ 4,239.69	96.35%
Total 5 EARNED REVENUES	\$ 410,456.06	\$ 482,600.00	-\$ 72,143.94	85.05%
OTHER PRIMARY INCOME	0.00	0.00	0.00	
48000 Interest Income	6.76	2,000.00	-1,993.24	0.34%
48400 Billable Expense Income	0.00	200.00	-200.00	0.00%
Total OTHER PRIMARY INCOME	\$ 6.76	\$ 2,200.00	-\$ 2,193.24	0.31%
Total Income	\$ 440,248.91	\$ 522,800.00	-\$ 82,551.09	84.21%
Cost of Goods Sold				
49000 Cost of Goods Sold	0.00	500.00	-500.00	0.00%
Total Cost of Goods Sold	\$ 0.00	\$ 500.00	-\$ 500.00	0.00%
Gross Profit	\$ 440,248.91	\$ 522,300.00	-\$ 82,051.09	84.29%

Expenses				
70000 GRANTS & CONTRIBUTED ALLOCATIONS	0.00	0.00	0.00	
70009 Grants - Restricted Projects	12,251.01	15,000.00	-2,748.99	81.67%
70010 Scholarship Fund Expenses	0.00	500.00	-500.00	0.00%
70020 Grants - To Other Organizations	0.00	500.00	-500.00	0.00%
70030 Grants & Awards - To Individuals	0.00	1,000.00	-1,000.00	0.00%
70040 Partners/Sponsors & Supported Expenses	0.00	300.00	-300.00	0.00%
70050 Benefits - Paid to/for Members	0.00	100.00	-100.00	0.00%
Total 70000 GRANTS & CONTRIBUTED ALLOCATIONS	\$ 12,251.01	\$ 17,400.00	-\$ 5,148.99	70.41%
71000 SALARIES & RELATED EXPENSES	0.00	0.00	0.00	
71001 Salaries - Officer & Directors	7,464.74	42,500.00	-35,035.26	17.56%
71009 Salaries - Administrative Manager	32,916.57	50,000.00	-17,083.43	65.83%
71010 Salaries - Temporary Administrative	29,150.00	40,000.00	-10,850.00	72.88%
71018 Salaries - Bonus	0.00	100.00	-100.00	0.00%
71020 Benefits - Medical/Pension/Retirement	0.00	7,000.00	-7,000.00	0.00%
71030 Other Employee/Staff Expenses	0.00	250.00	-250.00	0.00%
71040 Payroll Employer Taxes	4,448.22	8,000.00	-3,551.78	55.60%
71050 Workman's Comp Insurance	211.75	650.00	-438.25	32.58%
71060 Payroll Processing Fees	900.00	2,100.00	-1,200.00	42.86%
Total 71000 SALARIES & RELATED EXPENSES	\$ 75,091.28	\$ 150,600.00	-\$ 75,508.72	49.86%
72000 PROFESSIONAL SERVICES	0.00	0.00	0.00	
72001 Executive Director	4,800.00	0.00	4,800.00	
72002 Meeting Planner	9,900.00	10,000.00	-100.00	99.00%
72010 Accounting Services	41,600.00	40,000.00	1,600.00	104.00%
72020 Legal Fees	18,594.74	25,000.00	-6,405.26	74.38%
72090 Other Administrative Fees	8,537.50	31,500.00	-22,962.50	27.10%
72091 Technical Support	0.00	2,500.00	-2,500.00	0.00%
Fundraiser	5,000.00	8,200.00	-3,200.00	60.98%
Total 72000 PROFESSIONAL SERVICES	\$ 88,432.24	\$ 117,200.00	-\$ 28,767.76	75.45%
80000 OCCUPANCY EXPENSES	0.00	0.00	0.00	
72092 Janitorial	1,850.60	2,000.00	-149.40	92.53%
80001 National Office Rental Lease	12,793.00	14,100.00	-1,307.00	90.73%
80005 Repairs & Maintenance	1,167.00	1,000.00	167.00	116.70%
80010 National Office Utilities	1,861.34	2,300.00	-438.66	80.93%
80015 National Office Telephone	4,131.08	4,000.00	131.08	103.28%
Total 80000 OCCUPANCY EXPENSES	\$ 21,803.02	\$ 23,400.00	-\$ 1,596.98	93.18%
81000 CONFERENCE and MEETING Expenses	0.00	0.00	0.00	
81012 Conferences & Meetings/Venue	20,639.33	16,200.00	4,439.33	127.40%
81030 Food & Beverage	31,208.45	49,500.00	-18,291.55	63.05%
81107 Awards & Plaques	1,223.41	500.00	723.41	244.68%
81120 Entertainment	950.00	2,400.00	-1,450.00	39.58%
81125 AV (Audio Visual) Rental	8,688.15	20,000.00	-11,311.85	43.44%
81130 Decorations	0.00	1,000.00	-1,000.00	0.00%
Total 81012 Conferences & Meetings/Venue	\$ 62,709.34	\$ 89,600.00	-\$ 26,890.66	69.99%

CONFERENCE & MEETING TRAVEL EXP	0.00	0.00	0.00	
81026 Speaker(s) and Guests	0.00	1,000.00	-1,000.00	0.00%
81051 Lodging - Officers & PP	6,933.75	4,000.00	2,933.75	173.34%
81053 Lodging - Speakers/Guest (Convention)	5,139.55	900.00	4,239.55	571.06%
81059 Lodging - Staff	4,182.06	2,800.00	1,382.06	149.36%
81061 Travel - Air/Rail Per-Diem Staff	1,169.82	2,500.00	-1,330.18	46.79%
81062 Travel - Air/Rail Per-Diem Guest/Speakers	2,923.51	1,250.00	1,673.51	233.88%
81064 Travel - Meals Per-Diem Guest/Speakers	0.00	250.00	-250.00	0.00%
81065 Travel - Meals Per-Diem Staff	0.00	1,425.00	-1,425.00	0.00%
Total CONFERENCE & MEETING TRAVEL EXP	\$ 20,348.69	\$ 14,125.00	\$ 6,223.69	144.06%
CONFERENCE Advertising/Promotional	0.00	0.00	0.00	
81105 Advertising & Public Relations	69.93	5,000.00	-4,930.07	1.40%
81110 Souvenir Program Book	3,600.78	5,000.00	-1,399.22	72.02%
Total CONFERENCE Advertising/Promotional	\$ 3,670.71	\$ 10,000.00	-\$ 6,329.29	36.71%
PRODUCTION & OTHER EVENT EXPENSES	0.00	0.00	0.00	
81033 Equipment Leasing	47.29	2,000.00	-1,952.71	2.36%
81034 Shipping, Freight & Delivery	1,396.66	6,000.00	-4,603.34	23.28%
81035 Bags-Badges-Merchandise	-250.00	4,600.00	-4,850.00	-5.43%
81036 Supplies	3.91	900.00	-896.09	0.43%
81111 Printing & Reproduction	0.00	1,200.00	-1,200.00	0.00%
81149 Other Miscellaneous Service Cost	4,210.00	1,000.00	3,210.00	421.00%
Total PRODUCTION & OTHER EVENT EXPENSES	\$ 5,407.86	\$ 15,700.00	-\$ 10,292.14	34.44%
Total 81000 CONFERENCE and MEETING Expenses	\$ 92,136.60	\$ 129,425.00	-\$ 37,288.40	71.19%
82000 TRAVEL EXPENSES	0.00	0.00	0.00	
82001 Travel - Officers & Directors	0.00	1,000.00	-1,000.00	0.00%
82002 Travel - President	0.00	3,000.00	-3,000.00	0.00%
82003 Travel - President-Elect	0.00	1,500.00	-1,500.00	0.00%
82004 Travel - Board Stipend(s)	0.00	5,000.00	-5,000.00	0.00%
82005 Travel - Event Committee(s)	136.66	0.00	136.66	
82006 Travel - Speakers/Guests	0.00	100.00	-100.00	0.00%
82007 Travel - Executive Director	0.00	750.00	-750.00	0.00%
82010 Travel - Per Diem Staff	0.00	1,500.00	-1,500.00	0.00%
Total 82000 TRAVEL EXPENSES	\$ 136.66	\$ 12,850.00	-\$ 12,713.34	1.06%
83000 OFFICE EXPENSES	0.00	0.00	0.00	
83001 Office Supplies	1,600.75	5,000.00	-3,399.25	32.02%
83010 Dues & Subscription	386.88	2,300.00	-1,913.12	16.82%
83012 General Postage/Shipping & Delivery	1,523.39	2,000.00	-476.61	76.17%
83013 General Printing & Reproduction	71.94	1,500.00	-1,428.06	4.80%
83030 IT Hosting/Repair/Maintenance	0.00	500.00	-500.00	0.00%
83031 Computer Software	2,707.18	4,000.00	-1,292.82	67.68%
83032 Webmaster/Website Hosting	1,702.00	5,000.00	-3,298.00	34.04%
83050 Equipment Purchase (Non-Asset)	224.93	500.00	-275.07	44.99%
83051 Office Equipment Leasing	1,854.21	2,500.00	-645.79	74.17%
84003 Office/General Administrative Expenses	3,246.94	2,000.00	1,246.94	162.35%
Total 83000 OFFICE EXPENSES	\$ 13,318.22	\$ 25,300.00	-\$ 11,981.78	52.64%

84000 OTHER EXPENSES	0.00	0.00	0.00	
83040 Insurance- General	0.00	500.00	-500.00	0.00%
83041 Insurance - O&D	481.25	1,600.00	-1,118.75	30.08%
84001 Advertising	450.00	1,500.00	-1,050.00	30.00%
84002 Bank & Merchant Processing Fees	9,744.92	11,000.00	-1,255.08	88.59%
84004 Staff Appreciation - Other Expenses	0.00	300.00	-300.00	0.00%
84080 Business Licenses & Permits	1,310.50	500.00	810.50	262.10%
84095 LOC_PNC_0793 Interest Fees	2,320.34	1,000.00	1,320.34	232.03%
84096 Finance/Late & Interest Charges	3,805.37	3,000.00	805.37	126.85%
84098 Bad Debts	0.00	1,000.00	-1,000.00	0.00%
84099 Other Miscellaneous Cost	0.00	1,500.00	-1,500.00	0.00%
Total 84000 OTHER EXPENSES	\$ 18,112.38	\$ 21,900.00	-\$ 3,787.62	82.70%
85000 PROGRAMS & SPECIAL EVENTS	0.00	0.00	0.00	
85001 Marketing & Public Relations	0.00	6,000.00	-6,000.00	0.00%
85002 Awards (Programs & Special Events)	0.00	2,000.00	-2,000.00	0.00%
85010 Continuing Education Expenses (CEU)	0.00	860.00	-860.00	0.00%
LCPP Program	0.00	1,000.00	-1,000.00	0.00%
LDI Program (Leadership Development)	0.00	500.00	-500.00	0.00%
Total 85010 Continuing Education Expenses (CEU)	\$ 0.00	\$ 2,360.00	-\$ 2,360.00	0.00%
85050 Membership Database	1,665.00	17,000.00	-15,335.00	9.79%
85051 Membership Printing and Postage	548.61	5,000.00	-4,451.39	10.97%
85065 Journal of Black Psychology	24,500.00	25,000.00	-500.00	98.00%
85070 Psych Discourse	1,500.00	1,500.00	0.00	100.00%
85080 SAGE Research Award Expenses	0.00	500.00	-500.00	0.00%
85090 Student Circle	15.00	2,000.00	-1,985.00	0.75%
85091 General Assembly	0.00	2,500.00	-2,500.00	0.00%
85099 Other Programs Special Events	0.00	3,500.00	-3,500.00	0.00%
Total 85000 PROGRAMS & SPECIAL EVENTS	\$ 28,228.61	\$ 67,360.00	-\$ 39,131.39	41.91%
90001 Unapplied Cash Bill Payment Expense	-1,163.00	0.00	-1,163.00	
Total Expenses	\$ 348,347.02	\$ 565,435.00	-\$ 217,087.98	61.61%
Net Operating Income	\$ 91,901.89	-\$ 43,135.00	\$ 135,036.89	-213.06%
Other Expenses				
94000 OTHER OPERATING EXPENSES	0.00	0.00	0.00	
94010 Taxes-Others	134.84	300.00	-165.16	44.95%
94020 Property - County Taxes	119.54	350.00	-230.46	34.15%
Total 94000 OTHER OPERATING EXPENSES	\$ 254.38	\$ 650.00	-\$ 395.62	39.14%
95000 DEPRECIATION & AMORTIZATION	0.00	0.00	0.00	
95010 Depreciation	2,605.72	1,000.00	1,605.72	260.57%
Total 95000 DEPRECIATION & AMORTIZATION	\$ 2,605.72	\$ 1,000.00	\$ 1,605.72	260.57%
Total Other Expenses	\$ 2,860.10	\$ 1,650.00	\$ 1,210.10	173.34%
Net Other Income	-\$ 2,860.10	-\$ 1,650.00	-\$ 1,210.10	173.34%
Net Income	\$ 89,041.79	-\$ 44,785.00	\$ 133,826.79	-198.82%

Statement of Cash Flows

Association of Black Psychologists, Inc.

STATEMENT OF CASH FLOWS

October 2018 - May 2019

	TOTAL
OPERATING ACTIVITIES	
Net Income	146,441.61
Adjustments to reconcile Net Income to Net Cash provided by operations:	
12010 Accounts Receivable:Other Accounts Receivable	-1,725.00
14010 Prepaid Expenses:Prepaid General Expenses	-720.00
14015 Prepaid Expenses:Prepaid Insurance Expenses	-522.28
14016 Prepaid Expenses:Prepaid Conference & Meeting Expenses	-36,649.22
Inventory Asset	-2,000.00
16055 Computer Equipment:Acc Depreciation Computers	921.44
20010 Accounts Payable	-92,085.43
20030 Dell Business Credit - 4828143	-1,545.94
20034 20034 Wells Fargo Bank Visa - President	15,915.44
20050 Accrued Expenses	-1,407.50
24000 Deferred Revenue(s):Deferred Conference Registration	51,035.00
26000 Payroll Tax Liabilities	0.00
27001 PNC Bank - LOC - 0793	34,158.41
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	-34,625.08
Net cash provided by operating activities	\$111,816.53
INVESTING ACTIVITIES	
16035 Furniture and Fittings:Acc Depre Furniture & Fittings	381.42
Net cash provided by investing activities	\$381.42
NET CASH INCREASE FOR PERIOD	\$112,197.95
Cash at beginning of period	224,947.02
CASH AT END OF PERIOD	\$337,144.97

NOTES TO FINANCIAL STATEMENTS

Accounts

Available Cash - Wells Fargo Checking Accounts: While ABPsi has several checking accounts with Wells Fargo, it only uses one of these bank accounts for the majority of its business operations. The remaining four Wells Fargo bank accounts are restricted to use for costs related to the Past President's Council, Council of Elders, Student Circle, and grant activities.

During this reporting period (October 1, 2018 - May 31, 2019), ABPsi had \$201,947.68 in its business operations bank account. As of July 23, 2019, \$134,935.16 is the available balance in ABPsi's business operations bank account.



Cash Reserves - Calvert Money Market Account: ABPsi withdrew \$50,000 from the Calvert money market account in May 2019 to ensure that it has enough cash on hand to pay for a Managing Director's salary for six months. Because ABPsi operated a net loss in FY 17 and FY 18, it did not deposit any cash into the Calvert money market account to replace funds withdrawn from this investment account in previous fiscal years. ABPsi also did not deposit lifetime dues revenue into the Calvert money market account in FY 17 or FY 18.

ABPsi commits to replacing money withdrawn from the Calvert money market account. The Managing Director and Treasurer will develop an internal process to track the amount of money withdrawn from and redeposited into the Calvert fund. At the end of FY19, this report will be updated with a specific plan for replacing the money withdrawn from the Calvert money market account.

Debt

Accounts Payables: By paying its bills within 30 days, ABPsi does well with keeping either a low or zero balance on the amount of money it owes others for business operations.

Short-term Liabilities: ABPsi does a good job with paying off its short-liabilities in a timely manner. (Short-term liabilities are debt that the organization anticipates paying off in 31 days to one year from when the debt was incurred.)

Note: Conference registration and sponsorships are categorized as deferred liabilities on the balance sheet because they are monies collected for an event that has not yet occurred (as of May 31, 2019). After convention occurs, ABPsi will be able to count these dollars as revenue in the balance statement. This general accounting reporting procedure is used to record revenue collected for events where the money would need to be repaid to customers if the organization cancels that event.

Long-term Liabilities: ABPsi owes \$62,978.19 in long-term liabilities (i.e., debt that will take the organization longer than one year to pay off). ABPsi incurred this debt by using its credit card and maxing out its Line of Credit (LOC) with PNC Bank to pay for unanticipated hotel expenses for the 2018 convention.

Throughout the fiscal year, ABPsi's paid from \$1228 to \$6220.27 per month to reduce the debt on these two accounts. The majority of money paid (from \$528 to \$5220.27) per month was directed towards to paying down the balance on ABPsi's credit card because the credit card has a higher interest rate than the PNC Bank LOC.

Uncollectable Debt: ABPsi generally has a low rate of uncollectable debt, indicating that its customers typically pay in full for the products/services provided by ABPsi.

Going Concern

ABPsi consistently generates over \$500,000 in revenue; yet it is cash poor. ABPsi uses its available revenue to pay for its operational expenses and growing long-term liabilities.

Upcoming Slow Revenue Period, 1st Quarter FY 20: ABPsi traditionally enters a slow revenue period from October to December each fiscal year. Thus, ABPsi will need an estimated \$100,000 in cash to ensure that the organization can pay for its operational expenses for the first quarter of FY 20.

Perceived to be a High Credit Risk: Financial institutions denied ABPsi the opportunity to increase its current line of credit and to obtain a new line of credit this FY. They considered ABPsi to be at a high risk of defaulting on the

LOC repayment because of ABPsi's high debt, low cash reserves, and poor creditworthiness rating (e.g., Dunn and Bradstreet score). ABPsi's poor creditworthiness also significantly contributed to unfavorable repayment terms for the 2019 convention hotel expenses.

Contingent Liabilities

ABPsi may incur additional legal expenses, pending the outcome of an Equal Employment Opportunity (EEO) case. To date this EEO case cost ABPsi approximately \$200,000, which significantly contributed to ABPsi's current cash poor status.

Takeaways

One of ABPsi's fiscal strengths is its ability to consistently generate revenue. A serious threat to ABPsi's fiscal health is its pattern of spending more than the organization earns in a fiscal year. As a result, the ABPsi is cash poor. ABPsi supplemented its financial deficit by using money from its cash reserves to cover some expenses. In the past fiscal year, ABPsi has been unable to replenish its cash reserves due to its need to prioritize paying down debt. Because of its poor creditworthiness rating, high debt, and low amount of cash reserves, ABPsi will likely be unable to borrow money from a financial

institution in the near future to cover cost overruns.

ABPsi can improve its fiscal health by:

- Continue to pursue generating additional revenue streams (e.g., webinar sales, fundraising with corporate sponsors, membership donation/renewal campaigns, etc.);
- Improving its operational infrastructure to support the development of additional revenue streams;
- Develop programs owned by ABPsi to produce specific products (e.g., Black psychology educational trainings/continuing education/webinars) and/or services to members in the broader community;
- Recruiting new members, with focus on increasing the number of professional members in the organization;
- Continue to engage in cost reduction strategies (e.g., utilizing staff more efficiently, planning events more proactively, utilizing technology to implement paperless solutions, holding leaner conventions, deferring payment of board stipends, etc.);
- Continue to aggressively pay down its long-term debt; and
- Re-building its cash reserves.

INDEPENDENT AUDITOR'S REPORT

Auditor's Report

ABPsi is currently undergoing its annual audit review. The auditor's report will be included in ABPsi's annual fiscal report upon completion of the audit.