

**THE SOCIETY FOR THE STUDY  
OF SOCIAL PROBLEMS, INC.**

**Financial Statements**

**December 31, 2014 and 2013**

**(With Independent Auditors' Report Thereon)**



**LATTIMORE BLACK MORGAN & CAIN, PC**  
CERTIFIED PUBLIC ACCOUNTANTS AND BUSINESS ADVISORS

**THE SOCIETY FOR THE STUDY OF SOCIAL PROBLEMS, INC.**

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors of  
The Society for the Study of Social Problems, Inc.:

We have audited the accompanying financial statements of The Society for the Study of Social Problems, Inc. (the "Society") which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities and cash flows for the years 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 the 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 auditors' 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 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 Society for the Study of Social Problems, Inc. as of December 31, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Lattimore Black Morgan & Cain, PC*

Knoxville, Tennessee  
April 29, 2015

THE SOCIETY FOR THE STUDY OF SOCIAL PROBLEMS, INC.

Statements of Financial Position

December 31, 2014 and 2013

	<u>Assets</u>	
	<u>2014</u>	<u>2013</u>
Cash and cash equivalents	\$ 243,336	\$ 182,267
Investments	729,068	671,853
Accounts receivable	24,734	211,114
Prepaid expenses	2,955	9,563
Equipment, net	2,435	5,881
Deposits	<u>4,691</u>	<u>4,691</u>
Total assets	<u>\$ 1,007,219</u>	<u>\$ 1,085,369</u>
	<u>Liabilities and Net Assets</u>	
<b>Liabilities:</b>		
Accounts payable	\$ 103,362	\$ 112,371
Accrued expenses	11,163	8,928
Deferred revenue	<u>72,298</u>	<u>288,930</u>
Total liabilities	<u>186,823</u>	<u>410,229</u>
<b>Net assets:</b>		
Unrestricted	708,865	570,306
Temporarily restricted	2,828	2,548
Permanently restricted	<u>108,703</u>	<u>102,286</u>
Total net assets	<u>820,396</u>	<u>675,140</u>
Total liabilities and net assets	<u>\$ 1,007,219</u>	<u>\$ 1,085,369</u>

See accompanying notes to the financial statements.

THE SOCIETY FOR THE STUDY OF SOCIAL PROBLEMS, INC.

Statements of Activities

Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>Changes in unrestricted net assets:</b>		
<b>Unrestricted revenues, gains and other support:</b>		
Contributions	\$ 4,244	\$ 6,636
Annual meeting	135,285	157,130
Journals and publications	416,278	374,612
Membership dues	156,450	163,235
Dividends and interest income	48,397	59,373
Net unrealized gain on investments	<u>11,843</u>	<u>26,949</u>
<b>Total unrestricted revenues, gains and other support</b>	<u>772,497</u>	<u>787,935</u>
<b>Expenses:</b>		
Executive officer and administrative office	258,173	240,813
Annual meeting	114,267	126,299
Journals and publications	198,316	238,296
Board governance	9,471	7,821
Committees	26,858	31,275
Awards, scholarships and related expenses	<u>26,853</u>	<u>32,210</u>
<b>Total expenses</b>	<u>633,938</u>	<u>676,714</u>
<b>Increase in unrestricted net assets</b>	<u>138,559</u>	<u>111,221</u>
<b>Changes in temporarily restricted net assets:</b>		
Contributions	<u>280</u>	<u>396</u>
<b>Increase in temporarily restricted net assets</b>	<u>280</u>	<u>396</u>
<b>Changes in permanently restricted net assets:</b>		
Contributions - sustaining memberships	6,400	1,600
Contributions - Joseph B. Gittler award	<u>17</u>	<u>2</u>
<b>Increase in permanently restricted net assets</b>	<u>6,417</u>	<u>1,602</u>
<b>Increase in net assets</b>	145,256	113,219
Net assets at beginning of year	<u>675,140</u>	<u>561,921</u>
Net assets at end of year	<u>\$ 820,396</u>	<u>\$ 675,140</u>

See accompanying notes to the financial statements.

THE SOCIETY FOR THE STUDY OF SOCIAL PROBLEMS, INC.

Statements of Cash Flows

Years ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<b>Cash flows from operating activities:</b>		
Increase in net assets	\$ 145,256	\$ 113,219
Adjustments to reconcile changes in net assets to cash flows provided by operating activities:		
Depreciation	3,446	5,656
Net unrealized gain on investments	(11,843)	(26,949)
Permanently restricted contributions received	(6,417)	(1,602)
Changes in operating assets and liabilities:		
Accounts receivable	186,380	(56,484)
Prepaid expenses	6,608	(5,409)
Deposits	-	5,309
Accounts payable	(9,009)	20,828
Accrued expenses	2,235	259
Deferred revenue	<u>(216,632)</u>	<u>27,102</u>
Net cash provided by operating activities	<u>100,024</u>	<u>81,929</u>
<b>Cash flows from investing activities:</b>		
Purchases of equipment	-	(3,244)
Proceeds from sale of investments	1,237	201,000
Purchases of investments	<u>(46,609)</u>	<u>(353,493)</u>
Net cash used by investing activities	<u>(45,372)</u>	<u>(155,737)</u>
<b>Cash flows from financing activities:</b>		
Collection of restricted contributions	<u>6,417</u>	<u>1,602</u>
Increase (decrease) in cash and cash equivalents	61,069	(72,206)
Cash and cash equivalents at beginning of year	<u>182,267</u>	<u>254,473</u>
Cash and cash equivalents at end of year	<u>\$ 243,336</u>	<u>\$ 182,267</u>

See accompanying notes to the financial statements.

# THE SOCIETY FOR THE STUDY OF SOCIAL PROBLEMS, INC.

## Notes to the Financial Statements

December 31, 2014 and 2013

(1) Nature of operations

Founded in 1951, The Society for the Study of Social Problems, Inc. (the "Society") promotes research on and serious examination of problems of social life. The Society works to find solutions to these problems and to recommend social policy based on the knowledge generated by its members. The Society is primarily supported through membership dues and subscriptions from its journal and publications.

(2) Summary of significant accounting policies

The financial statements of the Society are presented on the accrual basis in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The significant accounting policies followed are described below.

(a) Basis of presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Society and changes therein are 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 the passage of time.

Permanently restricted net assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Society.

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classifications. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Society reports the support as unrestricted.

(b) Cash equivalents

The Society considers all highly liquid investments with original maturities of less than three months to be cash equivalents.

(c) Investments

Investments consist primarily of mutual funds with readily determinable fair values and certificates of deposit, which are shown at their cost, which approximates fair value, in the statements of financial position. Investment income consists of interest, dividends and realized and unrealized gains and losses, net of investment expenses. Investment income is reported in the period earned as an increase in unrestricted net assets, unless the use of the assets received is limited by donor-imposed restrictions.

**THE SOCIETY FOR THE STUDY OF SOCIAL PROBLEMS, INC.**

**Notes to the Financial Statements**

**December 31, 2014 and 2013**

**(d) Accounts receivable**

Accounts receivable relate primarily to amounts due from the University of California Press ("UC Press") and are uncollateralized obligations due under the terms as set forth in the UC Press agreement (Note 7), in which UC Press collects the subscription fees and remits them to the Society approximately one month from the receipt of the subscription fees. Late or interest charges on delinquent accounts are not recorded until collected. The carrying amount of accounts receivable is reduced by a valuation allowance, if necessary, which reflects management's best estimate of the amounts that will not be collected. It is the Society's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. Management has not recorded an allowance for doubtful accounts as of December 31, 2014 and 2013.

**(e) Equipment**

Equipment is stated at cost, and includes office equipment, computer software and web design costs. Depreciation is provided over the assets' estimated useful lives using the straight-line method, generally three to five years.

Expenditures for maintenance and repairs are expensed when incurred. Expenditures for renewals or betterments are capitalized. When equipment is retired or sold, the cost and the related accumulated depreciation are removed from the accounts, and the resulting gain or loss is included in operations.

**(f) Income taxes**

The Society is exempt from federal income taxes under the provisions of Internal Revenue Code Section 501(c)(3), and, accordingly, no provision for income taxes is included in the financial statements.

An uncertain tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. The Society has no material uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

As of December 31, 2014 and 2013, the Society has accrued no interest and no penalties related to uncertain tax positions. It is the Society's policy to recognize interest and/or penalties related to income tax matters in income tax expense.

The Society files a U.S. Federal information tax return. The Society remains open to audit under the statute of limitations by the Internal Revenue Service for the years ended December 31, 2011 through 2014.



**THE SOCIETY FOR THE STUDY OF SOCIAL PROBLEMS, INC.**

**Notes to the Financial Statements**

**December 31, 2014 and 2013**

**(g) Revenue recognition**

Revenues from journals and publications and membership dues are recognized ratably throughout the subscription or membership period. Other revenues are recognized as earned, which is generally when received.

Subscription and membership dues received in advance are recorded as deferred revenues and recognized as income over the subscription and membership period.

**(h) Advertising and promotion costs**

Advertising and promotion costs are expensed as incurred. Such expenses were minimal during 2014 and 2013.

**(i) Long-lived assets**

Management evaluates the recoverability of the investment in long-lived assets on an ongoing basis and recognizes any impairment in the year of determination. It is reasonably possible that relevant conditions could change in the near term and necessitate a change in management's estimate of the recoverability of these assets.

**(j) Use of estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**(k) Events occurring after reporting date**

The Society has evaluated events and transactions that occurred between December 31, 2014 and April 29, 2015, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

**(3) Concentrations**

The Society occasionally maintains cash on deposit at banks in excess of federally insured amounts. The Society has not experienced any losses in such accounts and management believes the Society is not exposed to any significant credit risk related to cash.

THE SOCIETY FOR THE STUDY OF SOCIAL PROBLEMS, INC.

Notes to the Financial Statements

December 31, 2014 and 2013

(4) Assets and liabilities measured at fair value

Fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, fair value accounting standards establish a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity including quoted market prices in active markets for identical assets (Level 1), significant other observable inputs (Level 2) and the reporting entity's own assumptions about market participant assumptions (Level 3). The Society does not have any fair value measurements using significant other unobservable inputs (Level 3) as of December 31, 2014 and 2013.

(a) Financial instruments

The carrying amount of financial instruments, consisting of cash and cash equivalents, accounts receivable and accounts payable approximate their fair value due to their relatively short maturities. Certificates of deposit are valued at cost, which approximates fair market value. Mutual funds are valued based on quoted prices.

(b) Non-financial assets

The Society's non-financial assets, which include equipment, are not required to be measured at fair value on a recurring basis. However, if certain triggering events occur, or if an annual impairment test is required and the Society is required to evaluate the non-financial instrument for impairment, a resulting asset impairment would require that the non-financial asset be recorded at fair value. During the years ended December 31, 2014 and 2013, the Society did not measure any non-recurring, non-financial assets at fair value or recognize any revenue or expenses related to changes in fair value.

The following tables set forth by level, within the fair value hierarchy, the Society's assets at fair value as of December 31, 2014 and 2013:

Fair Value Measurements as of  
December 31, 2014 using the following inputs

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds:				
Balanced funds	\$ 293,709	\$ 293,709	\$ -	\$ -
Equity funds	<u>285,177</u>	<u>285,177</u>	<u>-</u>	<u>-</u>
Total mutual funds	578,886	578,886	-	-
Certificates of deposit	<u>150,182</u>	<u>-</u>	<u>150,182</u>	<u>-</u>
	<u>\$ 729,068</u>	<u>\$ 578,886</u>	<u>\$ 150,182</u>	<u>\$ -</u>

**THE SOCIETY FOR THE STUDY OF SOCIAL PROBLEMS, INC.**

**Notes to the Financial Statements**

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**Fair Value Measurements as of  
December 31, 2013 using the following inputs**

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<b>Mutual funds:</b>				
Balanced funds	\$ 267,403	\$ 267,403	\$ -	\$ -
Equity funds	<u>254,297</u>	<u>254,297</u>	<u>-</u>	<u>-</u>
<b>Total mutual funds</b>	<b>521,700</b>	<b>521,700</b>	<b>-</b>	<b>-</b>
<b>Certificates of deposit</b>	<u>150,153</u>	<u>-</u>	<u>150,153</u>	<u>-</u>
	<u>\$ 671,853</u>	<u>\$ 521,700</u>	<u>\$ 150,153</u>	<u>\$ -</u>

**(5) Investments**

A summary of investments, stated at fair value, as of December 31, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Mutual funds	\$ 578,886	\$ 521,700
Certificates of deposit	<u>150,182</u>	<u>150,153</u>
	<u>\$ 729,068</u>	<u>\$ 671,853</u>

The Society utilizes various investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

**(6) Equipment**

A summary of equipment as of December 31, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Equipment	\$ 55,548	\$ 55,548
Accumulated depreciation	<u>(53,113)</u>	<u>(49,667)</u>
	<u>\$ 2,435</u>	<u>\$ 5,881</u>

# THE SOCIETY FOR THE STUDY OF SOCIAL PROBLEMS, INC.

## Notes to the Financial Statements

December 31, 2014 and 2013

### (7) Contractual agreements

The Society has entered into an agreement with the University of Tennessee, Knoxville, Department of Sociology of the College of Arts and Sciences (the "University"), whereby the Society agrees to serve as an intellectual and professional resource in exchange for access to the University's resources, use of office space and overhead expenses for the Society's administrative office. The current agreement expires on December 31, 2016, but may be terminated early by either party giving sixty days written notification. No in-kind revenue or expense is recorded as the amount was not considered material to the Society during 2014 or 2013.

The Society uses the University's purchasing and disbursing services. Unreimbursed expenses owed to the University from the Society were \$27,176 and \$25,093 at December 31, 2014 and 2013, respectively. These amounts are included in accounts payable.

The Society has a long term agreement with UC Press. Under this agreement, UC Press serves as the sole publisher of *Social Problems*, a quarterly journal sponsored by the Society.

Subscriptions to *Social Problems* are charged on an annual basis. *Social Problems* is distributed to library subscribers and Society members. Library subscriptions are administered and collected by UC Press and remitted to the Society approximately one month after receipt. Accordingly, accounts receivable from UC Press relate to subscriptions collected before year end, which will not be remitted to the Society until the following year. Subscription revenues collected in the current year for the following year are deferred and recognized as earned. Society memberships, which include a one year subscription to *Social Problems*, are remitted directly to the Society. Under the UC Press agreement, the Society is billed for the direct operating expenses incurred in publishing the journals for subscribers and Society members. These expenses for the final publication of the current year are not paid until the following year, and thus are included in accounts payable at December 31, 2014 and 2013.

# THE SOCIETY FOR THE STUDY OF SOCIAL PROBLEMS, INC.

## Notes to the Financial Statements

December 31, 2014 and 2013

The current UC Press agreement expired on December 31, 2014. This agreement was not renewed by the Society. The Society entered into an agreement with Oxford University Press. Under this agreement, Oxford University Press will serve as the exclusive publisher of *Social Problems* beginning January 1, 2015 for a minimum of 5 years. This agreement will automatically extend for subsequent periods of five years unless terminated by either party, by giving the other party no less than 12 months written notice of termination to expire at the end of the initial period or at the end of any successive 5 year period. Management believes that, if necessary, an alternate publisher could be obtained. However, unexpected events could cause a delay in publication, and accordingly, a possible loss of revenues.

Under the Oxford University Press agreement, the publisher incurs all costs of production and risk of loss each year. The publisher will pay the Society royalty payments of 50% of gross revenues collected and will remit an estimate of those amounts twice annually in April and October, with a final accounting and settlement payout performed annually. In addition to these amounts, the publisher will make a \$100,000 annual payment to the Society to support the editorial office, which adjusts annually under the terms of the agreement. The Publisher will also make a \$3,000 sponsorship of the Society's annual meeting.

### (8) Board designated assets

The Erwin O. Smigel Award Fund was established in 1976 to expand employment opportunities in the field of sociology. The designated funds and future contributions will be used to develop information for unemployed and underemployed colleagues in their efforts to find work and to enable such colleagues to attend the annual meeting.

The Lee Founders Award Fund was established in 1981. This annual award recognizes significant achievements that consistently promote the ideals of the founders of the Society and especially the humanistic tradition, as exemplified in the contributions of Alfred McClung Lee and Elizabeth Briant Lee. The designated funds and future contributions will be used to purchase a plaque for the winner.

The Thomas C. Hood Social Action Award Fund was established in 1990. This award is given annually to an organization in the area where the Society holds their annual meeting. The designated funds and future contributions will be used to pay an award to the organization selected that has a history of challenging social inequalities, promoting social change or working toward the empowerment of marginalized people.

The Lee Student Support Fund was established in 1992. The designated funds and future contributions will be used to help defray the cost of conference participation for student members.

The Lee Scholar Support Fund was established in 1992. The designated funds and future contributions will be used to emphasize support for scholars from economically disadvantaged countries, where access to foreign exchange is often more limited to attend the annual meeting.

# THE SOCIETY FOR THE STUDY OF SOCIAL PROBLEMS, INC.

## Notes to the Financial Statements

December 31, 2014 and 2013

The C. Wright Mills Award Fund was established in 1964. This annual award is given to the author of a book published in the past year that best exemplifies outstanding social science research and an understanding of the individual and Society in the tradition of the distinguished sociologist, C. Wright Mills. The designated funds and future contributions will be used to pay a stipend to the author.

The Racial/Ethnic Minority Graduate Scholarship Fund was established in 1995. This annual fund is given for support of graduate study and commitment to a career of scholarly activism. The designated funds and future contributions will be used to provide scholarships to the winners.

The Social Equity Fund was designed to preserve the Society in pursuit of its goal of social equity. The Social Equity Fund monies are from the Society and are not attached to a particular award or scholarship.

The Lee Legacy Fund was designed to preserve the Society in pursuit of its goals. The Lee Legacy Fund monies were contributed by Alfred McClung Lee and Elizabeth Briant Lee and are not attached to a particular award or scholarship.

The Accessibility Services Fund was established in 2010. The designated funds and future contributions will be used to help meet accessibility needs at the annual meeting.

The Board has designated assets as of December 31, 2014 as follows:

	<u>Cash</u>	<u>Investments</u>	<u>Total</u>
Erwin O. Smigel Fund	\$ 489	\$ -	\$ 489
Lee Founders Award Fund and Social Action Award Fund	-	12,211	12,211
Lee Student Support Fund	4,860	-	4,860
Lee Scholar Support Fund	1,777	-	1,777
C. Wright Mills Award Fund	3,398	-	3,398
Racial/Ethnic Minority Graduate Scholarship Fund	-	318,270	318,270
Social Equity Fund	-	150,128	150,128
Lee Legacy Fund	-	15,305	15,305
Accessibility Services Fund	<u>4,375</u>	<u>-</u>	<u>4,375</u>
	<u>\$ 14,899</u>	<u>\$ 495,914</u>	<u>\$ 510,813</u>

**THE SOCIETY FOR THE STUDY OF SOCIAL PROBLEMS, INC.**

**Notes to the Financial Statements**

**December 31, 2014 and 2013**

The Board has designated assets as of December 31, 2013 as follows:

	<u>Cash</u>	<u>Investments</u>	<u>Total</u>
Erwin O. Smigel Fund	\$ 461	\$ -	\$ 461
Lee Founders Award Fund and Social Action Award Fund	-	10,470	10,470
Lee Student Support Fund	4,622	-	4,622
Lee Scholar Support Fund	1,694	-	1,694
C. Wright Mills Award Fund	3,632	-	3,632
Racial/Ethnic Minority Graduate Scholarship Fund	-	292,286	292,286
Social Equity Fund	-	133,117	133,117
Lee Legacy Fund	-	14,296	14,296
Accessibility Services Fund	<u>3,390</u>	<u>-</u>	<u>3,390</u>
	<u>\$ 13,799</u>	<u>\$ 450,169</u>	<u>\$ 463,968</u>

All of the above Board designated amounts are included in unrestricted net assets on the statements of financial position for each respective year.

**(9) Permanently restricted net assets**

In 2000, the Society established the Sustaining Membership Fund. This fund allows members the opportunity to pay \$1,700 for a sustaining membership. One hundred dollars of the membership is recorded as a payment of dues in the year that the individual becomes a sustaining member. The remaining funds are placed in an interest and/or dividend bearing account and are not refundable or transferable to another person. The yearly dues of sustaining members will be paid from the account's earnings.

Permanently restricted net assets at December 31, 2014 and 2013 consist of cumulative contributions to the Sustaining Membership Fund of \$58,633 and \$52,233, respectively. The restricted and unrestricted investments held in the Sustaining Membership Fund have a fair market value of \$82,972 and \$71,531 as of December 31, 2014 and 2013, respectively. Unrealized gains and losses in fair market value for those funds amounted to \$2,728 loss and \$1,847 gain, respectively, for the years ended December 31, 2014 and 2013. The unrealized gains have been recorded in the statement of activities in unrestricted revenues, gains and other support as a portion of investment income.

Interest and/or dividend income from the Sustaining Membership Fund for the years ended December 31, 2014 and 2013 was \$8,653 and \$8,038, respectively, and is included in unrestricted revenue since the Society's policy is to record income as unrestricted if any restrictions related to it are met in the same year as the income is earned.

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**December 31, 2014 and 2013**

The Society has received permanently restricted contributions to the Joseph B. Gittler award in the amount of \$50,070 and \$50,053 through December 31, 2014 and 2013, respectively. The earnings from this permanently restricted contribution will be used to fund an annual Joseph B. Gittler Award for a most scholarly contribution in the area of ethical components in the resolution of social problems. The investment is made in a certificate of deposit, which earned \$280 and \$396 in interest for the years ended December 31, 2014 and 2013, respectively. Interest earned on the permanently restricted contributions and other temporarily restricted contributions to the Joseph B. Gittler award are recorded in temporarily restricted net assets until used for the award and total \$2,828 and \$2,548 at December 31, 2014 and 2013, respectively.