

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS**

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEARS ENDED DECEMBER 31, 2013 AND 2012

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
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INDEPENDENT AUDITORS' REPORT

Governing Board
American Foreign Service Association
and Related Organizations
Washington, DC

We have audited the accompanying consolidated financial statements of the American Foreign Service Association and Related Organizations (the "Association"), which comprise the consolidated statements of financial position as of December 31, 2013 and 2012, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Association as of December 31, 2013 and 2012, and the consolidated changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Arlington, Virginia
August 11, 2014



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**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2013 AND 2012**

	2013	2012
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 261,747	\$ 530,144
Short-Term Investments	66,137	175,188
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$10,000 at December 31, 2013 and 2012	296,054	277,755
Prepaid Expenses	155,033	132,764
Inventory	20,960	13,766
Total Current Assets	799,931	1,129,617
NON-CURRENT ASSETS		
Investments	9,488,811	8,013,265
Beneficial Interest in Perpetual Trusts	697,665	520,071
Property and Equipment, Net of Accumulated Depreciation	2,606,322	2,596,594
Deferred Compensation Plan Investments	240,377	185,127
Total Non-current Assets	13,033,175	11,315,057
Total Assets	\$ 13,833,106	\$ 12,444,674
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 31,984	\$ 52,180
Accrued Expenses	309,104	241,059
Capital Lease Payable, Current Portion	3,976	3,501
Deferred Revenue	506,302	530,120
Deferred Lifetime Dues	3,308	7,392
Total Current Liabilities	854,674	834,252
NON-CURRENT LIABILITIES		
Loan Payable	96,704	-
Capital Lease Payable	5,739	9,715
Deferred Lifetime Dues	-	3,308
Deferred Compensation Plan Obligations	240,377	185,127
Total Non-current Liabilities	342,820	198,150
Total Liabilities	1,197,494	1,032,402
NET ASSETS		
Unrestricted	5,476,896	5,214,531
Temporarily Restricted	6,292,498	5,577,670
Permanently Restricted	866,218	620,071
Total Net Assets	12,635,612	11,412,272
Total Liabilities and Net Assets	\$ 13,833,106	\$ 12,444,674

See accompanying Notes to the Consolidated Financial Statements.

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2013 AND 2012**

	2013				2012			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
REVENUE, GAINS, AND OTHER SUPPORT								
Member Dues	\$ 3,502,000	\$ -	\$ -	\$ 3,502,000	\$ 3,372,470	\$ -	\$ -	\$ 3,372,470
Advertising Sales, Net of Discounts	557,964	-	-	557,964	551,819	-	-	551,819
Contributions	74,301	258,500	68,553	401,354	102,818	169,157	100,000	371,975
Dividends and Interest	137,810	225,931	-	363,741	124,807	166,161	-	290,968
Registration Fees	13,531	-	-	13,531	11,188	-	-	11,188
Book Sales	47,389	-	-	47,389	96,957	-	-	96,957
Other	14,992	-	-	14,992	47,196	-	-	47,196
Subscriptions	10,939	-	-	10,939	12,734	-	-	12,734
Change in Beneficial Interest in Perpetual Trusts	-	-	177,594	177,594	-	-	46,918	46,918
Net Realized and Unrealized Gain on Investments	420,185	744,140	-	1,164,325	324,965	563,339	-	888,304
Net Assets Released from Restrictions - Satisfaction of Program Restrictions	513,743	(513,743)	-	-	474,925	(474,925)	-	-
Total Revenue, Gains, and Other Support	5,292,854	714,828	246,147	6,253,829	5,119,879	423,732	146,918	5,690,529
EXPENSES								
Program Services:								
Journal	1,068,864	-	-	1,068,864	1,021,250	-	-	1,021,250
Labor Relations	1,094,607	-	-	1,094,607	1,011,773	-	-	1,011,773
Scholarships	435,930	-	-	435,930	423,304	-	-	423,304
Congressional Affairs	302,322	-	-	302,322	172,491	-	-	172,491
Public Education and Outreach	212,794	-	-	212,794	262,073	-	-	262,073
Road Scholar	19,304	-	-	19,304	18,086	-	-	18,086
Membership Services	110,934	-	-	110,934	92,940	-	-	92,940
Retirees	213,758	-	-	213,758	192,669	-	-	192,669
Professional Issues	112,818	-	-	112,818	66,225	-	-	66,225
Political Action Committee	29,961	-	-	29,961	9,665	-	-	9,665
Public Affairs	141,762	-	-	141,762	71,645	-	-	71,645
Essay Contest	55,065	-	-	55,065	44,547	-	-	44,547
Total Program Services	3,798,119	-	-	3,798,119	3,386,668	-	-	3,386,668
Supporting Services:								
Management and General	684,977	-	-	684,977	581,807	-	-	581,807
Member Support	280,710	-	-	280,710	244,678	-	-	244,678
Board and President	197,747	-	-	197,747	115,598	-	-	115,598
Fundraising	24,033	-	-	24,033	12,767	-	-	12,767
Election	44,903	-	-	44,903	15,304	-	-	15,304
Total Supporting Services	1,232,370	-	-	1,232,370	970,154	-	-	970,154
Total Expenses	5,030,489	-	-	5,030,489	4,356,822	-	-	4,356,822
CHANGE IN NET ASSETS	262,365	714,828	246,147	1,223,340	763,057	423,732	146,918	1,333,707
Net Assets, Beginning of Year	5,214,531	5,577,670	620,071	11,412,272	4,451,474	5,153,938	473,153	10,078,565
NET ASSETS, END OF YEAR	<u>\$ 5,476,896</u>	<u>\$ 6,292,498</u>	<u>\$ 866,218</u>	<u>\$ 12,635,612</u>	<u>\$ 5,214,531</u>	<u>\$ 5,577,670</u>	<u>\$ 620,071</u>	<u>\$ 11,412,272</u>

See accompanying Notes to the Consolidated Financial Statements.

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2013 AND 2012**

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 1,223,340	\$ 1,333,707
Adjustments to Reconcile Change in Net Assets to Net Cash		
Provided by Operating Activities:		
Depreciation and Amortization	203,697	207,423
Net Unrealized and Realized Gain on Investments	(1,164,325)	(888,304)
Change in Beneficial Interest in Perpetual Trusts	(177,594)	(46,916)
Changes in Assets and Liabilities:		
Accounts Receivable, Net	(18,299)	31,555
Prepaid Expenses	(22,269)	(31,160)
Inventory	(7,194)	23,770
Accounts Payable	(20,196)	2,313
Accrued Expenses	68,045	17,757
Deferred Revenue	(23,818)	(24,535)
Deferred Lifetime Dues	(7,392)	(11,146)
Net Cash Provided by Operating Activities	53,995	614,464
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Investments	(1,500,257)	(3,720,796)
Proceeds from Sales of Investments	1,299,579	3,274,105
Purchases of Property and Equipment	(213,426)	(107,784)
Net Cash Used by Investing Activities	(414,104)	(554,475)
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments on Capital Lease	(4,992)	(4,374)
Proceeds from Loan	96,704	-
Net Cash Provided (Used) by Financing Activities	91,712	(4,374)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(268,397)	55,615
Cash and Cash Equivalents - Beginning of Year	530,144	474,529
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 261,747	\$ 530,144
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid During the Year for Interest	\$ 2,210	\$ 2,006
Cash Paid During the Year for Taxes	\$ 2,600	\$ -

See accompanying Notes to the Consolidated Financial Statements.

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organizations

The American Foreign Service Association (AFSA), which began operations in 1924, is the professional association of the Foreign Affairs agencies and, as of 1972, is the official employee representative of all Foreign Service employees in the Department of State, the United States Agency for International Development, the Foreign Commercial Service, the Foreign Agriculture Service, and the International Broadcasting Bureau. The Association derives its revenue principally from member dues, advertising sales, contributions, investment income, and subscriptions.

AFSA has three related organizations, the American Foreign Service Association Scholarship Fund (Scholarship Fund), the Fund for American Diplomacy (Fund), and the AFSA-Political Action Committee (PAC). These are organizations that are operated, supervised, and controlled by AFSA. These organizations may receive contributions that are restricted by their donors.

The Scholarship Fund was established to award financial and merit scholarship to dependents of Foreign Service employees. The Scholarship Fund's major sources of revenue are contributions and investment income. The Scholarship Fund is doing business as Foreign Service Youth Scholarship - AFSA.

The Fund was established to award individuals for their achievements in the Foreign Service, to enhance the professional development of the Foreign Service, and to increase the public understanding of the Foreign Service. The latter objectives are achieved by sponsoring a speaker series, lecture series, and other educational forums that focus on topical issues related to the Foreign Affairs Community. The Fund's major sources of revenue are contributions, registration fees, book sales, and investment income. The Fund is doing business as Diplomacy Matters - AFSA.

The PAC was created in 2002 to further AFSA's goal of making the U.S. Foreign Service a more effective agent of United States international leadership. The PAC does this by helping to reelect Senators and Representatives who support a strong, effective Foreign Service.

The organizations are collectively referred to as the Association.

Program and Supporting Services

The following provides a description of the program and supporting services operated by the Association:

Journal

Writing, editing, design, artwork, printing, postage, and promotion of the *Foreign Service Journal*.

Labor Relations

All activities related to the Association's role as a labor union including collective bargaining, informal negotiations, and individual legal and grievance counseling.

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program and Supporting Services (Continued)

Scholarships

Financial aid and merit scholarships awarded to dependents of Foreign Service employees and the administration of this program.

Congressional Affairs

Representing the Association's views on legislation impacting the foreign affairs agencies and individual active duty and retired Foreign Service employees.

Public Education and Outreach

Programs and activities designated to educate the American public on the role of the Foreign Service. Programs include a speaker's bureau, the Coalition for American Leadership Abroad, and a minority intern program. AFSA's speaker's bureau consists of retired Foreign Service personnel speaking to groups of students and adults around the country on foreign affairs and the importance of the Foreign Service.

Road Scholar

A series of one-week workshops for older Americans sponsored by the Fund as part of the Road Scholar program. The workshops provide an in-depth look at how U.S. foreign policy is made and the role of the Foreign Service. The Fund sponsors four to five one-week sessions (participants range between 40 to 55 each) in the Fall and the Spring.

Membership Services

Regular communications with members and provision of services as requested.

Retirees

Support and communication with the Association's retired membership including the Retiree Directory, Newsletter, Retiree Standing Committee, and counseling for individual members needing assistance with retirement issues.

Professional Issues

Programs that honor and support members of the Foreign Service as a profession including the AFSA awards program, the Memorial Plaque, Foreign Affairs Day, and various special events.

Political Action Committee

Represents the Association's contributions to political candidates through PAC and related internal PAC costs.

Public Affairs

Promotion of the Association, its activities, and views through the media.

Essay Contest

The Foreign Service National High School Essay contest began as a program of the 75th Anniversary celebration and has been continued by the Association due to its success. The contest is open to U.S. students in grades nine through twelve and includes cash prizes for the 1st, 2nd and 3rd place essays.

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program and Supporting Services (Continued)

Management and General

Overall management and administration of the Association.

Member Support

All recruitment and retention programs for the Association's members including mailings, recruitment lunches, and maintenance of the membership database.

Board and President

The Association's Governing Board and Executive Committee's expense including meetings, travel, and staff support.

Fundraising

Fundraising relates to the Scholarship Fund and the Fund's appeals for support of its programs.

Election

Administration of the election and distribution of ballots for the election of the Association's Governing Board. Board elections are held every two years.

Principles of Consolidation

These financial statements consolidate the accounts of AFSA, the Scholarship Fund, the Fund, and PAC. Significant intercompany accounts and transactions have been eliminated in consolidation.

Income Taxes

Under the applicable provision of the Federal and District of Columbia tax regulations, the Association is exempt from taxes on income other than unrelated business income. AFSA is exempt under Section 501(c)(5) of the Internal Revenue Code, whereas the Fund and the Scholarship Fund are exempt under Section 501(c)(3) of the Internal Revenue Code. The Fund is not considered a private foundation by the Internal Revenue Service because it is an organization that is described in Section 509(a)(3). The Scholarship Fund is not considered a private foundation by the Internal Revenue Service because it is an organization that is described in Section 509(a)(1). The PAC is exempt under Section 527 of the Internal Revenue Code. Section 527 does not exempt taxation of investment income.

AFSA had approximately \$558,000 and \$552,000 in unrelated business income from advertising and other activities for the years ended December 31, 2013 and 2012, respectively. AFSA is subject to federal and state taxes on any net unrelated business income.

The Scholarship Fund and the Fund did not have any unrelated business income in 2013 and 2012. The PAC did not have any taxable income in 2013 and 2012.

**AMERICAN FOREIGN SERVICE ASSOCIATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

The Association adopted the income tax standard regarding the recognition and measurement of uncertain tax positions. The Association evaluated its tax positions and determined that its positions are more-likely-than-not to be sustained on examination. The Association's tax returns for the fiscal years 2010 through 2012 are open to examination by federal and state authorities.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts of consolidated assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates.

Cash and Cash Equivalents

For consolidated financial statement purposes, the Association considers all highly liquid instruments that are to be used for current operations and which have an original maturity of three months or less to be cash and cash equivalents with the exception of money market funds that are classified as short-term investments.

Accounts Receivable

The receivables are stated at their net realizable value. Accounts receivable consist primarily of advertising receivables and allotment of dues receivable. Accounts past due are individually analyzed for collectibility. When all collection efforts are exhausted, the account is written off against the allowance for doubtful accounts. Management estimates that all receivables are fully collectible with the exception of the amount that is included in the allowance for doubtful accounts.

Inventory

Inventory consists of costs incurred for the production of the book *Inside a U.S. Embassy* and the AFSA Memorial Marker for Foreign Service personnel and is stated at the lower of cost or market. Cost is determined using the first-in-first-out method.

Property and Equipment

Property and equipment is recorded at cost, or if donated, such assets are capitalized at the estimated fair market value at the date of receipt. The Association capitalizes all expenditures for property and equipment over \$2,000. Depreciation is computed using the straight-line basis over the useful lives of 15 to 30 years for building and building improvements, 5 to 10 years for furniture and equipment, and 3 years for software.

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets

The Association reviews long-lived asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the asset is reduced, by a charge to the consolidated statements of activities, to its current fair value. There were no such impairments for the years ended December 31, 2013 and 2012.

Deferred Revenue

Deferred revenue consists of annual member dues and International Associate dues received in advance, and life membership dues. Member dues received in advance and life membership dues are deferred when received and are recognized as revenue over the related membership period. Deferred revenue also includes payments for magazine advertisements that have not yet been printed.

Net Assets

Unrestricted Net Assets

Unrestricted net assets consist of funds that are currently available to support the Association's daily operations. Contributions received without restrictions are also reported as increases in unrestricted net assets.

Temporarily Restricted Net Assets

The Association reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. The Scholarship Fund considers all contributions to be temporarily restricted for use in the Scholarship program with the exception of contributions that are to be held in perpetuity. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying consolidated statements of activities as net assets released from restrictions.

Permanently Restricted Net Assets

Permanently restricted net assets consist of assets whose use is limited by donor-imposed restrictions that neither expire by the passage of the time nor can be fulfilled or otherwise removed by action of the Association. The restrictions stipulate that resources be maintained permanently. Permanently restricted net asset consist of the Scholarship Fund's beneficial interest in perpetual trusts and donor-imposed restrictions that the funds are to be held in perpetuity.

Revenue Recognition

Revenue from member dues, advertising sales, and registration fees is recognized in the year in which it is earned. Contributions are recorded as unrestricted, temporarily restricted, or permanently restricted revenue in the period promised or received at their fair values.

**AMERICAN FOREIGN SERVICE ASSOCIATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Fair Value of Financial Instruments

Fair Value Measurements

Fair value measurement of investments is determined using a framework for measuring fair value, establishing a fair value hierarchy based on the quality of inputs used to measure fair value, and requires expanded disclosures about fair value measurements. The Association accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement. The Association accounts for certain financial assets and liabilities at fair value under various accounting literature.

Fair Value Hierarchy

The Association has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Financial assets and liabilities recorded on the consolidated statements of financial position are categorized based on the inputs to the valuation techniques as follows:

Level 1

Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the Association has the ability to access.

Level 2

Financial assets and liabilities whose values are based on quoted prices in markets that are not active or model inputs that are observable either directly or indirectly for substantially the full term of the asset or liability. Level 2 inputs include among others, quoted prices for similar assets or liabilities in active markets or non-active markets.

Level 3

Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. These inputs reflect management's own assumptions about the assumptions a market participant would use in pricing the asset or liability.

**AMERICAN FOREIGN SERVICE ASSOCIATION
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events

In preparing these consolidated financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through August 11, 2014, the date the consolidated financial statements were available to be issued.

NOTE 2 CONCENTRATIONS OF RISK

Credit Risk

Financial instruments that subject the Association to a concentration of credit risk consist of demand deposits placed with financial institutions which may, at times, exceed federally insured limits.

Market Value Risk

The Association invests in a variety of investments. These investments are exposed to various risks, such as fluctuations in market value and credit risk. It is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the accompanying consolidated financial statements.

NOTE 3 SHORT-TERM INVESTMENTS AND INVESTMENTS

Short-term investments and investments, at fair value, consist of the following at December 31:

	<u>2013</u>	<u>2012</u>
Money Market Funds	\$ 66,137	\$ 175,188
Equity Securities	2,839,261	2,427,661
Mutual Funds - Fixed Income	1,465,897	1,357,908
Mutual Funds - Equity	<u>5,183,653</u>	<u>4,227,696</u>
Total	<u>\$ 9,554,948</u>	<u>\$ 8,188,453</u>

Short-term investments and investments are presented on the accompanying consolidated statements of financial position at December 31 as follows:

	<u>2013</u>	<u>2012</u>
Short-Term Investments	\$ 66,137	\$ 175,188
Investments	<u>9,488,811</u>	<u>8,013,265</u>
Total	<u>\$ 9,554,948</u>	<u>\$ 8,188,453</u>

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

NOTE 4 FAIR VALUE HIERARCHY

The following table presents the Association's fair value hierarchy for those assets measured at fair value on a recurring basis as of December 31:

	2013			Total
	Level 1	Level 2	Level 3	
Equity Securities	\$ 2,839,261	\$ -	\$ -	\$ 2,839,261
Mutual Funds - Fixed Income	1,465,897	-	-	1,465,897
Mutual Funds - Equity	5,183,653	-	-	5,183,653
Deferred Compensation Plan Investments - Mutual Funds - Equity	240,377	-	-	240,377
Beneficial Interest in Perpetual Trusts	-	-	697,665	697,665
Total	\$ 9,729,188	\$ -	\$ 697,665	\$ 10,426,853

	2012			Total
	Level 1	Level 2	Level 3	
Equity Securities	\$ 2,427,661	\$ -	\$ -	\$ 2,427,661
Mutual Funds - Fixed Income	1,357,908	-	-	1,357,908
Mutual Funds - Equity	4,227,696	-	-	4,227,696
Deferred Compensation Plan Investments - Mutual Funds - Equity	185,127	-	-	185,127
Beneficial Interest in Perpetual Trusts	-	-	520,071	520,071
Total	\$ 8,198,392	\$ -	\$ 520,071	\$ 8,718,463

*Money market funds are recorded at cost which approximates fair value and accordingly are excluded.

The following table provides a summary of changes in fair value of the Association's Level 3 financial assets for the year ended December 31:

	2013	2012
Beginning Balance	\$ 520,071	\$ 473,153
Unrealized Gain	177,594	46,918
Ending Balance	\$ 697,665	\$ 520,071

The beneficial interest in perpetual trusts valuation was calculated by taking the December 31, 2013 and 2012 fair value, as reported by third party investment statements.

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

NOTE 5 BENEFICIAL INTERESTS IN PERPETUAL TRUSTS

The Scholarship Fund has received an interest in two irrevocable perpetual trusts. The principal is to be maintained in perpetuity. Distributions from the trustees are to be used to provide scholarships. The beneficial interest is reported at the fair value of the investments of the trust as reported by the trustees. The Scholarship Fund does not act as Trustee, and therefore does not have control over the related assets. As such, the beneficial interest is not subject to the Uniform Prudent Management of Institutional Funds Act. Accordingly, the beneficial interest is not included in Note 8.

NOTE 6 PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	2013	2012
Land	\$ 222,854	\$ 222,854
Building and Building Improvements	3,078,163	3,078,163
Furniture and Equipment	519,202	494,881
Software	623,028	433,923
Total	4,443,247	4,229,821
Less: Accumulated Depreciation	(1,836,925)	(1,633,227)
Total	\$ 2,606,322	\$ 2,596,594

NOTE 7 TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consist of the unexpended portion of contributions made to AFSA's Legal Defense Fund, the Scholarship Fund, the Fund, and the PAC. These temporarily restricted contributions are purpose-restricted by the contributor and are as follows:

	AFSA Legal Defense Fund	Scholarship Fund	Fund	PAC	Total
Net Assets, December 31, 2011	\$ 27,491	\$ 5,027,783	\$ 20,000	\$ 78,664	\$ 5,153,938
2012 Revenue	1,315	894,423	-	2,919	898,657
Less: 2012 Satisfaction of Program Restrictions	-	(465,260)	-	(9,665)	(474,925)
Net Assets, December 31, 2012	28,806	5,456,946	20,000	71,918	5,577,670
2013 Revenue	500	1,197,683	-	30,388	1,228,571
Less: 2013 Satisfaction of Program Restrictions	-	(483,782)	-	(29,961)	(513,743)
Net Assets, December 31, 2013	\$ 29,306	\$ 6,170,847	\$ 20,000	\$ 72,345	\$ 6,292,498

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

NOTE 8 ENDOWMENT

The Scholarship Fund's endowment includes donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Scholarship Fund's Governing Board has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment fund absent explicit donor stipulations to the contrary. As a result of this interpretation, the Scholarship Fund classifies as permanently restricted net assets the original value of the gifts to the permanent endowment and the value of subsequent gifts to the permanent endowment. The remaining portion of donor-restricted endowment funds, if any, that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Scholarship Fund. In accordance with UPMIFA, the Scholarship fund considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the Scholarship Fund and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the Scholarship Fund
- (7) The investment policies of the Scholarship Fund

The Scholarship Fund's endowment investment policy objectives are to protect principal, earn a return, satisfy the payout requirement, and provide growth.

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

NOTE 8 ENDOWMENT (CONTINUED)

The following is a summary of endowment funds subject to UPMIFA for the years ended December 31, 2013 and 2012:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, December 31, 2011	\$ -	\$ -	\$ -	\$ -
Contributions	-	-	100,000	100,000
Endowment Net Assets, December 31, 2012	-	-	100,000	100,000
Contributions	-	-	-	-
Transfer of Assets from Trustee to Scholarship Fund	-	-	68,553	68,553
Earnings:				
Investment Income	-	16,091	-	16,091
		16,091		16,091
Appropriations	-	(4,000)	-	(4,000)
Endowment Net Assets, December 31, 2013	<u>\$ -</u>	<u>\$ 12,091</u>	<u>\$ 168,553</u>	<u>\$ 180,644</u>
Endowment Net Assets, December 31, 2013			\$ 168,553	
Beneficial Interest in Perpetual Trusts, December 31, 2013			<u>697,665</u>	
Permanently Restricted Net Assets, December 31, 2013			<u>\$ 866,218</u>	

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Scholarship Fund to retain as a fund of perpetual duration. The Scholarship fund did not have any funds with deficiencies as of December 31, 2013 and 2012.

NOTE 9 EMPLOYEE RETIREMENT PLAN

The Association has a voluntary contribution plan which qualifies under Section 401(k) of the Internal Revenue Code and covers substantially all employees. The Plan allows eligible employees to contribute a percentage of their compensation, with the Association matching 100% of the employees' contributions not to exceed 5% of employees' compensation. The Association made matching contributions of \$88,470 and \$87,420 for the years ended December 31, 2013 and 2012, respectively.

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2013 AND 2012**

NOTE 10 DEFERRED COMPENSATION PLAN

The Association offers a deferred compensation plan that is created in accordance with Section 457(b) of the internal revenue code. The plan permits the participant to defer, on a pretax basis, a portion of their compensation for future years. The assets and liability associated with the plan is included as deferred compensation plan in the accompanying consolidated statements of financial position.

NOTE 11 COMMITMENTS

In December 2012, the Association signed a non-cancellable contract to purchase and implement a new association management software package, which would include a new donor and membership database. The agreement is for 48 months and shall automatically renew for 12 months unless either party gives notice of non-renewal at least 60 days prior to the expiration of the term or any renewal period. The agreement contains monthly service fees of \$6,050. Additionally, the agreement has one time fees of approximately \$240,000 - \$290,000.

The Association has a loan payable with the vendor. The original loan balance was \$204,390 and the term is for 24 months at an interest rate of 6%. The outstanding balance as of December 31, 2013 is included as loan payable in the accompanying consolidated statements of financial position.

Future minimum payments under the agreement for the years ending December 31, are as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2014	\$ 147,183
2015	72,600
2016	72,600
2017	<u>72,600</u>
Total	<u>\$ 364,983</u>



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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

Governing Board
American Foreign Service Association and Related Organizations
Washington, DC

We have audited the consolidated financial statements of American Foreign Service Association and Related Organizations as of and for the years ended December 31, 2013 and 2012, and have issued our report thereon dated August 11, 2014, which contained an unmodified opinion on those consolidated financial statements. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and consolidating statements of activities are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Arlington, Virginia
August 11, 2014

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
CONSOLIDATING STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2013 AND 2012
(See Independent Auditors' Report on Supplementary Information)**

	2013					Consolidated Total
	Consolidating Information					
	AFSA	Fund	Scholarship Fund	PAC	Eliminations	
ASSETS						
CURRENT ASSETS						
Cash and Cash Equivalents	\$ 53,911	\$ -	\$ 144,628	\$ 63,208	\$ -	\$ 261,747
Short-Term Investments	44,071	10,926	-	11,140	-	66,137
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$10,000 at December 31, 2013 and 2012	234,962	6,289	54,803	-	-	296,054
Prepaid Expenses	51,845	8,000	95,188	-	-	155,033
Inventory	18,620	2,340	-	-	-	20,960
Total Current Assets	<u>403,409</u>	<u>27,555</u>	<u>294,619</u>	<u>74,348</u>	<u>-</u>	<u>799,931</u>
NON-CURRENT ASSETS						
Note Receivable	-	-	668,437	-	668,437	-
Investments	3,511,505	406,233	5,571,073	-	-	9,488,811
Beneficial Interest in Perpetual Trusts	-	-	697,665	-	-	697,665
Property and Equipment, Net of Accumulated Depreciation	2,606,322	-	-	-	-	2,606,322
Deferred Compensation Plan Investments	240,377	-	-	-	-	240,377
Total Non-current Assets	<u>6,358,204</u>	<u>406,233</u>	<u>6,937,175</u>	<u>-</u>	<u>668,437</u>	<u>13,033,175</u>
Total Assets	<u>\$ 6,761,613</u>	<u>\$ 433,788</u>	<u>\$ 7,231,794</u>	<u>\$ 74,348</u>	<u>\$ 668,437</u>	<u>\$ 13,833,106</u>
LIABILITIES AND NET ASSETS						
CURRENT LIABILITIES						
Accounts Payable	\$ 31,539	\$ -	\$ -	\$ 445	\$ -	\$ 31,984
Accrued Expenses	275,483	25,687	7,934	-	-	309,104
Capital Lease Payable, Current Portion	-	3,976	-	-	-	3,976
Deferred Revenue	503,110	3,192	-	-	-	506,302
Deferred Lifetime Dues	3,308	-	-	-	-	3,308
Interfund (Receivable) Payable	(188,353)	-	186,795	1,558	-	-
Total Current Liabilities	<u>629,063</u>	<u>28,879</u>	<u>194,729</u>	<u>2,003</u>	<u>-</u>	<u>854,674</u>
NON-CURRENT LIABILITIES						
Note Payable and Line of Credit	668,437	-	-	-	668,437	-
Loan Payable	96,704	-	-	-	-	96,704
Capital Lease Payable	5,739	-	-	-	-	5,739
Deferred Lifetime Dues	-	-	-	-	-	-
Deferred Compensation Plan Obligations	240,377	-	-	-	-	240,377
Total Non-current Liabilities	<u>1,011,257</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>668,437</u>	<u>342,820</u>
Total Liabilities	1,640,320	28,879	194,729	2,003	668,437	1,197,494
NET ASSETS						
Unrestricted	5,091,987	384,909	-	-	-	5,476,896
Temporarily Restricted	29,306	20,000	6,170,847	72,345	-	6,292,498
Permanently Restricted	-	-	866,218	-	-	866,218
Total Net Assets	<u>5,121,293</u>	<u>404,909</u>	<u>7,037,065</u>	<u>72,345</u>	<u>-</u>	<u>12,635,612</u>
Total Liabilities and Net Assets	<u>\$ 6,761,613</u>	<u>\$ 433,788</u>	<u>\$ 7,231,794</u>	<u>\$ 74,348</u>	<u>\$ 668,437</u>	<u>\$ 13,833,106</u>

2012

Consolidating Information					
AFSA	Fund	Scholarship Fund	PAC	Eliminations	Consolidated Total
\$ 371,272	\$ -	\$ 96,053	\$ 62,819	\$ -	\$ 530,144
155,589	8,394	-	11,205	-	175,188
256,848	19,597	1,310	-	-	277,755
32,210	8,000	92,802	(248)	-	132,764
5,486	8,280	-	-	-	13,766
<u>821,405</u>	<u>44,271</u>	<u>190,165</u>	<u>73,776</u>	<u>-</u>	<u>1,129,617</u>
-	-	785,359	-	785,359	-
3,031,241	358,300	4,623,724	-	-	8,013,265
-	-	520,071	-	-	520,071
2,596,594	-	-	-	-	2,596,594
185,127	-	-	-	-	185,127
<u>5,812,962</u>	<u>358,300</u>	<u>5,929,154</u>	<u>-</u>	<u>785,359</u>	<u>11,315,057</u>
<u>\$ 6,634,367</u>	<u>\$ 402,571</u>	<u>\$ 6,119,319</u>	<u>\$ 73,776</u>	<u>\$ 785,359</u>	<u>\$ 12,444,674</u>
\$ 52,180	\$ -	\$ -	\$ -	\$ -	\$ 52,180
213,725	22,023	5,311	-	-	241,059
3,501	-	-	-	-	3,501
530,120	-	-	-	-	530,120
7,392	-	-	-	-	7,392
(37,570)	(1,279)	36,991	1,858	-	-
<u>769,348</u>	<u>20,744</u>	<u>42,302</u>	<u>1,858</u>	<u>-</u>	<u>834,252</u>
785,359	-	-	-	785,359	-
9,715	-	-	-	-	9,715
3,308	-	-	-	-	3,308
185,127	-	-	-	-	185,127
<u>983,509</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>785,359</u>	<u>198,150</u>
1,752,857	20,744	42,302	1,858	785,359	1,032,402
4,852,704	361,827	-	-	-	5,214,531
28,806	20,000	5,456,946	71,918	-	5,577,670
-	-	620,071	-	-	620,071
<u>4,881,510</u>	<u>381,827</u>	<u>6,077,017</u>	<u>71,918</u>	<u>-</u>	<u>11,412,272</u>
<u>\$ 6,634,367</u>	<u>\$ 402,571</u>	<u>\$ 6,119,319</u>	<u>\$ 73,776</u>	<u>\$ 785,359</u>	<u>\$ 12,444,674</u>

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2013
(See Independent Auditors' Report on Supplementary Information)**

	Unrestricted				Total Unrestricted
	AFSA	Fund	Scholarship Fund	PAC	
REVENUE, GAINS, AND OTHER SUPPORT					
Member Dues	\$ 3,502,000	\$ -	\$ -	\$ -	\$ 3,502,000
Advertising Sales, Net of Discounts	557,964	-	-	-	557,964
Contributions	4,691	316,081	-	-	320,772
Dividends and Interest	123,103	14,707	-	-	137,810
Registration Fees	-	13,531	-	-	13,531
Book Sales	-	47,389	-	-	47,389
Other	14,992	-	-	-	14,992
Subscriptions	10,939	-	-	-	10,939
Change in Beneficial Interest in Perpetual Trusts	-	-	-	-	-
Net Realized and Unrealized Gain on Investments	371,582	48,603	-	-	420,185
Net Assets Released from Restrictions -					
Satisfaction of Program Restrictions	-	-	483,782	29,961	513,743
Total Revenue, Gains, and Other Support	<u>4,585,271</u>	<u>440,311</u>	<u>483,782</u>	<u>29,961</u>	<u>5,539,325</u>
EXPENSES					
Program Services:					
Journal	1,068,864	-	-	-	1,068,864
Labor Relations	1,094,607	-	-	-	1,094,607
Scholarships	-	-	435,930	-	435,930
Congressional Affairs	302,322	-	-	-	302,322
Public Education and Outreach	-	212,794	-	-	212,794
Road Scholar	-	19,304	-	-	19,304
Membership Services	110,934	-	-	-	110,934
Retirees	213,758	-	-	-	213,758
Professional Issues	-	112,818	-	-	112,818
Political Action Committee	-	-	-	29,961	29,961
Public Affairs	141,762	-	-	-	141,762
Essay Contest	-	55,065	-	-	55,065
Total Program Services	<u>2,932,247</u>	<u>399,981</u>	<u>435,930</u>	<u>29,961</u>	<u>3,798,119</u>
Supporting Services:					
Management and General	890,381	860	40,207	-	931,448
Member Support	280,710	-	-	-	280,710
Board and President	197,747	-	-	-	197,747
Fundraising	-	16,388	7,645	-	24,033
Election	44,903	-	-	-	44,903
Total Supporting Services	<u>1,413,741</u>	<u>17,248</u>	<u>47,852</u>	<u>-</u>	<u>1,478,841</u>
Total Expenses	<u>4,345,988</u>	<u>417,229</u>	<u>483,782</u>	<u>29,961</u>	<u>5,276,960</u>
CHANGE IN NET ASSETS	239,283	23,082	-	-	262,365
Net Assets, Beginning of Year	<u>4,852,704</u>	<u>361,827</u>	<u>-</u>	<u>-</u>	<u>5,214,531</u>
NET ASSETS, END OF YEAR	<u>\$ 5,091,987</u>	<u>\$ 384,909</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,476,896</u>

Temporarily Restricted					Permanently Restricted						
AFSA	Fund	Scholarship Fund	PAC	Total Temporarily Restricted	AFSA	Fund	Scholarship Fund	PAC	Total Permanently Restricted	Eliminations	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,502,000
-	-	-	-	-	-	-	-	-	-	-	557,964
500	-	227,612	30,388	258,500	-	-	68,553	-	68,553	246,471	401,354
-	-	225,931	-	225,931	-	-	-	-	-	-	363,741
-	-	-	-	-	-	-	-	-	-	-	13,531
-	-	-	-	-	-	-	-	-	-	-	47,389
-	-	-	-	-	-	-	-	-	-	-	14,992
-	-	-	-	-	-	-	-	-	-	-	10,939
-	-	-	-	-	-	-	177,594	-	177,594	-	177,594
-	-	744,140	-	744,140	-	-	-	-	-	-	1,164,325
-	-	(483,782)	(29,961)	(513,743)	-	-	-	-	-	-	-
500	-	713,901	427	714,828	-	-	246,147	-	246,147	246,471	6,253,829
-	-	-	-	-	-	-	-	-	-	-	1,068,864
-	-	-	-	-	-	-	-	-	-	-	1,094,607
-	-	-	-	-	-	-	-	-	-	-	435,930
-	-	-	-	-	-	-	-	-	-	-	302,322
-	-	-	-	-	-	-	-	-	-	-	212,794
-	-	-	-	-	-	-	-	-	-	-	19,304
-	-	-	-	-	-	-	-	-	-	-	110,934
-	-	-	-	-	-	-	-	-	-	-	213,758
-	-	-	-	-	-	-	-	-	-	-	112,818
-	-	-	-	-	-	-	-	-	-	-	29,961
-	-	-	-	-	-	-	-	-	-	-	141,762
-	-	-	-	-	-	-	-	-	-	-	55,065
-	-	-	-	-	-	-	-	-	-	-	3,798,119
-	-	-	-	-	-	-	-	-	-	246,471	684,977
-	-	-	-	-	-	-	-	-	-	-	280,710
-	-	-	-	-	-	-	-	-	-	-	197,747
-	-	-	-	-	-	-	-	-	-	-	24,033
-	-	-	-	-	-	-	-	-	-	-	44,903
-	-	-	-	-	-	-	-	-	-	246,471	1,232,370
-	-	-	-	-	-	-	-	-	-	246,471	5,030,489
500	-	713,901	427	714,828	-	-	246,147	-	246,147	-	1,223,340
28,806	20,000	5,456,946	71,918	5,577,670	-	-	620,071	-	620,071	-	11,412,272
\$ 29,306	\$ 20,000	\$ 6,170,847	\$ 72,345	\$ 6,292,498	\$ -	\$ -	\$ 866,218	\$ -	\$ 866,218	\$ -	\$ 12,635,612

**AMERICAN FOREIGN SERVICE ASSOCIATION
AND RELATED ORGANIZATIONS
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2012
(See Independent Auditors' Report on Supplementary Information)**

	Unrestricted				Total Unrestricted
	AFSA	Fund	Scholarship Fund	PAC	
REVENUE, GAINS, AND OTHER SUPPORT					
Member Dues	\$ 3,372,470	\$ -	\$ -	\$ -	\$ 3,372,470
Advertising Sales, Net of Discounts	551,819	-	-	-	551,819
Contributions	36,326	271,875	-	-	308,201
Dividends and Interest	116,336	8,471	-	-	124,807
Registration Fees	-	11,188	-	-	11,188
Book Sales	-	96,957	-	-	96,957
Other	47,196	-	-	-	47,196
Subscriptions	12,734	-	-	-	12,734
Change in Beneficial Interest in Perpetual Trusts	-	-	-	-	-
Net Realized and Unrealized Gain on Investments	287,917	37,048	-	-	324,965
Net Assets Released from Restrictions - Satisfaction of Program Restrictions	-	-	465,260	9,665	474,925
Total Revenue, Gains, and Other Support	<u>4,424,798</u>	<u>425,539</u>	<u>465,260</u>	<u>9,665</u>	<u>5,325,262</u>
EXPENSES					
Program Services:					
Journal	1,021,250	-	-	-	1,021,250
Labor Relations	1,011,773	-	-	-	1,011,773
Scholarships	-	-	423,304	-	423,304
Congressional Affairs	172,491	-	-	-	172,491
Public Education and Outreach	-	262,073	-	-	262,073
Road Scholar	-	18,086	-	-	18,086
Membership Services	92,940	-	-	-	92,940
Retirees	192,669	-	-	-	192,669
Professional Issues	-	66,225	-	-	66,225
Political Action Committee	-	-	-	9,665	9,665
Public Affairs	71,645	-	-	-	71,645
Essay Contest	-	44,547	-	-	44,547
Total Program Services	<u>2,562,768</u>	<u>390,931</u>	<u>423,304</u>	<u>9,665</u>	<u>3,386,668</u>
Supporting Services:					
Management and General	752,841	1,036	33,313	-	787,190
Member Support	244,678	-	-	-	244,678
Board and President	115,598	-	-	-	115,598
Fundraising	-	4,124	8,643	-	12,767
Election	15,304	-	-	-	15,304
Total Supporting Services	<u>1,128,421</u>	<u>5,160</u>	<u>41,956</u>	<u>-</u>	<u>1,175,537</u>
Total Expenses	<u>3,691,189</u>	<u>396,091</u>	<u>465,260</u>	<u>9,665</u>	<u>4,562,205</u>
CHANGE IN NET ASSETS	733,609	29,448	-	-	763,057
Net Assets, Beginning of Year	<u>4,119,095</u>	<u>332,379</u>	<u>-</u>	<u>-</u>	<u>4,451,474</u>
NET ASSETS, END OF YEAR	<u>\$ 4,852,704</u>	<u>\$ 361,827</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,214,531</u>

Temporarily Restricted					Permanently Restricted						
AFSA	Fund	Scholarship Fund	PAC	Total Temporarily Restricted	AFSA	Fund	Scholarship Fund	PAC	Total Permanently Restricted	Eliminations	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,372,470
-	-	-	-	-	-	-	-	-	-	-	551,819
1,315	-	164,923	2,919	169,157	-	-	100,000	-	100,000	205,383	371,975
-	-	166,161	-	166,161	-	-	-	-	-	-	290,968
-	-	-	-	-	-	-	-	-	-	-	11,188
-	-	-	-	-	-	-	-	-	-	-	96,957
-	-	-	-	-	-	-	-	-	-	-	47,196
-	-	-	-	-	-	-	-	-	-	-	12,734
-	-	-	-	-	-	-	46,918	-	46,918	-	46,918
-	-	563,339	-	563,339	-	-	-	-	-	-	888,304
-	-	(465,260)	(9,665)	(474,925)	-	-	-	-	-	-	-
1,315	-	429,163	(6,746)	423,732	-	-	146,918	-	146,918	205,383	5,690,529
-	-	-	-	-	-	-	-	-	-	-	1,021,250
-	-	-	-	-	-	-	-	-	-	-	1,011,773
-	-	-	-	-	-	-	-	-	-	-	423,304
-	-	-	-	-	-	-	-	-	-	-	172,491
-	-	-	-	-	-	-	-	-	-	-	262,073
-	-	-	-	-	-	-	-	-	-	-	18,086
-	-	-	-	-	-	-	-	-	-	-	92,940
-	-	-	-	-	-	-	-	-	-	-	192,669
-	-	-	-	-	-	-	-	-	-	-	66,225
-	-	-	-	-	-	-	-	-	-	-	9,665
-	-	-	-	-	-	-	-	-	-	-	71,645
-	-	-	-	-	-	-	-	-	-	-	44,547
-	-	-	-	-	-	-	-	-	-	-	3,386,668
-	-	-	-	-	-	-	-	-	-	205,383	581,807
-	-	-	-	-	-	-	-	-	-	-	244,678
-	-	-	-	-	-	-	-	-	-	-	115,598
-	-	-	-	-	-	-	-	-	-	-	12,767
-	-	-	-	-	-	-	-	-	-	-	15,304
-	-	-	-	-	-	-	-	-	-	205,383	970,154
-	-	-	-	-	-	-	-	-	-	205,383	4,356,822
1,315	-	429,163	(6,746)	423,732	-	-	146,918	-	146,918	-	1,333,707
27,491	20,000	5,027,783	78,664	5,153,938	-	-	473,153	-	473,153	-	10,078,565
\$ 28,806	\$ 20,000	\$ 5,456,946	\$ 71,918	\$ 5,577,670	\$ -	\$ -	\$ 620,071	\$ -	\$ 620,071	\$ -	\$ 11,412,272