

PERFORMANCE AND ACCOUNTABILITY REPORT

FISCAL YEAR **2023**

October 1, 2022 - September 30, 2023

Submitted November 15, 2023

UNITED STATES
HOLOCAUST
MEMORIAL
MUSEUM

www.ushmm.org

United States Holocaust Memorial Museum

Performance and Accountability Report
Year Ended September 30, 2023

United States Holocaust Memorial Museum

Contents

Message from the Director	3
Statement of Assurance	4
Message from the Chief Financial Officer	5
Management's Discussion and Analysis (Unaudited)	6-11
Government Performance and Results Act (GPRA) Annual Performance Plan - FY 2023	12-26
Museum Organization Chart	27
Independent Auditor's Report	28-30
Financial Statements	31-62
Supplementary Information	63-67
Independent Auditor's Reports Required by <i>Government Auditing Standards</i>	68-70

United States Holocaust Memorial Museum

Message from the Director

November 15, 2023

When the Museum opened in 1993, its founders knew that its message was timeless, but they could not have imagined that in the 21st century it would become even more timely. As a *living* memorial to the victims of the Holocaust, the Museum teaches the history and lessons of the Holocaust and encourages leaders and citizens to confront hatred, prevent genocide, promote human dignity and strengthen democratic values.

In a world with rising antisemitism, Holocaust denial, and racism; assaults against truth; and continued threats of genocide - all amplified by social media - our work has never been more urgent. We believe that our programs for teachers, youth and a diverse global public as well as law enforcement officers; and members of the judiciary and military help people think about their own roles and responsibilities in society and in advancing American values of liberty, individual dignity and pluralism.

At a time when history education is declining, the Museum - through its onsite programs, outreach activities, and global digital presence - is reaching millions of Americans as well as a growing international audience each year with these lessons: the unthinkable is possible, the dangers of unchecked hatred, and the power of the individual. Inspired by the Holocaust survivors, challenged by the need to reach new generations with our important message, and gratified by the high demand for our programs, the Museum will continue in Fiscal Year 2024 to bring these lessons to millions more.



Sara J. Bloomfield
Director

United States Holocaust Memorial Museum

Statement of Assurance

November 15, 2023

I, Sara J. Bloomfield, Director of the United States Holocaust Memorial Museum, state and assure that to the best of my knowledge:

- (1) The system of internal controls of this agency is functioning and provides reasonable assurance as to the: efficiency and effectiveness of programs and operations, reliability of financial performance information, and compliance with laws and regulations. These controls satisfy the requirements of the *Federal Managers' Financial Integrity Act*.
- (2) The system of internal controls of this agency that relates to the security of financial management systems and performance and other financial data provides protections commensurate with the risk and magnitude of harm resulting from the loss, misuse, or unauthorized access and satisfy the requirements of section 5131 of the *Clinger-Cohen Act of 1996*; sections 5 and 6 of the *Computer Security Act*; and section 3533(D)(2) of the *Government Information Security Reform Act*.
- (3) The financial management systems of this agency provide reasonable assurances that: obligations and costs are in compliance with applicable laws; performance data and proprietary and budgetary accounting transactions applicable to the agency are properly recorded and accounted for to permit the timely preparation of accounts; reliable performance information, and to maintain accountability for the assets. The financial control at this agency satisfies the requirements of the *Federal Managers' Financial Integrity Act*.
- (4) The financial management systems of this agency provide this agency with reliable, timely, complete, and consistent performance and other financial information to make decisions, efficiently operate and evaluate programs, and satisfy the requirements of the *Federal Financial Management Improvement Act* section 803(a), the *Government Performance and Results Act*, and OMB Circular No. A-11 Preparation and Submission of Budget Estimates. A remediation plan under *Federal Managers' Financial Integrity Act* is not required.
- (5) No material weaknesses are identified.



Sara J. Bloomfield
Director

United States Holocaust Memorial Museum

Message from the Chief Financial Officer

November 15, 2023

I am pleased to present the United States Holocaust Memorial Museum's Fiscal Year 2023 *Performance and Accountability Report* which presents both financial and performance information on the Museum's operations in a combined report for the fiscal year ended September 30, 2023. This report satisfies the reporting requirements for the following:

- *Accountability of Tax Dollars Act of 2002*
- *Reports Consolidation Act of 2000*
- *Government Management Reform Act of 1994*
- *Government Performance and Results Act of 1993*
- *Chief Financial Officers Act of 1990*
- *Federal Managers' Financial Act of 1982*
- *Section 2308 of the Museum's authorizing legislation (36 USC 2302)*

The Museum received an unmodified opinion on its financial statements for Fiscal Year 2023. These statements fully account for both the federal appropriated and nonappropriated funds.

In the past year, we continued efforts to refine and improve the Museum's financial system with the goal of providing Museum managers, Council members, federal oversight officials, and the general public with timely, accurate, and useful financial information.

We remain committed to providing the Museum with the highest levels of financial management services and ensuring the efficiency, economy, and effectiveness of the Museum programs and activities. Fiscal Year 2023 was a very challenging year for the Museum which had to contend with an unprecedented increase in cyber-attacks on our systems, the return to in-person programming and the implementation of our new financial management tool. Individually or as a group, these events could have damaged the Museum's financial stability and long-term prospects. I am pleased to announce that the Museum's financial position was not negatively impacted.



Jon Carver
Chief Financial Officer
United States Holocaust Memorial Museum

United States Holocaust Memorial Museum

Management's Discussion and Analysis (Unaudited)

Introduction

The Management's Discussion and Analysis provides an overview of the financial position and results of activities of the United States Holocaust Memorial Museum (the Museum) as of and for the year ended September 30, 2023 (FY 2023) and comparative results as of and for the year ended September 30, 2022 (FY 2022). The purpose of this information is to assist readers of these financial statements to better understand the Museum's financial position and operating activities.

A living memorial to the Holocaust, the United States Holocaust Memorial Museum inspires citizens and leaders worldwide to confront hatred, prevent genocide, and promote human dignity. Located among our national monuments to freedom on the National Mall, the Museum provides a powerful lesson in the fragility of freedom and the need for vigilance in preserving democratic values.

The Museum's missions are to advance and disseminate knowledge about the Holocaust; to preserve the memory of those who suffered; and to encourage reflection on the moral and spiritual questions raised by the events of the Holocaust and the personal responsibilities of the citizens of a democracy. The Museum strives to broaden public understanding of the history of the Holocaust through the following: educational programs; exhibitions; research and publication; collecting and preserving material evidence, art and artifacts related to the Holocaust; annual Holocaust commemorations known as Days of Remembrance; and public programming designed to enhance understanding of the Holocaust and related issues, including those of contemporary significance.

The Museum is a public-private partnership that receives an annual Federal appropriation and private donations. The Federal appropriation primarily supports operation of the Museum facility. Private (non-appropriated) funding primarily supports educational programming, scholarly activities, and outreach.

Performance Goals and Results

Building on the extraordinary success in its first twenty years, the Museum's strategic plan provides a vision and framework for its activities through its third decade. The Museum had 32 established objectives for FY 2023 related to education, remembrance, research and infrastructure support. The Museum achieved these objectives: 24 were met or exceeded and 8 were on-going.

Financial Statements Summary

The Museum's financial position remained strong at September 30, 2023 and 2022, with total assets of approximately \$889.8 million and \$802.2 million, respectively, and total liabilities of approximately \$113.0 million and \$105.3 million, respectively. Net assets, which represent the residual interest in the Museum's assets after liabilities are deducted, are \$776.7 million, a 11% increase from FY 2022. The \$79.8 million FY 2023 increase in net assets is attributable primarily to items enumerated under the Statement of Activities section of this Management's Discussion and Analysis.

United States Holocaust Memorial Museum

Management's Discussion and Analysis (Unaudited)

Statement of Financial Position

The Museum's financial position reflects strong support from the Museum's donors and the success of fundraising campaigns. Total net assets increased by \$79.8 million as of September 30, 2023 primarily due to an increase in contributions revenue and the positive investment returns.

Contributions Receivable

Contributions receivable, net of allowance for doubtful accounts and discounted to present value, total \$75.2 million. Of the Museum's gross receivable balance, 22% is expected to be received within the next year.

Property and Equipment

Property and equipment is \$247.0 million and consists of \$4.6 million in land, \$184.3 million in buildings and capital improvements, \$40.0 million in the permanent exhibition and other exhibitions, and \$18.0 million in furniture, equipment and software, and \$0.1 million in leasehold improvements, less accumulated depreciation and amortization of \$152.2 million. The \$1.0 million net decrease compared to FY 2022 results from current year depreciation and amortization that exceeded the current year capital expenditures.

Long-Term Investments

Long-term investments consist primarily of endowment funds - those with and without donor restrictions - intended to provide long-term financial security for the Museum. Under the direction of the Investment Committee of the Museum's governing board and a highly qualified investment consultant, the Museum invests in a diversified portfolio of equities, fixed income securities, alternatives, private equity and multi-asset strategies. All endowment funds are managed in a single investment pool.

The market value of investments totals \$647.4 million, a increase of 10% from last fiscal year. Investments produced a net gain of \$62.1 million in FY 2023, which includes interest and dividend income of \$12.8 million, investment management fees of \$2.5 million, and \$51.8 million in net unrealized and realized gains in the market value of the portfolio.

Endowment

The Museum's \$603.3 million endowment consists of donor-restricted endowment funds and funds functioning as endowment. As of September 30, 2023 and 2022, donor-restricted endowment funds, including accumulated investment gains, totaled \$437.2 million and \$395.3 million, respectively. Funds functioning as endowment includes Board-designated endowment funds and other funds invested as endowment, and totaled \$161.9 million and \$146.0 million for FY 2023 and FY 2022, respectively. These balances include some liquidity reserves from purpose-restricted gifts that will be spent in the future on Museum programs.

The \$58.0 million increase in the value of the endowment in FY 2023 was the result of \$19.9 million in new endowment contributions, a net addition of \$31.8 million to the other funds invested as endowment, plus \$53.0 million in total net investment gains and distributions of \$46.7 million to support Museum activities. Distribution amounts were consistent with the Museum's

United States Holocaust Memorial Museum

Management's Discussion and Analysis (Unaudited)

spending policies, which aim to preserve capital while providing significant on-going support for the Museum's mission.

Liabilities and Net Assets/Federal Equity

Liabilities of \$113.0 million consist of accounts payable and accrued expenses, charitable gift annuity liability, unexpended federal appropriations, operating lease liabilities and debt. The Museum used a term loan to pay for some of the cost of constructing the Shapell Center pending receipt of all of the related contribution pledges. As of September 30, 2023, the outstanding loan balance was \$30.6 million, decreased by \$2.0 million from the prior year.

The Museum has total equity of \$776.7 million of which \$576.6 million is net assets with donor restrictions.

Statement of Activities

The statement of activities presents the Museum's annual results of financial activity and matches revenues to related expenses. The statement summarizes the annual change in net assets, which was a increase of \$79.8 million in FY 2023.

Total support and revenues in FY 2023 was \$245.9 million, \$159.0 million greater than in FY 2022. The \$62.1 million in net unrealized and realized investment gains does not have an immediate impact on funds available to the Museum because endowment payout is calculated annually based on a 12-quarter rolling average balance, which tends to smooth market fluctuations.

A notable change within the \$29.1 million increase in contributions is its make-up: without donor restrictions increased by \$23.3 million, one-time gifts with donor restrictions increased by \$6.4 million, and gifts restricted by donors to the use of earnings decreased by \$0.6 million.

Total FY 2023 operating expenses were \$165.9 million, up by \$23.4 million or 16% from FY 2022. Staff compensation costs continue to be our largest cost component and these increased by \$6.3 million or 9% in FY 2023.

Program Activities

Program services, including an allocation for the occupancy, security, depreciation and amortization, and information technology expenses applicable Museum-wide, consume approximately 75% of total expenses.

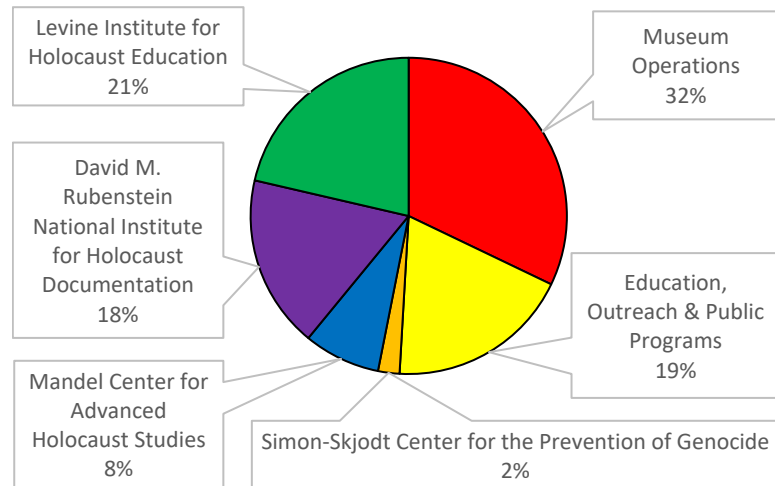
The **operations and services of the Museum** account for 32% of our program expenses.

The **Levine Institute for Holocaust Education (Levine Institute)** is 21% of program expenses. The goal of the Levine Institute is to develop new approaches to Holocaust education that deepen understanding of the learners' roles in society, help them to develop critical thinking and lead to changes in their attitudes and behavior. The Levine Institute creates our exhibitions and produces educational programs for teachers and students, military and civilian leaders, law enforcement and the judiciary. The Museum creates greater awareness of the Holocaust and its lessons in a complex world and teaches why the Holocaust happened--and was allowed to happen.

United States Holocaust Memorial Museum

Management's Discussion and Analysis (Unaudited)

Another 18% is spent by the **David M. Rubenstein National Institute for Holocaust Documentation**, which acquires, catalogs and conserves our collections of artifacts, documents, photographs, films, and the other evidence of the Holocaust (the Collection). This Institute's mission is to build the collection of record on the Holocaust, preserve it for posterity, and ensure its global accessibility to provide a foundation for education, exhibitions and scholarship.



The Collection--the most comprehensive anywhere--includes documentation from survivors, victims, rescuers, perpetrators, and bystanders. This body of evidence serves as an authentic witness to the Holocaust and as a permanent rejoinder to those who deny or distort this history. The Museum is in a race against time to collect the substantial material still remaining with individuals and institutions worldwide, which if not acquired now, may be lost forever. Digital preservation of the document archive is an increasingly important component of this work. Digital technology is also enabling far wider access to the Collection than previously possible.

The Museum's **Mandel Center for Advanced Holocaust Studies (Mandel Center)** spends 8% of our program funds to advance scholarship. Holocaust awareness and education rests on scholarly research and inquiry. The Mandel Center generates new knowledge and understanding of the many questions it presents about human nature and societies. Holocaust studies is a relatively new academic field that lacks the organizational infrastructure needed for sustainability and growth. By working with partner institutions and producing publications and programs, the Mandel Center actively supports researchers and faculty worldwide, especially young scholars, to create the next generation of professors, authors and researchers who will ensure the continued growth and vitality of Holocaust studies.

The **Simon-Skjodt Center for the Prevention of Genocide (Simon-Skjodt Center)**, 2% of the total program expenses, is dedicated to stimulating timely global action to prevent genocide and catalyze an international response when genocide does occur. In an interconnected, rapidly changing world, atrocities fuel instability, refugee flows, and terrorism, making genocide prevention a matter of national and international interest. The long-term goal of the Simon-Skjodt Center is to ensure that the United States government, other governments, and multilateral organizations have institutionalized structures, tools, and policies to effectively prevent and respond to genocide and other mass atrocities.

Education, outreach and public programs extend the reach of programs to audiences beyond those who visit the Museum through events around the country, live streaming and publications.

United States Holocaust Memorial Museum

Management's Discussion and Analysis (Unaudited)

Supporting Activities

Supporting services include executive leadership, activities of the governing board, fundraising, finance, human resources and other functions that support all of the Museum's activities. As with program expenses, these supporting service expenses also include an allocation for the occupancy, security, depreciation and amortization, and information technology expenses applicable Museum-wide.

Management Integrity: Controls and Compliance

The Museum maintains a comprehensive management control program through the activities of its internal auditor and the Audit Committee of the governing board of trustees known as the United States Holocaust Memorial Council (the Council), the review and monitoring efforts of its legal staff, and the ongoing improvement efforts of its management staff.

Based on this program, the Museum has reasonable assurance that:

- The financial reporting is reliable.
- The Museum is in compliance with all applicable laws and regulations.
- Management's performance reporting systems are reliable.

In addition to these efforts, the Museum has also been accredited by the American Association of Museums. During the accreditation process, qualified museum professionals conduct a thorough independent evaluation of all aspects of the Museum, including a review of management controls.

The Director's Statement of Assurance in the Performance and Accountability Report, as required under the *Federal Manager's Financial Integrity Act*, attests to these and other Federal requirements for financial management.

Investment in Fundraising

The Museum continues to make significant investments in fundraising operations in support of the Museum's programs and endowment. These activities include membership, planned giving and major gift operations. Museum management evaluates each fundraising activity to ensure that expenditure levels are justified and produces the expected return on investment.

Limitations of the Federal Financial Statements

The financial statements have been prepared to report the financial position and results of operations of the Museum, pursuant to the requirements of 31 U.S.C. 3515(b). The statements were prepared from the books and records of the Museum in accordance with accounting principles generally accepted in the United States of America. The Federal schedules included in the supplementary information are in addition to the financial reports used to monitor and control budgetary resources and were prepared from the same books and records. The statements should be read with the realization that they are for a component of the United States Government, a sovereign entity.

United States Holocaust Memorial Museum

Management's Discussion and Analysis (Unaudited)

Future Concerns and Issues

Demand for the Museum's programs has grown nationally and internationally as the lessons of the Holocaust remain relevant today. Federal funding, which remained relatively constant between FY 2023 and FY 2022, currently covers most basic operating costs of the Museum and conservation facilities. The Museum depends increasingly on private support for programs and outreach. Building the institution's endowment so that our programs will continue as the Holocaust recedes in time remains a central financial objective. We are proud of the impact of our programs, and our productive investment in fundraising increases our confidence that the Museum can remain financially resilient.

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

Mission

A living memorial to the Holocaust, the United States Holocaust Memorial Museum was created to remember the victims and to stimulate leaders and citizens to confront hatred, prevent genocide, promote human dignity, and strengthen democracy.

The Museum, which opened in 1993, was created in response to recommendations by the *President's Commission on the Holocaust* (P.L. 96-388), which mandated the following:

- Operate and maintain a permanent living memorial museum to the victims of the Holocaust,
- Provide appropriate ways for the nation to commemorate the victims of the Holocaust through the annual national civic observances known as Days of Remembrance, and
- Carry out the recommendations of the *President's Commission on the Holocaust* in its Report to the President of September 27, 1979.

America's National Memorial to the Holocaust

Thirty years ago, the United States Holocaust Memorial Museum opened its doors as a new kind of educational institution.

The decision to create it came at a time when public awareness of the Holocaust was growing and Holocaust survivors and World War II veterans were beginning to share more about their experiences. A march by the American Nazi Party in Skokie, Illinois, where many survivors had settled after the war, was a shocking reminder that the lessons of the Holocaust had yet to be learned.

Elie Wiesel and a dedicated group of survivors and civic leaders joined with the U.S. government in a public-private partnership to create the Museum. Despite significant skepticism, together they made a powerful case for why a living memorial to the victims of the Holocaust—an educational institution to stand as a permanent reminder of the fragility of democracy and the vulnerability of human nature—belonged on the National Mall among our other monuments to freedom. While their vision prevailed, the outcome was certainly not a given.

When the Museum opened in 1993, visitors came in droves. More than 47 million have visited to date, including over 100 heads of state and visitors from all 50 states and almost every country. What they saw for themselves was evidence that the unthinkable was possible—even in an advanced, democratic society like Germany with many of the protections that societies have developed to safeguard individual rights and freedoms.

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

The Challenges of a Complex World

As we mark the Museum's 30th anniversary, we cannot be complacent about its future. While the founders faced a daunting task, ours is no less challenging—and increasingly urgent. Our nation and the world have changed dramatically since the Museum opened. Fewer truth tellers are among us. Fewer Holocaust survivors and World War II veterans remain. Fewer Americans have connections to Europe or the war. Fewer young people are studying history and civics, which are so essential in a democracy. These changes are happening just as antisemitism on the far right and far left is on the rise. Neo-Nazis and white supremacists have grown in influence, and racism remains an enduring scourge. Conspiracy theories, misinformation, and abuse of the Holocaust to advance other agendas—all are taking hold, as social media and the internet amplify their impact, relentlessly undermining the truth.

Even in the very lands where the Holocaust happened, some governments and influential individuals deny or distort the truth of the Holocaust—a disturbing shift from what had been the trend to honestly confront this history. And, despite our nation's and the world's vow of *Never Again* in the aftermath of Nazi Germany's attempt to annihilate European Jewry—ultimately killing two out of every three—the threat of genocide around the world continues.

As the eyewitness generation passes and the truth of the Holocaust is increasingly under attack, we must respond to these challenges by protecting the truth and ensuring the relevance of the Holocaust for new generations worldwide. The Museum's federal status, international stature, global reach, deep expertise, and broad public trust make it uniquely suited to pursue these bold aspirations.

Strategic Plan

Our nation and the world have changed dramatically since the Museum opened. We must respond to these challenges by protecting the truth and ensuring the relevance of the Holocaust for new generations worldwide. Our role is crucial and the Strategic Plan described below is the roadmap.

Our Iconic Exhibition

We must revitalize our primary educational tool, our core exhibition, to ensure its relevance for future generations from all walks of life, going beyond what happened, to advancing understanding of how and why the Holocaust happened.

Our Collection

We must counter the challenges that threaten the basic truth of the Holocaust by strengthening our massive collection of authentic evidence of the crime and making it globally accessible to anyone, anywhere. This is foundational to advancing education, scholarship, awareness, and understanding among college and secondary students, faculty and teachers, researchers, and the global public through use in exhibitions, publications, resources, programs, and social media.

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

David M. Rubenstein National Institute for Holocaust Documentation (RNIHD)

Strengthen the collection of record and make it globally accessible so that the history and memory of the Holocaust will endure.

- Significantly improve and increase access to the collection.
- Align RNIHD's collecting priorities with the needs of the field of Holocaust Studies, the Permanent Exhibition revitalization and its themes, and the Museum's memorial role.

Holocaust Education

We must play a leading role in shaping the field of Holocaust education by setting standards, demonstrating the relevance of the Holocaust, supporting learning about how and why it happened, and encouraging audiences to think critically about their roles and responsibilities today. We must reach audiences who can influence the present and shape the future: emerging adults, professions that were key to making the Holocaust possible and whose role is to ensure the life and liberty of individuals in democratic societies (the military, judiciary, and law enforcement), and others with influence.

William Levine Family Institute for Holocaust Education

Serve as the global leader establishing the relevance of the Holocaust.

- Engage audiences to inspire critical thinking.
- Strengthen the field to improve the quality of teaching and learning.
- Conduct research to understand the relevance of Holocaust history for our priority audiences and assess the quality of teaching and learning.

Holocaust Scholarship

We must promote a vital international field of Holocaust Studies to ensure that our work of education and documentation and that of other like-minded institutions can continue to rely on an unshakable foundation of the most rigorous scholarship. The future of the field depends on the constant examination of new questions about the subject from a wide variety of academic disciplines.

Jack, Joseph and Morton Mandel Center for Advanced Holocaust Studies

Ensuring the field of Holocaust Studies remains vital.

- Expand and steward a global community of diverse partner institutions and lead results-based conversations about the future of the field.
- Increase global access to authoritative scholarship and sources in order to improve and secure research, teaching, and education.
- Integrate Holocaust studies with other fields and enable Holocaust studies to be viewed and taught through a multitude of lenses.

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

Genocide Prevention

We must continue to pursue the ultimate challenge: doing for victims of genocide today what was not done for the Jews of Europe. Our moral authority and role as America's national Holocaust memorial give us the unique ability to promote a world where leaders, communities, and institutions take action to prevent or halt genocide. We aim to advance a sustainable focus on genocide prevention across presidential administrations and to inspire and equip policymakers at all levels of government.

Simon-Skjodt Center for the Prevention of Genocide

Promoting a world where leaders, communities, and institutions take action to prevent or halt genocide and related crimes against humanity and support justice for these crimes.

- Elevate the priority given to atrocity prevention in U.S. foreign policy for the long term.
- Address gaps in foreign policy and atrocity prevention analysis and provide expertise, tools, and recommendations where the Center can have the greatest impact.
- Build the next generation of bipartisan foreign policy leaders who understand the history of the Holocaust, their role in atrocity prevention today, and the tools and approaches available to them.

While all these challenges are growing, so is demand for our work: Teachers, school administrators, and university and college faculty across the United States are seeking our help. Parts of the Middle East, where once the Holocaust was denied or celebrated, are increasingly interested in pursuing Holocaust education. This demand is crucial because the Museum cannot address these challenges alone.

Our Global Role

We must solicit and strengthen the commitment of governments in the lands where the Holocaust happened and beyond. We must work with partners of all kinds—not only governments, multinational organizations, and Holocaust institutions and sites, but others, such as the American Library Association, FBI, military service academies, State Department, U.S. Institute for Peace, International Holocaust Remembrance Alliance (IHRA), European Holocaust Research Infrastructure (EHRI), and United Nations Educational, Scientific and Cultural Organization (UNESCO).

Office of International Affairs

Raising the Museum's international profile and creating an enabling environment for its mission.

- Establish a consistent and leading Museum presence with major international governments and in multilateral organizations to demonstrate the relevance of the Holocaust.
- Cultivate the creation and strengthening of government-enabled Holocaust-related organizations.

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

- Conduct policy and regulatory research and analysis that will influence government approaches to secure Holocaust memory, understanding, and relevance.

Our Values and Institutional Plan

The visionaries who built such a singular institution laid the strong foundation that enables us to take on these enormous challenges 30 years later. The Museum's federal status, international stature, global reach, deep expertise, and broad public trust make it uniquely suited to pursue our aspirations. Our staff, supported by many partners and guided by our institutional values, will fulfill this ambitious plan, and we must continue to invest in them. As a young institution with profound obligations, we must also build the infrastructure to support our work for the long term.

The survivors fervently believed the Museum would serve as not only a lesson and a warning, but also an inspiration. Their conviction about the power of memory animates this bold vision for our future.

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

Educating Students, Teachers and Leaders

Performance Goals for FY 23 - FY 27	Performance Indicator	Baseline (FY22)	FY23 Target	FY23 Actuals	FY 23 Status: Met, Ongoing, Exceeded, or N/A	FY 24 Target	Notes
Over 1.5 million educators and others will visit the TEACH section of our website to take advantage of our classroom resources and services	# of visitors to website	1,174,825	1,025,000	1,127,290	Exceeded	1,050,000	
More than 60,000 educators will download the Museum's top educational resources, and we will evaluate and revise our lesson plans to ensure they meet intended learning outcomes	# of educators who download top resources	46,808	50,000	48,257	Ongoing	50,000	
	# of resource downloads	45,000	50,000	164,127	Exceeded	100,000	
Over 3,500 educators will participate in our annual <i>Belfer National Conference for Educators</i> ; at least 30% will be new to teaching the Holocaust or from underserved areas	# of educators who participate in the Belfer Conference	3,000	3,000	3,301	Exceeded	3,000	
	# and % of educators new to teaching the Holocaust	519/17%	600/20%	703/21%	Exceeded	750/25%	
	# and % of educators from underserved schools	not tracked	300/10%	1401/42%	Exceeded	300/10%	

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

Educating Students, Teachers and Leaders

Performance Goals for FY 23 - FY 27	Performance Indicator	Baseline (FY22)	FY23 Target	FY23 Actuals	FY 23 Status: Met, Ongoing, Exceeded, or N/A	FY 24 Target	Notes
	# of states represented	50	50	50	Met	50	
	# and % of returning educators	769/26%	900/30%	1029/31%	Exceeded	900/30%	
Over 50,000 teachers will become part of the Museum's educator network	# of teachers who are part of the Museum's educator network	48,510	50,000	54,760	Exceeded	54,000	
	# of new Belfer participants who join our educator network	2,231	2,310	2,271	Ongoing	2,000	
Over 250,000 students and 2,500 colleges, universities, and community colleges will use our online Experiencing History educational resource for higher education	# of users in total (includes students and faculty)	238,765	250,000	229,245	Ongoing	230,000	The raw number of users decreased but we believe that we are reaching more of our intended audience of students and educators based on: increase in desktop use (students) and decrease in mobile use (general public); increase in the 18-24 demographic using the site (college student age); increase in traffic from university course management systems.

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

Educating Students, Teachers and Leaders

Performance Goals for FY 23 - FY 27	Performance Indicator	Baseline (FY22)	FY23 Target	FY23 Actuals	FY 23 Status: Met, Ongoing, Exceeded, or N/A	FY 24 Target	Notes
	# of colleges, universities, and community colleges	1,801	1,600	2,343	Exceeded	2,500	
9,000 law enforcement officials, military personnel, and members of the judiciary will annually participate in 185 seminars specially designed for them to critically examine the role of their profession during the Holocaust and reflect on their professional responsibilities today	# of law enforcement officials (FBI, police, secret service, etc.)	4,726	4,500	5,478	Exceeded	5,000	
	# of Federal Government Officials	219	200	340	Exceeded	250	
	# of Military Personnel	2,145	2,000	2,576	Exceeded	2,000	
	# of Judiciary Members	689	1,300	2,181	Exceeded	1,500	
	# of Seminars held	134	185	208	Exceeded	185	
100 public libraries in underserved communities and on campuses nationwide will host our traveling exhibition <i>Americans and the Holocaust</i>	# of cities visited	24	22	22	Met	4	
	Total # of nationwide visitors throughout the FY	189,000	200,000	127,142	Ongoing	28,000	Exhibit traveled to a number of rural locations (Rolla, MO, Juneau, AK, Billings, MT, Petoskey, MI, Hattiesburg, MS, etc.) that had relatively low visitation when compared to cities.

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

Educating Students, Teachers and Leaders

Performance Goals for FY 23 - FY 27	Performance Indicator	Baseline (FY22)	FY23 Target	FY23 Actuals	FY 23 Status: Met, Ongoing, Exceeded, or N/A	FY 24 Target	Notes
The world's first-ever Holocaust research center will be launched in order to undertake systemic, rigorous research into teaching and learning about the Holocaust and improve the impact and effectiveness of Holocaust education in the U.S.	This goal will be measured using qualitative measures instead of quantitative data.	n/a	n/a	n/a	n/a	n/a	See update below.

Five Year Goal: Over 1.5 million educators and others will visit the TEACH section of our website to take advantage of our classroom resources and services.

Year One Progress: In 2023, we increased our presence on the platforms that teachers most often consult for lesson plans and guidance on teaching. To reach teachers previously unaware of Museum resources, we created a variety of social media ads for six platforms in 2023, including Facebook, Instagram, LinkedIn, Pinterest, TikTok, and Google Ads. As a result of this new marketing effort, the Museum increased the number of educators accessing the TEACH section of our website to 1.1 million, a 107% increase over the last two years. These teachers are being encouraged to use our educational resources, participate in our professional development opportunities, and connect with local teachers and/or Holocaust organizations in their region. They are also being asked to provide feedback and respond to surveys so the Museum can better understand their needs and challenges and make sure we are providing useful support that can help them incorporate or enhance Holocaust education in their classrooms.

Five Year Goal: More than 60,000 educators will download the Museum’s top educational resources, and we will evaluate and revise our lesson plans to ensure they meet intended learning outcomes.

Year One Progress: In 2023, 48,257 educators downloaded our top educational resources, up from 46,808 the year before. We began to evaluate our lesson plans with a representative sample of the American student population - some 2,500 students from different socio-economic contexts, states, and classroom courses - so we can make modifications to our lesson plans to help us increase learning outcomes nationally.

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

Educating Students, Teachers and Leaders

Five Year Goal: Over 3,500 educators will participate in our annual *Belfer National Conference for Educators*; at least 30% will be new to teaching the Holocaust or from underserved areas.

Year One Progress: In 2023, 3,301 teachers participated in the Belfer Conference from 50 states and 49 countries. More than 21% of them were new to teaching the Holocaust and 42% of them were from underserved areas. This conference is one of the ways we attract new teachers to Holocaust education and help improve the quality of classroom teaching. One teacher said “[The conference] taught me to be more conscientious of how I am presenting the material to students. It also taught me the importance of teaching [students] how our small choices can have a big impact on history.”

Five Year Goal: Over 50,000 teachers will become part of the Museum’s educator network.

Year One Progress: In 2023, an additional 6,250 new teachers joined our educator network, bringing the total number of educators up to 54,760. All the efforts described above and the training opportunities we offer to educator leaders at local Holocaust organizations are intended to expand our educator network, a group of teachers and other education experts in all 50 states that can help us create a national, sustainable infrastructure for Holocaust education in the U.S.

Five Year Goal: Over 250,000 students and 2,500 colleges, universities, and community colleges will use our online *Experiencing History* educational resource for higher education.

Year One Progress: In 2023, 2,343 higher education institutions used *Experiencing History* reaching approximately 229,245 users, including 171,000 (75%) students and faculty. It was used in courses representing a range of disciplines: history, political science, sociology, bioethics, art history, film studies, and communications, to name only a few. One professor from Loyola University in Chicago said, “This source initiated a conversation about choice, freedom, community, and social hierarchies - topics that are often really hard to talk about in the Holocaust - that became a thread that ran through the rest of the class.”

Five Year Goal: 9,000 law enforcement officials (including FBI agents and police officers), military personnel, and members of the judiciary will annually participate in 185 seminars specially designed for them to critically examine the role of their profession during the Holocaust and reflect on their professional responsibilities today.

Year One Progress: In 2023, 10,575 leaders from law enforcement, the military, government agencies, and the judiciary participated in our leadership programs, including members from the FBI, the NY Police Department, the United States Secret Service, the United States Department of State, and the Department of Justice. One participant said, “I gained a better understanding of the power someone has being a part of law enforcement. [This museum] gave me a better perspective on history and the awareness on how law enforcement has made horrible mistakes in the past. I plan to utilize this knowledge to make a positive impact as a member of law enforcement.”

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

Educating Students, Teachers and Leaders

Five Year Goal: 100 public libraries in underserved communities and on campuses nationwide will host our traveling exhibition *Americans and the Holocaust* (an inspiration for Ken Burns' recent film).

Year One Progress: In 2023, the exhibition went to Juneau, Alaska; Kokomo, Indiana; Boise, Idaho; and Chattanooga, Tennessee, and was supported by our online educational resources. Approximately 127,000 people visited these sites in the last year, several of which hosted related special programs such as Gonzaga University's "Americans and the Holocaust: Remembering Our Past to Inform Our Future," which utilized enduring questions from the *Americans and the Holocaust* traveling exhibition to analyze local concerns about hate and discrimination in Spokane, Washington; Boise State University's panel discussion about Idaho's involvement in Japanese American incarceration during WWII; and Hattiesburg, Mississippi's "Southerners and the Holocaust," which explored how Mississippians responded to the Holocaust. A librarian from Fayetteville, Arkansas told us "One of the most valuable outcomes for our audiences and community was the increased awareness of the history of the Holocaust, America's role in the events of the Holocaust, and the connections that audiences made with ongoing political issues across the world today. The questions asked during the events made it particularly clear to me the need for increased awareness of this information, as some visitors lacked knowledge about some pretty key information related to the Holocaust in general and Hitler's rise to power in the 1930s-1940s specifically."

Five Year Goal: The world's first-ever Holocaust Education Research Center (HERC) will be launched in order to undertake systematic, rigorous research into teaching and learning about the Holocaust and improve the impact and effectiveness of Holocaust education in the U.S.

Year One Progress: In 2023, we completed a landscape analysis and consultations. The next step is to draft an initial plan outlining the mission and role of the new HERC, and its first two years of operation. Our goal is to launch the HERC's initial activities in late 2024 or early 2025.

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

Reaching a Global Public Through Digital Outreach and Engagement

Performance Goals for FY 23 - FY 27	Performance Indicator	Baseline (FY22)	FY23 Target	FY23 Actuals	FY 23 Status: Met, Ongoing, Exceeded, or N/A	FY 24 Target	Notes
35 million students, teachers, and members of the public will annually use the Museum's 20-language Holocaust Encyclopedia, the world's leading online authority on the Holocaust	# of visits to Holocaust Encyclopedia	24,715,000	27,000,000	27,008,696	Exceeded	28,500,000	
	# of new articles	not measured	Did not set	4	n/a	5-10	
	# of updated articles	not measured	20-50	33	Met	30-50	
Expand our digital outreach to more diverse, younger audiences, building our social media followers to over 3.2 million, and sparking over 100 million engagements annually	Expand our digital outreach to more diverse and younger audiences	58% audience size is 18 - 44 year olds	62% of audience size is 18 - 44 year olds	66% of audience size is 18 - 44 year olds	Exceeded	68% of audience size is 18 - 44 year olds	
	Number of social media followers to over 3.2 million	2,240,000	2,600,000	2,620,000	Exceeded	3,200,000	
	Number of engagements	69,500,000	72,000,000	73,100,000	Exceeded	100,000,000	
The Museum will be transformed into a beyond our walls building that can easily offer in-person, virtual and hybrid programming and information to audiences worldwide	This goal will be measured using qualitative measures instead of quantitative data.	n/a	n/a	n/a	n/a	n/a	See update below.

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

Reaching a Global Public Through Digital Outreach and Engagement

Five Year Goal: 35 million students, teachers, and members of the public annually will use the Museum's 20-language Holocaust Encyclopedia, the world's leading online authority on the Holocaust.

Year One Progress: In 2023, the online Holocaust Encyclopedia added four new articles and updated 33 articles to incorporate up-to-date scholarship and audience research. It was visited by 27 million individuals in the U.S. and worldwide. The most popular three articles in English are: Introduction to the Holocaust, Documenting Numbers of Victims of the Holocaust and Nazi Persecution, and Nazi Camps. Of our foreign-language articles, the top three languages were Spanish, Portuguese (Brazil), and Russian.

Five Year Goal: Expand our digital outreach to more diverse, younger audiences, building our social media followers to over 3.2 million, and sparking over 100 million engagements annually.

Year One Progress: In 2023, the Museum used the following platforms in order to expand its reach: Facebook, Instagram, YouTube, Twitter, TikTok, and Google Ads. Our content takes advantage of timely topics in the public discourse to engage people in Holocaust history and attract teachers to use our resources. This year we have 2.6 million social media followers and generated 73.1 million engagements. Additionally, we have been able to expand our digital outreach to more diverse and younger audiences, as 66% of our social media audience is now between the ages of 18 - 44 years old. In 2023, we also hit a few key follower growth milestones: we now have over 100K subscribers on YouTube, 200K followers on Instagram, and 173K on TikTok.

Five Year Goal: The Museum will be transformed into a beyond our walls building that can easily offer in-person, virtual, and hybrid programming to audiences worldwide.

Year One Progress: In 2023, we began planning upgrades for our four classrooms, which are used for a variety of programs on a weekly basis, to make user-friendly hybrid programming for audiences in the U.S. and around the world possible.

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

Making the Truth Accessible and Relevant

Performance Goals for FY 23 - FY 27	Performance Indicator	Baseline (FY22)	FY23 Target	FY23 Actuals	FY 23 Status: Met, Ongoing, Exceeded, or N/A	FY 24 Target	Notes
Transform the focus of our Collections staff from acquiring the authentic evidence of the Holocaust to making it accessible so that it can support all of our educational programs and be used by teachers, professors, students, and the general public, as well as exhibition curators, scholars, and other institutions worldwide	# of oral history tapes	1,366	1,000	870	Ongoing	1,000	Impacts of the pandemic delayed progress, as did limited capacity for oral history digital conversion work.
	# of film reels	20	30	15	Ongoing	18	Impacts of the pandemic delayed progress, as did limited capacity for film processing and digital conversion work.
	# of frames of microfilm	1,120,860	1,000,000	0	Ongoing	1,000,000	No microfilm digitization completed in FY23. Digitization activities planned to resume in FY24.
	# of objects photographed	50	1,000	1,997	Exceeded	1,000	
	# of images of personal papers	96,872	120,000	159,353	Exceeded	250,000	
	# of digital assets (photos, images, recordings, videos, documents, etc.) requested through our automatic	216,043	3,000,000	2,100,124	Ongoing	2,000,000	The FY23 target was a forecast based on anticipation of high numbers of self-service downloads. FY24 goals have been adjusted based on the FY23 actual data.

United States Holocaust Memorial Museum

Government Performance and Results Act Annual Performance Plan - FY 2023

Making the Truth Accessible and Relevant

Performance Goals for FY 23 - FY 27	Performance Indicator	Baseline (FY22)	FY23 Target	FY23 Actuals	FY 23 Status: Met, Ongoing, Exceeded, or N/A	FY 24 Target	Notes
	fulfillment system						
	# of visitors to our online catalog	1,582,998	1,500,000	1,555,987	Exceeded	1,641,161	
	# of countries and territories visitors to online catalog came from	234	225	229	Exceeded	225	

Five Year Goal: Transform the focus of our Collections staff from acquiring the authentic evidence of the Holocaust to making it accessible so that it can support all of our educational programs and be used by teachers, professors, students, and the general public, as well as exhibition curators, scholars, and other institutions worldwide.

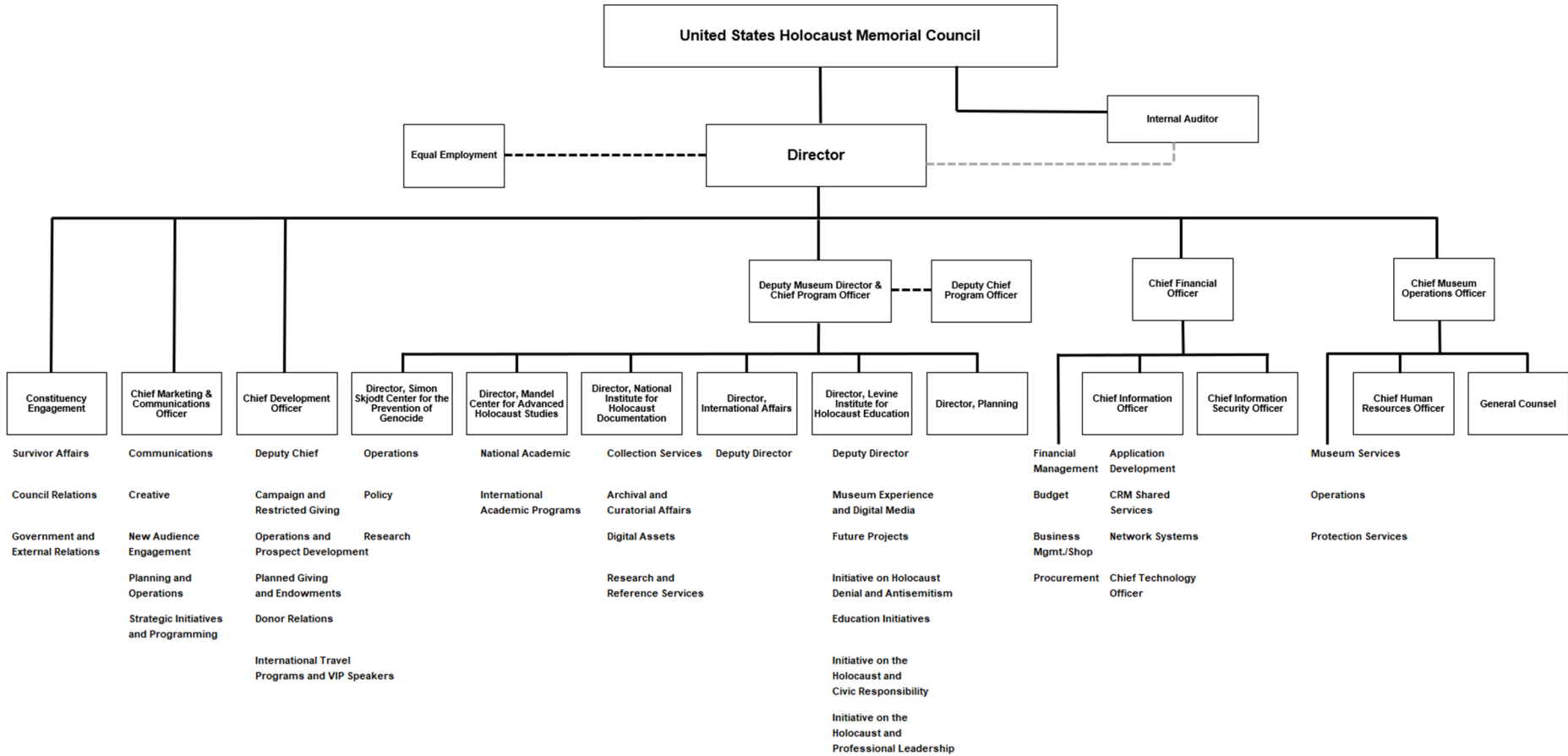
Year One Progress: In 2023, we digitally converted 870 oral history tapes, 15 reels of historic film, photographed 1,997 objects and 159,353 pages from personal paper records. Visitors to our website made 2,100,124 requests for images, recordings, and videos, and 1,555,987 users from 229 countries and territories in the world visited our online Collections catalog.

Digital collections are used to create all of the Museum’s signature educational resources including lesson plans, *Experiencing History*, *Americans and the Holocaust* online resources, the online Holocaust Encyclopedia, and social media outreach.

United States Holocaust Memorial Museum

Museum Organization Chart

United States Holocaust Memorial Museum





Tel: 301-354-2500
Fax: 301-354-2501
www.bdo.com

12505 Park Potomac Ave, Suite 700
Potomac, MD 20854

Independent Auditor's Report

To the Council Members
United States Holocaust Memorial Museum
Washington, D.C.

Opinion

We have audited the financial statements of the United States Holocaust Memorial Museum (the Museum), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the United States Holocaust Memorial Museum as of September 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 24-01, *Audit Requirements for Federal Financial Statements*. Our responsibilities under those standards and OMB Bulletin No. 24-01 are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Museum and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Museum's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Museum's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Museum's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary Schedule of Budgetary Resources - Appropriated Funds, Schedule of Net Cost - Appropriated Funds, Schedule of Changes in Net Position - Appropriated Funds, and Schedule Reconciling Net Cost of Operations to Net Outlays - Appropriated Funds for the years ended September 30, 2023 and 2022 as required by OMB Bulletin No. 24-01 and the Schedule of Claims Conference Payments for the year ended September 30, 2023. Such information is presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures



applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects, in relation to the financial statements as a whole.

The information in the Management's Discussion and Analysis has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Report on Summarized Comparative Information

We have previously audited the Museum's 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 15, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our reports dated November 15, 2023 on our consideration of the Museum's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Museum's internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Museum's internal control over financial reporting and compliance.

BDO USA, P.C.

November 15, 2023

Financial Statements

United States Holocaust Memorial Museum
Statement of Financial Position
As of September 30, 2023
(with summarized information as of September 30, 2022)

	Nonappropriated Funds	Appropriated Funds	2023 Total	2022 Total
Assets:				
Cash and fund balance with Treasury	\$ 17,364,013	\$ 42,545,035	\$ 59,909,048	\$ 58,722,008
Short-term investments	1,037,400	-	1,037,400	153
Contributions receivable, net	75,153,308	-	75,153,308	60,321,258
Other assets	3,665,064	51,440	3,716,504	1,929,313
Interest rate swap	-	-	-	117,514
Operating lease right-of-use assets	8,719,162	-	8,719,162	-
Long-term investments	646,416,867	-	646,416,867	585,258,196
Property and equipment, net	77,142,214	17,675,022	94,817,236	95,847,710
Collections	-	-	-	-
Total assets	\$ 829,498,028	\$ 60,271,497	\$ 889,769,525	\$ 802,196,152
Liabilities and net assets				
Liabilities:				
Accounts payable and accrued expenses	\$ 10,752,046	\$ 9,026,154	\$ 19,778,200	\$ 14,530,865
Charitable gift annuity liability	16,680,928	-	16,680,928	18,575,162
Unexpended federal appropriations	-	36,444,214	36,444,214	39,657,704
Operating lease liabilities	9,516,952	-	9,516,952	-
Term loan	30,600,000	-	30,600,000	32,570,556
Total liabilities	67,549,926	45,470,368	113,020,294	105,334,287
Commitments and contingencies				
Net assets:				
Without donor restrictions	185,301,219	14,801,129	200,102,348	185,042,948
With donor restrictions	576,646,883	-	576,646,883	511,818,917
Total net assets	761,948,102	14,801,129	776,749,231	696,861,865
Total liabilities and net assets	\$ 829,498,028	\$ 60,271,497	\$ 889,769,525	\$ 802,196,152

See accompanying notes to financial statements.

United States Holocaust Memorial Museum
Statement of Activities
Year Ended September 30, 2023
(with summarized information for the year ended September 30, 2022)

	Nonappropriated Funds	Appropriated Funds	Total Without Donor Restrictions	With Donor Restrictions	2023 Total	2022 Total
Support and revenues:						
Federal appropriation revenue	\$ -	\$ 68,444,490	\$ 68,444,490	\$ -	\$ 68,444,490	\$ 62,267,044
Contributions	39,791,777	-	39,791,777	58,361,664	98,153,441	69,099,295
Membership revenue	13,847,357	-	13,847,357	-	13,847,357	13,364,889
Stein Museum Shop	1,895,771	-	1,895,771	-	1,895,771	1,042,005
Investment return, net	15,873,746	-	15,873,746	46,216,722	62,090,468	(59,955,617)
Imputed financing source	-	1,153,186	1,153,186	-	1,153,186	1,081,143
Others	310,080	-	310,080	6,071	316,151	-
Net assets released from restrictions	39,756,491	-	39,756,491	(39,756,491)	-	-
Total support and revenues	111,475,222	69,597,676	181,072,898	64,827,966	245,900,864	86,898,759
Operating expenses:						
Program services						
Museum operations	8,163,485	31,649,972	39,813,457	-	39,813,457	35,726,580
Mandel Center for Advanced Holocaust Studies	6,804,258	2,896,480	9,700,738	-	9,700,738	8,874,926
Levine Institute for Holocaust Education	16,151,918	10,351,469	26,503,387	-	26,503,387	21,262,185
David M. Rubenstein National Institute for Holocaust Documentation	9,796,027	12,101,707	21,897,734	-	21,897,734	18,758,968
Simon-Skjodt Center for the Prevention of Genocide	2,726,927	-	2,726,927	-	2,726,927	2,660,521
Education and outreach	12,469,960	1,102,627	13,572,587	-	13,572,587	9,073,842
Stein Museum Shop	1,992,055	-	1,992,055	-	1,992,055	1,553,004
Other outreach and public programs	5,805,942	1,921,667	7,727,609	-	7,727,609	7,018,999
Total program services	63,910,572	60,023,922	123,934,494	-	123,934,494	104,929,025
Supporting services						
Management and general	11,967,431	6,526,416	18,493,847	-	18,493,847	18,360,097
Membership development	7,309,723	-	7,309,723	-	7,309,723	6,863,222
Fundraising	16,157,920	-	16,157,920	-	16,157,920	12,382,738
Total supporting services	35,435,074	6,526,416	41,961,490	-	41,961,490	37,606,057
Total operating expenses	99,345,646	66,550,338	165,895,984	-	165,895,984	142,535,082
Non-operating activity						
Change in value of interest rate swap	(117,514)	-	(117,514)	-	(117,514)	647,928
Change in net assets	12,012,062	3,047,338	15,059,400	64,827,966	79,887,366	(54,988,395)
Net assets - beginning of year	173,289,157	11,753,791	185,042,948	511,818,917	696,861,865	751,850,260
Net assets - end of year	\$ 185,301,219	\$ 14,801,129	\$ 200,102,348	\$ 576,646,883	\$ 776,749,231	\$ 696,861,865

See accompanying notes to financial statements.

United States Holocaust Memorial Museum
Statement of Functional Expenses
Year Ended September 30, 2023
(with summarized information for the year ended September 30, 2022)

	Program Services									Support Services				2023 Total	2022 Total
	Museum Operations	Mandel Center for Advanced Holocaust Studies	Levine Institute for Holocaust Education	David M. Rubenstein National Institute for Holocaust Documentation	Simon-Skjoldt Center for the Prevention of Genocide	Education and Outreach	Stein Museum Shop	Other Outreach and Public Programs	Total Program Services	Management and General	Membership Development	Fundraising	Total Supporting Services		
Staff salary	\$5,337,068	\$4,198,397	\$10,170,225	\$9,292,821	\$1,398,962	\$5,935,183	\$686,387	\$3,228,022	\$40,247,065	\$7,673,644	\$781,614	\$6,969,012	\$15,424,270	\$55,671,335	\$ 51,255,427
Fringe benefits	2,234,739	1,508,369	3,281,130	3,640,844	398,266	1,718,047	236,410	1,053,587	14,071,392	2,656,084	247,670	1,913,986	4,817,740	18,889,132	17,075,372
<i>Personnel subtotal</i>	<i>7,571,807</i>	<i>5,706,766</i>	<i>13,451,355</i>	<i>12,933,665</i>	<i>1,797,228</i>	<i>7,653,230</i>	<i>922,797</i>	<i>4,281,609</i>	<i>54,318,457</i>	<i>10,329,728</i>	<i>1,029,284</i>	<i>8,882,998</i>	<i>20,242,010</i>	<i>74,560,467</i>	<i>68,330,799</i>
Services	2,149,740	2,406,573	7,919,004	3,317,992	707,362	4,198,718	101,699	2,380,628	23,181,716	4,789,946	4,738,360	2,920,229	12,448,535	35,630,251	29,582,651
Occupancy and security	21,131,567	304,761	1,188,035	1,193,734	6,880	41,017	1,716	320,053	24,187,763	388,859	(266,155)	533,586	656,290	24,844,053	21,871,707
Depreciation and amortization	4,829,787	164,530	1,443,073	760,983	34,980	153,703	17,163	120,713	7,524,932	292,006	19,544	174,256	485,806	8,010,738	8,227,471
Supplies, non-capital equipment and others	3,851,353	573,294	2,099,920	3,388,147	77,884	1,358,257	140,753	563,658	12,053,266	2,596,731	1,788,158	2,669,112	7,054,001	19,107,267	11,980,233
Travel	279,203	544,814	402,000	303,213	102,593	167,662	2,284	60,948	1,862,717	96,577	532	977,739	1,074,848	2,937,565	1,948,530
Cost of goods sold	-	-	-	-	-	-	805,643	-	805,643	-	-	-	-	805,643	593,691
Total	\$ 39,813,457	\$ 9,700,738	\$ 26,503,387	\$ 21,897,734	\$ 2,726,927	\$ 13,572,587	\$ 1,992,055	\$ 7,727,609	\$ 123,934,494	\$ 18,493,847	\$ 7,309,723	\$ 16,157,920	\$ 41,961,490	\$ 165,895,984	\$ 142,535,082

See accompanying notes to financial statements.

United States Holocaust Memorial Museum
Statement of Cash Flows
Year Ended September 30, 2023
(with summarized information for the year ended September 30, 2022)

	Nonappropriated Funds	Appropriated Funds	2023 Total	2022 Total
Reconciliation of change in net assets to net cash provided by operating activities:				
Change in net assets	\$ 76,840,028	\$ 3,047,338	\$ 79,887,366	\$ (54,988,395)
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation and amortization	4,722,206	3,288,532	8,010,738	8,227,471
Noncash lease expense	2,038,293	-	2,038,293	-
Realized/unrealized (gains) loss on investments	(51,828,690)	-	(51,828,690)	71,925,362
Provision for uncollectible accounts	1,256,704	-	1,256,704	498,062
Change in discount to present value of contributions receivable	1,548,136	-	1,548,136	3,527,307
Proceeds from donated stocks	6,249,308	-	6,249,308	7,333,055
Donated stocks	(6,249,308)	-	(6,249,308)	(7,333,055)
Contributions of net assets with donor restrictions received as endowment	19,877,533	-	19,877,533	11,067,077
Change in value of interest rate swap	117,514	-	117,514	(647,928)
Changes in assets and liabilities:				
Decrease (increase) in:				
Contributions receivable	(17,636,890)	-	(17,636,890)	(9,640,039)
Other assets	(1,735,751)	(51,440)	(1,787,191)	196,846
Increase (decrease) in:				
Accounts payable and accrued expenses	2,047,474	3,199,861	5,247,335	(443,365)
Charitable gift annuity liability	(1,894,234)	-	(1,894,234)	1,059,097
Unexpended f appropriations	-	(3,213,490)	(3,213,490)	142,856
Principal reduction in operating lease liabilities	(1,240,503)	-	(1,240,503)	-
Net cash provided by operating activities	34,111,820	6,270,801	40,382,621	30,924,351
Cash flows from investing activities:				
Capital expenditures	(69,418)	(6,910,846)	(6,980,264)	(3,465,809)
Purchases of investments	(47,007,895)	-	(47,007,895)	(97,170,339)
Proceeds from sale of investments	36,640,667	-	36,640,667	83,529,288
Net cash used in investing activities	(10,436,646)	(6,910,846)	(17,347,492)	(17,106,860)
Cash flows from financing activities:				
Repayment of loan	(1,970,556)	-	(1,970,556)	(1,287,330)
Contributions of net assets with donor restrictions received as endowment	(19,877,533)	-	(19,877,533)	(11,067,077)
Net cash used in financing activities	(21,848,089)	-	(21,848,089)	(12,354,407)
Net increase (decrease) in cash and fund balance with Treasury	1,827,085	(640,045)	1,187,040	1,463,084
Cash and fund balance with Treasury - beginning of year	15,536,928	43,185,080	58,722,008	57,258,924
Cash and fund balance with Treasury - end of year	\$ 17,364,013	\$ 42,545,035	\$ 59,909,048	\$ 58,722,008
Supplemental data:				
Cash paid for interest	\$ 1,399,838	\$ -	\$ 1,399,838	\$ 735,296
Proceeds from refinancing of loan	32,600,000	-	32,600,000	-
Loan pay off	(32,570,556)	-	(32,570,556)	-

See accompanying notes to financial statements.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

1. Organization and Purpose

Organization and Governance

The United States Holocaust Memorial Council was created as an independent Federal establishment by Public Law 96-388 on October 7, 1980, for the purposes of providing appropriate ways for the nation to commemorate the Days of Remembrance; planning, constructing, and overseeing the operation of a permanent memorial museum for the victims of the Holocaust; and developing a plan for carrying out the recommendations made in the Report to the President of the United States by the President's Commission on the Holocaust, dated September 27, 1979. The U.S. Congress changed the name from "Council" to "Museum" and permanently authorized the United States Holocaust Memorial Museum (the Museum) by Public Law 106-292 (36 U.S.C. 2301, et. seq.) on October 12, 2000, designating the Museum as an independent establishment of the United States Government.

The Museum is governed by 65 voting members and three nonvoting *ex officio* members (the Members). Fifty-five voting Members are appointed by the President of the United States, five are appointed by the Speaker of the U.S. House of Representatives from among Members of the U.S. House of Representatives, and five are appointed by the President Pro Tempore of the U.S. Senate, upon the recommendation of the majority and minority leaders, from among Members of the U.S. Senate. One nonvoting Member is appointed by each of the Secretaries of the Interior, State, and Education departments. Members serve a term of five years or, in the case of Members of Congress, until the end of their term in Congress.

The Museum receives an annual Federal appropriation (see Appropriated Funds - note 10) and was authorized by statute (36 U.S.C. Section 2307) to raise private funds (the nonappropriated funds) to aid or facilitate the operation and maintenance of the Museum. These financial statements present the financial position, activities, and cash flows of both the appropriated funds and the nonappropriated funds of the Museum.

Tax-Exempt Status

The Museum is exempt from income taxation, except for its unrelated business income, under the provisions of Section 501(c)(3) of the Internal Revenue Code. The Museum recognizes the effect of income tax positions only if those positions are more likely than not to be sustained.

Under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740-10, *Accounting for Uncertainty in Income Taxes*, an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more-likely-than-not that the position will be sustained. The Museum does not believe there are any material uncertain tax positions, and accordingly, it will not recognize any liability for unrecognized tax benefits. The Museum has filed for and received income tax exemptions in the jurisdictions where it is required to do so. Additionally, the Museum has filed Internal Revenue Service (IRS) Form 990 and Form 990-T tax returns as required and all other applicable returns in those jurisdictions where it is required. The Museum believes that it is no longer subject to U.S. federal income tax examinations by tax authorities for years before 2020. For the years ended September 30, 2023 and 2022, there were no interest or penalties recorded or included in the statement of activities related to uncertain tax positions.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

2. Summary of Significant Accounting Policies

The financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Museum's financial statements are presented in accordance with FASB ASC 958-205, *Not-For-Profit Presentation of Financial Statements*.

The statement of activities includes certain prior year summarized comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with the Museum's financial statements for the year ended September 30, 2022, from which the summarized information was derived.

The financial statements are presented by funding source and use and are reported as either "appropriated" or "nonappropriated" funds. Appropriated funds include activities supported by the annual appropriation by Congress. These are used for certain Museum expenditures, as determined by the Museum and implemented by management, in conformity with the Museum's congressional mandate. The nonappropriated funds reflect the expenditures related to activities for which support comes from private sources, primarily donations and investment returns.

Significant Accounting Policies

Significant accounting policies followed are summarized below:

(a) Cash and Fund Balance with Treasury

Cash for nonappropriated funds consists of amounts held in financial institutions for day-to-day operations. The Museum maintains cash balances with federally insured institutions, which are insured by the Federal Deposit Insurance Corporation up to \$250,000 on interest-bearing accounts per bank at September 30, 2023 and 2022. The Museum has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on these cash balances.

Fund balance with Treasury is the amounts held by the U.S. Department of the Treasury as a result of annual appropriations and use of those appropriations. The Museum has not experienced any losses in these accounts and believes it is not exposed to any credit risk on these balances.

(b) Investments

Investments are reported at fair value, with gains and losses included in the statement of activities. Short-term and long-term investments represent donated securities and the investment of endowment funds.

Short-term investments include money market funds and government securities with maturities of less than one year, consistent with the cash management policy of the Museum. Certain liquid investments are considered noncurrent assets, as they are restricted or intended to be held for long-term purposes.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

The whole endowment, consisting of the board-designated and donor-restricted endowments, is pooled for investment purposes. The endowment pays out an amount for annual support of operations and an amount allowed to be spent for specific purposes based on the trailing 12-quarter fair value averages as calculated using data through June 30 of the preceding year.

(c) Financial Instruments and Credit Risk

Financial instruments which potentially subject the Museum to a concentration of credit risk consist principally of investments held by creditworthy financial institutions. By policy, these investments are kept within limits designed to prevent risk caused by concentration.

Approximately 34% and 48% of the Museum's gross contributions receivable as of September 30, 2023 and 2022, respectively, are due from three grantors. The Museum believes the credit risk is mitigated based on a long history with the grantors and management's ongoing considerations around collectability of its receivables. The credit risk with respect to the remaining contributions receivable is considered limited due to the large donor base.

(d) Split-Interest Agreements - Charitable Gift Annuities and Interests in Perpetual Trusts

For gifts that establish charitable gift annuities, the contributed assets are recognized at fair value at the date of the annuity agreements. An annuity liability is recognized for the present value of future cash flows expected to be paid to the donor or the donor's designee and contribution revenues are recognized equal to the difference between the assets and the annuity liability. Liabilities are adjusted during the term of the annuities for payments, accretion of discounts and changes in life expectancies. The Museum uses the historical IRS discount rates and tables compiled from the Office of the Actuary of the Social Security Administration for life expectancies.

The interests in perpetual trusts are included in contributions receivable at the present value of the estimated future benefits to be received when the trusts' assets are distributed. Contribution revenue is recognized when the Museum is first made aware of its irrevocable interest in a perpetual trust. The receivable is adjusted during the term of the trust for the accretion of discounts, revaluation of the present value of the estimated future payments, and changes in life expectancies. These changes are reported as contribution revenue.

(e) Contributions Receivable

Unconditional promises to give that are expected to be collected within one year are reported at their net realizable value. Unconditional promises to give that are expected to be collected in future years are discounted to their present value. Conditional promises to give are not recognized in the accompanying financial statements until the conditions have been met.

An allowance for uncollectible contributions is provided based on management's evaluation of potential uncollectible contributions receivable at year-end. The allowance is based on historical data and is applied as a percentage of receivables. Changes in the allowance for uncollectible contributions are recorded as bad debt expense.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

(f) Other Assets

Other assets consist primarily of prepayments and inventory from the Museum bookstore (the Stein Museum Shop). The Stein Museum Shop sells Holocaust-related educational materials, such as books and DVDs, to the public. The Stein Museum Shop's inventory was \$464,042 and \$376,236 as of September 30, 2023 and 2022, respectively, and is valued at the lower of cost or net realizable value using the first-in, first-out inventory valuation method.

(g) Property and Equipment

The Museum opened to the public on April 26, 1993. All costs associated with the construction of the Museum, including payments to construction contractors, architect's fees, excavation costs, direct materials and labor, Museum construction management, and interest were capitalized. All interest incurred on borrowed funds through April 26, 1993 was capitalized because the funds were specifically borrowed for the construction of the Museum. On April 26, 1993, depreciation on the Museum commenced and is computed on the straight-line basis over 40 years.

The land on which the Museum has been constructed, as well as an administrative building were transferred to the administrative jurisdiction of the Holocaust Memorial Council, without consideration, and remain titled in the name of the U.S. Government and are not reflected in the accompanying financial statements. The Museum reserves administrative jurisdiction over the property for as long as it is used to carry out the mission of the Museum. The Museum has use of this land and administrative building to fulfill Public Law 96-388 in perpetuity.

In April 2017, the Museum opened the David and Fela Shapell Family Collections, Conservation and Research Center (the Shapell Center) to serve as the repository for the collections and future site of scholarly activities. All costs associated with construction of the Shapell Center, including payments to construction contractors, architect's fees, excavation costs, direct materials and labor, and construction management were capitalized. On May 1, 2017, depreciation on the Shapell Center commenced and is computed on the straight-line basis using the estimated useful life based on the asset type.

Renovations and improvements are recorded, and depreciated and/or amortized, on a straight-line basis over 10 years or if for a leased space over the lesser of 10 years or the remaining lease term.

Museum exhibitions include the cost to design and construct. The permanent exhibition is being amortized on the straight-line basis over 30 or 40 years and temporary exhibitions are amortized on a straight-line basis over the life of the specific exhibition.

Furniture, technology and equipment are stated at cost. The Museum capitalizes these if there is a useful life of one year or more and an acquisition cost of \$5,000 or more per unit. Depreciation is computed using the straight-line method. Estimated useful lives are three years for computer equipment and five years for furniture and other equipment.

(h) Impairment of Long-Lived Assets

The Museum reviews 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 to its current fair value by a charge to the statement of activities.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

(i) Collections

The Museum acquires its collections, which include works of art, artifacts, archives, film and video, oral histories, and historical treasures, by purchase or by donation. All collections are held for public exhibition, education, or research. The Museum's collection policy includes guidance on the preservation, care, and maintenance of the collections and procedures related to the accession/deaccession of collections items.

In conformity with the practice generally followed by museums, no value is assigned to the collections in the statement of financial position. Purchases of collection items are recognized as reductions in net assets without donor restrictions in the period of acquisition. Proceeds from deaccessions of collection items are designated for future collection acquisitions.

(j) Accrued Vacation

The Museum records an expense and related liability for vacation earned and unpaid at the end of the year for appropriated and nonappropriated employees. This liability is reflected in accounts payable and accrued expenses in the accompanying statement of financial position.

(k) Net Assets

The Museum classifies net assets into two categories: without donor restrictions and with donor restrictions. Appropriated activity is part of net assets without donor restrictions even though the use requires compliance with Federal regulations. All contributions are considered to be available for general use unless specifically restricted by the donor or by time.

(l) Revenue Recognition

The Museum's significant revenue recognition policies are summarized in the following paragraphs.

Federal appropriation revenue - Amounts received under the federal appropriation, which is considered a nonreciprocal transaction primarily available for specific Museum operations, are recognized as revenue when qualifying reimbursable expenses have been incurred and conditions under the agreements are met. The Museum has elected the simultaneous release policy available under Accounting Standards Update (ASU) 2018-08, *Not-For-Profit Entities (Topic 958), Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, for donor-restricted contributions that were initially conditional contributions, which allows a not-for-profit organization to recognize a restricted contribution directly in net assets without donor restrictions if the restriction is met in the same period that the revenue is recognized. At September 30, 2023 and 2022, conditional contributions relating to the federal appropriation, which are reported as unexpended federal appropriations, totaled \$36,444,214 and \$39,657,704, respectively, and are conditioned on incurring allowable expenditures in conformity with the Museum's congressional mandate.

Contributions - Contributions without donor restrictions are recorded as support without donor restrictions in the period received. Contributions without donor restrictions with payments due in future periods are initially recorded as support with donor restrictions due to inherent time restrictions. Once the contribution becomes due, the net assets with donor restrictions are reclassified to net assets without donor restrictions and are included in net assets released from restrictions in the accompanying statement of activities.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

Contributions that are restricted for certain programs are initially recorded as net assets with donor restrictions support when received. When donor restrictions are met, the net assets with donor restrictions are reclassified to net assets without donor restrictions and are included in net assets released from restrictions in the accompanying statement of activities. Contributions received during the year for which the restrictions are met during the same year are recorded as both under net assets with donor restrictions and net assets released from restrictions in the accompanying statement of activities.

Contributions restricted by donors for the Museum's donor-restricted endowment that neither expire by the passage of time nor can be fulfilled or otherwise removed by action of the Museum, are recorded as support restricted in perpetuity within net assets with donor restrictions in the year received in the accompanying statement of activities.

Membership revenue - Memberships are considered nonreciprocal, contribution transactions and are recognized as revenue without donor restrictions in the period received.

Stein Museum Shop - Retail sales in the Stein Museum shop are recognized when goods or services are sold at a point in time. The Museum collects cash at point of sale or credit card receipts within a few days of sale.

Contributed services - In-kind contributions of goods and services are recognized as revenue based on the amount reported by the independent third-party providers in the period received or rendered.

Imputed financing source - The Museum recognizes the costs of pension and Federal retirement benefits for its Federal employees during their active years of service, even though these costs will ultimately be paid by the United States Office of Personnel Management (OPM). An imputed financing source is recognized in support and revenue equal to this imputed cost in the statement of activities.

Others - Other revenue and support includes royalties and miscellaneous revenues, received and recognized when the goods and services are rendered, and typically occur in the same fiscal year.

(m) Expenses

Expenses are recognized by the Museum during the period in which they are incurred. Expenses paid in advance and not yet incurred are deferred to the applicable period.

The costs of providing various programs and supporting services have been summarized on a functional basis in the accompanying statement of activities. The statement of functional expenses presents expenses by function and natural classification. Expenses directly attributable to specific functions of the Museum are reported as expenses of these functional areas.

The financial statements report certain categories of expenses that are attributable to one or more program or supporting functions of the Museum. Accordingly, certain costs have been allocated among the programs and supporting services benefited. The expenses that are allocated include occupancy and security, depreciation and amortization, and information technology and information security. Allocation is based on headcount.

Program services refer to activities that further the Museum's mission.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

Supporting services refer to management and general, membership development and fundraising expenses of operating the Museum.

(n) Use of Estimates

The preparation of financial statements in conformity with U.S. 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.

(o) Fair Value of Financial Instruments

The Museum's financial instruments consist of cash, contributions receivable, investments, accounts payable, and accrued liabilities. The carrying amount of the cash, accounts payable, and accrued liabilities approximates their fair values. The value of contributions receivable is estimated as the present value of discounted cash flows using a current risk free rate. The values of publicly traded fixed income and equity securities are based on quoted market prices and exchange rates.

The Museum applies fair value measurements of financial assets and financial liabilities and fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date assuming the transaction occurs in the entity's principal (or most advantageous) market.

The Museum's investments include a significant number of investment funds whose fair market values are reported using the net asset value (NAV) methodology. These funds calculate NAV and operate in all material respects in conformance with the American Institute of Certified Public Accountants (AICPA) applicable guidelines for investment companies.

For those investments which are valued based on manager reported net asset values, the Museum applies methods and procedures to assess valuation including reviewing pricing techniques utilized by the individual managers, comparing fund performance to relevant market indexes, and evaluating the pricing methods and models utilized by the fund manager. In addition, the members of the Museum's Investment Committee are independent experts in the investment field who provide oversight in the selection and ongoing monitoring of investments.

For the interest rate swap, management reviewed and relied on the counterparty valuation method. The interest rate swap agreement expired in February 2023 and it was not renewed.

(p) Leases - Operating Right-of-Use Assets and Lease Liabilities

The Museum recognizes operating lease right-of-use assets and lease liabilities on the statement of financial position, which are established at the inception of a lease by computing a net present value of the future lease payments. Right-of-use assets are amortized to operating lease expense over the lease term as calculated by the difference between the straight-line lease expense and the interest calculated on the lease liability. Rent payments are applied against the lease liabilities and the discount related to lease liabilities is accreted to operating lease expense over the lease term.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

Recent Accounting Pronouncements Adopted

In February 2016, the FASB issued ASU No. 2016-02, *Leases* (“Topic 842”). The guidance in Topic 842, which supersedes the lease recognition requirements in ASC Topic 840, *Leases* (“Topic 840”), requires an entity to recognize right-of-use (“ROU”) assets and lease liabilities arising from a lease for both financing and operating leases, along with additional qualitative and quantitative disclosures.

Topic 842 requires an entity to determine whether a contract is a lease or contains a lease at the inception of the contract, considering all relevant facts and circumstances. There are two main components in determining if a contract is a lease: (i) a right to use an identified asset and (ii) control over the use of the identified asset. A customer does not have the right to use an identified asset if, at inception of the contract, a supplier has the substantive right to substitute the asset throughout the period of use. Control over the use of the identified asset requires a customer to obtain “substantially all the economic benefits” and to have the “ability to direct the use of the asset.”

Topic 842 requires the recognition of lease right-of-use assets and lease liabilities on the statement of financial position, which are established at the inception of a lease by computing a net present value of the future lease payments.

The Museum adopted the new lease accounting standard on October 1, 2022 (the “adoption date”) on a modified retrospective basis, under which it applied the new guidance to leases existing at, or entered into after, the adoption date. Reporting for the comparative prior year periods presented in fiscal year 2022, including comparative disclosure requirements, continue to be in accordance with the previous lease guidance under Topic 840.

The transition guidance associated with Topic 842 also permitted the use of certain practical expedients. The Museum elected the package of practical expedients at transition which permits the Museum to not reassess (i) whether expiring or existing contracts contain a lease, (ii) the classification of expired or existing leases, and (iii) whether initial direct costs would qualify for capitalization under the new lease accounting standards. The Museum has determined it will not elect the practical expedient that allows for the reassessment of lease term (reevaluating termination, renewal, or extension options) or purchase options. The Museum made a policy election not to separate non-lease components from lease components for all of the Museum’s leases, therefore, non-lease and lease components are accounted for as a single lease component. The Museum also elected the short-term lease recognition exemption for certain leases that have an initial term of 12 months or less. The Museum will apply the short-term lease recognition exemption to all leases within the equipment asset class. Operating leases consist of office building leases which are included in operating lease ROU assets and operating lease liabilities on the Museum’s statement of financial position.

The Museum determines if a contract contains a lease at inception of the arrangement based on whether it has the right to obtain substantially all of the economic benefits from the use of an identified asset and whether it has the right to direct the use of an identified asset in exchange for consideration, which relates to an asset which it does not own. ROU assets represent the Museum’s right to use an underlying asset for the lease term and lease liabilities represent the Museum’s obligation to make lease payments arising from the lease. ROU assets are recognized as the lease liability, adjusted for any prepayments, lease incentives received, or initial direct costs incurred. Lease liabilities are recognized at the present value of the future lease payments at the lease commencement date. Private entities are permitted by Topic 842 to apply a risk-free rate as the

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

discount rate by class of underlying asset. The interest rate used to determine the present value of the future lease payments is a risk free rate, because the interest rate implicit in most of the Museum's leases is not readily determinable. Lease payments may be fixed or variable, however, only fixed payments are included in the Museum's lease liability calculation. For operating leases, fixed lease expense is recognized on a straight-line basis in operations over the lease term. Variable lease payments may include costs such as common area maintenance, utilities, real estate taxes or other costs. Variable lease payments are recognized in operating expenses in the period in which the obligation for those payments are incurred. The Museum currently does not have finance lease arrangements.

The adoption of Topic 842 for operating leases resulted in the following as of the adoption date, (in millions):

Recognition of:	
Operating lease right-of-use assets	\$ 10.7
Operating lease liabilities	\$ 11.6
 Derecognition of:	
Deferred rent	\$ 0.9

Accounting Pronouncement Issued but Not Adopted Yet

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments - Credit Losses* (ASC 326), which requires entities to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. This replaces the existing incurred loss model and is applicable to measurement of credit losses on financial assets measured at amortized cost. This guidance has been subsequently updated by ASU 2020-02. The amendments in the ASU are effective for annual reporting periods beginning after December 15, 2022. Early adoption of the ASU is permitted. The Museum is currently evaluating this ASU to determine the impact, if any, on its financial statements and disclosures.

3. Liquidity and Availability

The following reflects the Museum's financial assets as of September 30, 2023 and 2022, respectively, reduced by amounts not available for general use within one year of the statement of financial position date due to donor-imposed restrictions. Amounts not available also include what has been set aside for long-term investing in the Board-designated endowment that could be drawn upon with the approval of the Council.

The Council approved an endowment spending policy that provides an annual endowment payout, and has also authorized one-time withdrawals from the Board-designated endowment for specific purposes. Amounts appropriated from either the donor-restricted endowment or Board-designated endowment for general expenditure in fiscal year 2023 and 2022, respectively, are shown as reducing the amount available for appropriation.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

	2023	2022
Financial assets at September 30	\$ 782,516,623	\$ 704,301,615
Less:		
Contributions receivable due after one year, net of discount and allowance	(55,335,478)	(45,880,983)
Board-designated endowment, for long-term investing	(82,200,175)	(76,145,548)
Total funds invested as endowment with donor restrictions	(441,510,906)	(399,504,614)
Funds functioning as endowment, payout allocated for following year	12,808,114	12,187,720
Board-designated endowment funds, payout allocated for following year	4,034,194	3,908,059
Charitable gift annuity assets	(42,586,486)	(39,434,473)
Financial assets available to meet cash needs for general expenditures within one year	\$ 177,725,886	\$ 159,431,776

Sufficient financial assets are expected to be available as general expenditures, liabilities, and other obligations come due. The composition of financial assets available for general expenditure within one year of September 30 are as follows:

	2023	2022
Cash and fund balance with Treasury	\$ 59,909,048	\$ 58,722,008
Short-term investments	1,037,400	153
Contributions receivable due within one year	19,817,830	14,440,275
Reserve account	546,915	486,187
Calculated endowment payout (Board-designated and general) for the following year	16,689,970	15,946,188
Long-term investments - available for operations	79,724,723	69,836,965
Components of available financial resources at September 30	\$ 177,725,886	\$ 159,431,776

Appropriated federal funds generally become available when enacted or authorized in a continuing resolution.

The Museum receives substantial support from contributions with donor restrictions and maintains sufficient resources to meet those commitments to its donors. Fluctuations in operating cash balances increase and decrease the amount in the reserve account. The Council may designate a portion of any operating surplus to the Board-designated endowment.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

4. Cash and Fund Balance with Treasury

Cash and fund balance with Treasury represent nonappropriated and appropriated funds, respectively.

Appropriated fund balance with Treasury at September 30 consists of the following:

	2023	2022
Status of fund balance with Treasury:		
Unobligated balance:		
Available	\$ 3,857,851	\$ 16,428,411
Unavailable	2,273,682	2,654,153
Obligated not yet disbursed	36,413,502	24,102,516
Total appropriated fund balance with Treasury	\$ 42,545,035	\$ 43,185,080

5. Investments and Fair Value Measurements

Investments are professionally managed by outside investment organizations subject to direction and oversight by the Investment Committee of the Museum. The Museum has established investment policies and guidelines that provide for asset allocation and performance objectives.

Net investment return for the years ended September 30 is summarized below:

	2023	2022
Interest and dividends	\$ 12,795,409	\$ 14,282,462
Net realized and unrealized gains (losses)	51,828,690	(71,925,362)
Investment management expenses	(2,533,631)	(2,312,717)
Net investment return	\$ 62,090,468	\$ (59,955,617)

Fair Value Measurements

As described in note 2, the Museum applies the fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities. This level generally includes cash, certain U.S. large cap equities, U.S. small to mid cap equities, fixed income mutual funds, multi-strategy mutual funds, high yield corporate bond funds, and State of Israel bonds that are traded in an active exchange market.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

- Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities. This category generally includes holdings which cannot be liquidated daily including certain U.S. large cap equities, international markets equities, emerging markets equities, and domestic equities and fixed income.
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This level includes financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The level in the fair value hierarchy within which a fair measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Investments for which fair value is measured using the NAV per share, or its equivalent, as a practical expedient are not required to be categorized within the fair value hierarchy but are presented to reconcile to the statement of financial position.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

Financial instruments measured at fair value on a recurring basis

Investments

The following table presents investments that are measured at fair value on a recurring basis at September 30, 2023:

	Level 1	Level 2	Level 3	NAV	Total
Short-term investments:					
Money market	\$ 1,000,429	\$ -	\$ -	\$ -	\$1,000,429
Donated stocks	36,971	-	-	-	36,971
Short-term investments subtotal	1,037,400	-	-	-	1,037,400
Long-term investments:					
Portfolio cash equivalents	13,125,199	-	-	-	13,125,199
U.S. large cap equities	126,540,895	-	-	-	126,540,895
U.S. small to mid-cap equities	25,492,661	-	-	-	25,492,661
International markets equities	20,885,638	-	-	47,964,517	68,850,155
Emerging markets equities	14,861,479	-	-	13,193,700	28,055,179
Fixed income mutual funds	40,518,617	-	-	8,675,569	49,194,186
Multi-strategy mutual funds	13,084,383	-	-	-	13,084,383
High yield corporate bond funds	14,794,859	-	-	-	14,794,859
Bank loan fund	-	-	-	17,757,462	17,757,462
Private equity and credit	-	-	-	69,281,311	69,281,311
Equity long/short hedge funds	-	-	-	56,235,999	56,235,999
Event driven hedge funds	-	-	-	16,180,561	16,180,561
Multi-strategy hedge funds	-	-	-	105,169,500	105,169,500
State of Israel bonds	68,031	-	-	-	68,031
Gift annuity program investments:					
Portfolio cash equivalents	1,044,640	-	-	-	1,044,640
Domestic equities and fixed income	-	41,541,846	-	-	41,541,846
Long-term investments subtotal	270,416,402	41,541,846	-	334,458,619	646,416,867
Total	\$ 271,453,802	\$ 41,541,846	\$ -	\$ 334,458,619	\$ 647,454,267

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

The following table presents investments that are measured at fair value on a recurring basis at September 30, 2022:

	Level 1	Level 2	Level 3	NAV	Total
Short-term investments:					
Donated stocks	\$ 153	\$ -	\$ -	\$ -	\$ 153
Short-term investments subtotal	153	-	-	-	153
Long-term investments:					
Portfolio cash equivalents	20,959,456	-	-	-	20,959,456
U.S. large cap equities	104,397,560	-	-	-	104,397,560
U.S. small to mid-cap equities	23,907,622	-	-	-	23,907,622
International markets equities	17,695,320	-	-	37,025,474	54,720,794
Emerging markets equities	11,830,424	-	-	11,642,678	23,473,102
Fixed income mutual funds	39,010,465	-	-	7,469,063	46,479,528
Multi-strategy mutual funds	11,354,932	-	-	-	11,354,932
High yield corporate bond funds	13,685,194	-	-	-	13,685,194
Bank loan fund	-	-	-	15,619,363	15,619,363
Private equity	-	-	-	48,845,849	48,845,849
Equity long/short hedge funds	-	-	-	54,392,340	54,392,340
Event driven hedge funds	-	-	-	27,517,984	27,517,984
Multi-strategy hedge funds	-	-	-	100,444,505	100,444,505
State of Israel bonds	25,494	-	-	-	25,494
Gift annuity program investments:					
Portfolio cash equivalents	841,910	-	-	-	841,910
Domestic equities and fixed income	-	38,592,563	-	-	38,592,563
Long-term investments subtotal	243,708,377	38,592,563	-	302,957,256	585,258,196
Total	\$ 243,708,530	\$ 38,592,563	\$ -	\$ 302,957,256	\$ 585,258,349

Interest in Charitable Trusts

Interest in charitable trusts (included in contributions receivable) amounts to \$608,588 and \$581,430 as of September 30, 2023 and 2022, respectively, and is considered as Level 3 under the fair value hierarchy.

Management recorded \$27,158 and (\$122,102) in unrealized gains (losses) in fiscal years 2023 and 2022, respectively, on the interest in charitable trusts.

Quantitative Information

As of September 30, 2023 and 2022, with respect to assets measured and carried at fair value on a recurring basis with the use of significant unobservable inputs (Level 3), the principal valuation techniques used in valuing the interest in charitable trusts is income approach; and unobservable inputs include discount rates, life expectancies, trust payouts and allocation percentages.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

Level 3 Sensitivity of Fair Value Measurements and Changes in Significant Observable Inputs

The significant unobservable inputs used in the fair value measurement of the Museum's interest in charitable trusts are subject to risks resulting from changes in appropriate discount rates due to general economic fluctuations and differences in life expectancies and actualities.

Other financial instruments measured at fair value on a recurring basis

Other financial instruments measured at fair value on a recurring basis include the interest rate swap amounting to \$0 and \$117,514 as of September 30, 2023 and 2022, respectively, which is considered as Level 2 under the fair value hierarchy.

Net Asset Value (NAV) Per Share

In accordance with U.S. GAAP, the Museum expanded disclosures to include the category, fair value, redemption frequency, and redemption notice period for those assets whose fair value is estimated using the net asset value per share or its equivalent for which fair value is not readily determinable.

The following table presents the nature and risk of assets with fair values estimated using NAV as a practical expedient held at September 30, 2023:

	Fair Value	Unfunded commitments	Redemption Frequency	Redemption notice period
International markets equities	\$ 47,964,517	\$ -	daily to monthly	none to 6 days
Emerging markets equities	13,193,700	-	daily to quarterly	none to 10 days
Fixed income mutual funds	8,675,569	-	daily	none to 6 days
Bank loan fund	17,757,462	-	quarterly	90 days
Private equity and credit	69,281,311	64,697,012	N/A	N/A
Equity long/short hedge funds	56,235,999	-	quarterly	45 days
Event driven hedge funds	16,180,561	-	quarterly to at maturity	none to 90 days
Multi-strategy hedge funds	105,169,500	-	annually	N/A
Total	\$ 334,458,619	\$ 64,697,012		

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

The following table presents the nature and risk of assets with fair values estimated using NAV as a practical expedient held at September 30, 2022:

	Fair Value	Unfunded commitments	Redemption Frequency	Redemption notice period
International markets equities	\$ 37,025,474	\$ -	daily to monthly	none to 6 days
Emerging markets equities	11,642,678	-	daily to quarterly	none to 10 days
Fixed income mutual funds	7,469,063	-	daily	none to 6 days
Bank loan fund	15,619,363	-	quarterly	90 days
Private equity	48,845,849	26,167,895	N/A	N/A
Equity long/short hedge funds	54,392,340	-	quarterly	45 days
Event driven hedge funds	27,517,984	-	quarterly to at maturity	none to 90 days
Multi-strategy hedge funds	100,444,505	533,000	annually	N/A
Total	\$ 302,957,256	\$ 26,700,895		

For funds where the NAV is used as a basis for reporting/estimating fair value, some investments are not validated by active markets. Thus, the Museum obtains independent audited statements as of the funds' year-end and reconciles the audited balance to the Museum's reported balance as of that same reporting period, and performs other procedures to estimate fair value for the Museum's year-end.

The Museum invested in international market equities and emerging markets equities. International markets equities include investments in two funds. For the year ended September 30, 2023, one of these investments estimates fair value using the NAV per share on a monthly basis and the other investment is a mutual fund with a manager reported NAV based on daily closing market values. Emerging markets equities include investments in a limited partnership with reported values based on closing market prices.

The Museum invests in one fixed income/mutual fund that utilizes NAV for reporting purposes. The fund focuses on high yield corporate bond opportunities.

The bank loan fund is composed of one investment, a limited partnership that invests in senior loans and other senior debt instruments including bridge loans for high yield bond commitments. The fair value of the investments in this category is estimated using the NAV per share. The Museum obtains independent audited statements for this partnership which is reconciled to the Museum's reported balances.

In regard to private equity and credit investments, the Museum is invested in five private equity funds in the private equity secondary markets. These funds are invested in established private equity fund interests with investments in various sectors including leveraged buyouts, venture capital, and mezzanine and growth equity. The Museum is invested in two private equity funds that focus on infrastructure opportunities, and four funds focus on distressed credit opportunities. The Museum also has a fund focused on opportunities in the bio-tech field, a fund that provides capital with guidance to early and growth stage companies, and a fund that provides capital and strategic guidance to middle market alternative investment funds. Redemptions do not apply to these

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

partnerships since they are closed vehicles and withdrawals will be generally upon the termination and liquidation of the partnerships.

The Museum's investments in hedge funds include four investments in equity long/short hedge funds, three investments in event driven funds, and five investments in multi-strategy hedge funds. The fair values in these categories are estimated using the NAV per share. The Museum obtains independent audited statements for these investments, which are reconciled to the Museum's reported balances. The remaining hedge fund investments provide for quarterly redemption.

6. Split-Interest Agreements

Split-interest agreements include charitable gift annuities and interests in charitable trusts. The charitable gift annuities are valued at \$42,586,486 and \$39,434,473 as of September 30, 2023 and 2022, respectively. These investments are recognized at fair value using quoted market prices. An annuity liability for \$16,680,928 and \$18,575,162 as of September 30, 2023 and 2022, respectively, is reported as charitable gift annuity liability and represents the present value of future cash flows expected to be paid to the donor or the donor's designee. The revenue and change in value of split-interest agreements recognized for charitable gift annuities was \$283,090 and \$170,102, respectively, in 2023 and \$1,615,271 and (\$899,771), respectively, in 2022 and are included in contributions revenue.

7. Contributions Receivable

Contributions receivable as of September 30 includes the following unconditional promises to give:

	2023	2022
Amounts due in:		
Less than one year	\$ 19,817,830	\$ 14,440,275
One to five years	50,872,682	35,878,334
More than five years	17,836,151	21,375,939
Subtotal	88,526,663	71,694,548
Less:		
Allowance for doubtful accounts	(2,876,936)	(2,425,007)
Discount to present value (2.3% - 6.3%)	(10,496,419)	(8,948,283)
Total	\$ 75,153,308	\$ 60,321,258

Write-off of contributions and other receivables amounted to \$804,775 and \$149,337 during fiscal year 2023 and 2022, respectively.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

8. Property and Equipment

At September 30, 2023, property and equipment consisted of the following:

	Nonappropriated funds	Appropriated funds	Total
Land	\$ 4,647,930	\$ -	\$ 4,647,930
Buildings and capital improvements	160,691,154	23,656,672	184,347,826
Furniture, equipment and software	2,810,002	15,188,568	17,998,570
Exhibitions	28,695,484	11,220,582	39,916,066
Leasehold improvements	124,798	-	124,798
Total property and equipment	196,969,368	50,065,822	247,035,190
Less accumulated depreciation and amortization	(119,827,154)	(32,390,800)	(152,217,954)
Total property and equipment, net	\$ 77,142,214	\$ 17,675,022	\$ 94,817,236

At September 30, 2022, property and equipment consisted of the following:

	Nonappropriated funds	Appropriated funds	Total
Land	\$ 4,647,930	\$ -	\$ 4,647,930
Buildings and capital improvements	160,691,154	17,722,614	178,413,768
Furniture, equipment and software	2,740,584	14,211,780	16,952,364
Exhibitions	28,695,484	11,220,582	39,916,066
Leasehold improvements	124,798	-	124,798
Total property and equipment	196,899,950	43,154,976	240,054,926
Less accumulated depreciation and amortization	(115,104,948)	(29,102,268)	(144,207,216)
Total property and equipment, net	\$ 81,795,002	\$ 14,052,708	\$ 95,847,710

Depreciation and amortization expense for the years ended September 30, 2023 and 2022 was \$8,010,738 and \$8,227,471, respectively. The Museum did not write off fully depreciated assets during the years ended September 30, 2023 and 2022, respectively.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

9. Debt

Term Loan

On August 13, 2014, the Museum entered into a drawdown term loan agreement in the principal amount of up to \$50.0 million to finance the purchase of land and construction of the new David and Fela Shapell Family Collections, Conservation and Research Center. Interest on the outstanding principal balance of the term loan is due and payable monthly, in arrears, on the 1st day of each month until the unpaid principal balance of the term loan has been paid in full.

On June 8, 2023, the Museum refinanced the outstanding principal balance as of September 30, 2022 amounting to \$32,570,556. The loan term was amended to expire on July 1, 2039 with a final payment of \$600,000. Beginning July 1, 2023 and on the same day each year thereafter, annual principal payments on the term loan are due equal to \$2.0 million. The Museum pays a fixed interest rate of 4.21% on the loan principal balance beginning on July 1, 2023. Thereafter, interest payments are on the 1st day of each month. As of September 30, 2023, the Museum has an outstanding principal balance of \$30,600,000 on the new loan.

At September 30, 2023, principal maturities on the term loan are as follows:

Years ending September 30,

2024	\$ 2,000,000
2025	2,000,000
2026	2,000,000
2027	2,000,000
2028	2,000,000
Thereafter	20,600,000
Total	\$ 30,600,000

The Museum is subject to certain financial covenants under the loan agreement. All covenants have been met by the Museum in fiscal years 2023 and 2022.

Interest Rate Swap

On January 27, 2015, the Museum entered into an interest rate swap agreement with a bank, with an effective date of February 1, 2017 and a termination date of February 1, 2023. The Museum pays the fixed rate of 2.13%, while the bank pays the floating rate based on USD-LIBOR-BBA-Bloomberg, with a reset date on the 1st day of each floating rate calculation period. Initial payment commenced on March 1, 2017. Thereafter, payments are on the 1st day of each month. The interest rate swap agreement expired in February 2023 and it was not renewed.

The swap is recognized on the statement of financial position at fair value and is recorded as interest rate swap. Changes in the fair value of the swap are recorded under the Museum's non-operating activity in the statement of activities.

There is no interest rate swap asset and liability as of September 30, 2023. The interest rate swap asset as of September 30, 2022 is \$117,514. The (loss) gain on interest rate swap during fiscal years 2023 and 2022 amounted to (\$117,514) and \$647,928, respectively.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

10. Appropriated Funds

The fiscal year 2023 and 2022 Federal appropriations totaled \$65,231,000 and \$62,616,000, respectively, which includes appropriations of \$1,264,000 in both years, for the outreach initiatives program; and \$4,000,00 and \$3,000,000 respectively, for building repair and rehabilitation; to be used by the Museum until fully expended. The Federal appropriations for fiscal years 2023 and 2022, also include additional funding for a three year appropriation in the amount of \$1,000,000 and \$715,000, respectively, to be used for equipment replacement.

Below is a reconciliation of the fiscal year 2023 and 2022 Federal appropriations received to Federal appropriations expended and recognized as revenue:

	2023	2022
Federal appropriation received	\$ 65,231,000	\$ 62,616,000
Unexpended appropriation - current year	(16,071,284)	(16,150,764)
Amounts obligated in previous years - expended in current year	19,284,774	15,801,808
Federal appropriation revenue	\$ 68,444,490	\$ 62,267,044

Below is a reconciliation of the spending of the fiscal year 2023 and 2022 Federal appropriations:

	2023	2022
Total expenses	\$ 66,550,338	\$ 63,003,236
Depreciation and amortization	(3,288,532)	(2,922,565)
Unpaid vacation and other unfunded expenses	(1,779,602)	(1,165,008)
Prepayments and others	51,440	(8,769)
Unexpended appropriation - current year	16,071,284	16,150,764
Amounts obligated in previous years - expended in current year	(19,284,774)	(15,801,808)
Capital expenditures	6,910,846	3,360,150
Federal appropriation	\$ 65,231,000	\$ 62,616,000

11. Commitments and Contingencies

The Museum leases its office spaces under various noncancelable operating lease agreements with third parties. These office leases are generally for initial terms of 3 to 5 years and may contain options to extend or renew. The Museum includes renewal options in the measurement of lease liabilities only to the extent the option is reasonably certain to be exercised. For leases that provide the option to terminate, the lease term includes periods covered by such options to the extent the Museum is reasonably certain not to exercise the option. The Museum's leases do not contain any residual value guarantees or material restrictive covenants. The Museum does not have any subleases during the periods ended September 30, 2023 and 2022.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

The components of lease costs for the year ended September 30, 2023 is reflected in occupancy and security and supplies, non-capital equipment and others in the statement of functional expenses, and were as follows:

	2023
Operating lease cost	\$ 2,477,458
Short-term lease cost	315,545
Variable lease cost	74,342
Total lease cost	\$ 2,867,345

Supplemental cash flow information related to the Museum's operating leases as well as the weighted-average lease term and discount rate were as follows:

	2023
Cash paid for operating lease liabilities	\$ 2,602,569
Operating lease assets obtained in exchange for new operating lease obligations	\$ 9,516,952
Weighted-average remaining lease terms (years)	3.84 years
Weighted-average discount rate	3.9%

Supplemental statement of financial position information related to leases was as follows:

Operating lease right-of-use assets	\$ 8,719,162
Operating lease liability, funded	\$ 715,418
Operating lease liability, unfunded	8,801,534
Total operating lease liabilities	\$ 9,516,952

Future lease payments under the Museum's operating lease agreements as of September 30, 2023 were as follows:

Years ending September 30,

2024	\$ 2,636,233
2025	2,419,207
2026	2,261,203
2027	2,255,386
2028	709,292
Total future lease payments	10,281,321
Less: Imputed interest	(764,369)
Present value of lease liabilities	\$ 9,516,952

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

Topic 840 - Fiscal Year 2022

Annual minimum lease payments due under operating leases in effect at September 30, 2022, by year and in the aggregate, are summarized as follows:

Years ending September 30,	
2023	\$ 2,602,569
2024	2,599,728
2025	2,381,982
2026	2,223,237
2027	2,255,386
Thereafter	709,292
Total	\$ 12,772,194

Total rental costs in 2022 for operating leases under Topic 840 was \$2,266,015. This amount was composed of appropriated funds and nonappropriated funds of \$1,715,527 and \$550,488, respectively.

12. Retirement Plans

Although the Museum funds a portion of the pension benefits for its appropriated fund employees under the Civil Service Retirement System and the Federal Employees Retirement System (the Systems) and makes the necessary payroll withholdings, the Museum is not required to disclose the Systems' assets or the actuarial data with respect to accumulated plan benefits or the unfunded pension liability relative to its employees. Reporting such amounts is the direct responsibility of the OPM. The Museum's expense for these appropriated plans in fiscal year 2023 and 2022 was \$3,405,915 and \$3,330,784, respectively.

The Museum recognizes the cost of pensions and other retirement benefits during its employees' active years of service. OPM determines pension cost factors by calculating the value of pension benefits expected to be paid in the future, and communicates these factors to the Museum for current period expense reporting. OPM also provides cost factors regarding the full cost of health and life insurance benefits. In fiscal year 2023 and 2022, the Museum, utilizing OPM's cost factors, recognized \$22,683 and \$69,432, respectively, of pension expenses, \$1,127,880 and \$1,009,125, respectively, of postretirement health benefits expenses, \$2,623 and \$2,586, respectively, of postretirement life insurance expenses, beyond amounts actually paid. The Museum recognized offsetting revenue of \$1,153,186 and \$1,081,143 in 2023 and 2022, respectively, as an imputed financing source to the extent these intergovernmental expenses will be paid by OPM.

The Museum sponsors a defined contribution salary deferral 403(b) plan for its nonappropriated fund employees. Starting January 1, 2007, the Museum contributes 8% of annual pay for each eligible employee. In addition, the Museum matches 100% of the participant contributions up to 3% and 50% of contributions for the next 2% of annual pay. The Museum's expense for the 403(b) plan in 2023 and 2022 was \$4,277,355 and \$4,188,996, respectively.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

13. Federal Employees' Compensation Act Actuarial Liability

The Department of Labor (DOL) provided the Museum with the calculation model and ratios to determine this liability as of September 30, 2023 and 2022. The Museum recognizes the actuarial cost of future Federal Employees' Compensation Act (FECA) benefits. The estimated FECA actuarial liability represents the expected liability of benefits to be paid for death, disability, medical, and miscellaneous costs for approved compensation cases beyond the current fiscal year plus a component for incurred but not reported claims. The estimated future costs are regarded as a liability because neither the costs nor the reimbursements have been recognized by DOL.

The actuarial calculation takes the amount of Museum benefit payments over the last 12 quarters, and calculates the annual average of payments for medical expenses and compensation. This average is then multiplied by the liability-to-benefits-paid ratios for the Government-wide FECA program for fiscal year 2023 and 2022. The fiscal year 2023 and 2022 appropriated actuarial liability is \$1,750 and the fiscal year 2023 and 2022 nonappropriated actuarial liability is \$385.

The FECA actuarial liability, included in the accounts payable and accrued expenses in the statement of financial position, is recorded for financial reporting purposes only. This liability constitutes an extended future estimate of cost which will not be obligated against budgetary resources until the fiscal year in which DOL actually bills the cost to the Museum. The cost associated with this liability cannot be met by the Museum without further appropriation action.

An unfunded liability is recorded for future payments to be made for workers' compensation pursuant to FECA. The liability consists of the un-reimbursed cost paid by DOL for compensation paid to recipients under FECA. The costs incurred are reflected as a liability because the Museum will reimburse DOL two years after the payment of expenses by DOL. Future Museum appropriated and nonappropriated funds will be used to reimburse DOL for appropriate payments. The fiscal year unfunded liability (credit) for the Museum's appropriated employees is \$7,796 and (\$953) in 2023 and 2022, respectively. The fiscal year unfunded credit for the Museum's nonappropriated employees is \$2,472 in both years. Unfunded liabilities (credit) are recorded in accounts payable and accrued expenses in the statement of financial position.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

14. Net Assets With Donor Restrictions

Net assets with donor restrictions are available for the following purposes as of September 30:

	2023	2022
Subject to expenditure for specified purpose:		
Museum Operations	\$ 15,792,343	\$ 17,271,425
Mandel Center for Advanced Holocaust Studies	16,482,298	17,223,382
Levine Institute for Holocaust Education	16,993,188	16,355,933
David M. Rubenstein National Institute for Holocaust Documentation	3,180,478	4,236,241
Simon-Skjodt Center for the Prevention of Genocide	3,011,836	3,627,281
Other outreach and public programs	1,866,379	2,360,230
Other Museum offices	4,906,154	5,383,935
Education and outreach	196,375	457,634
Subject to passage of time:		
Assets held under split-interest agreements	608,588	581,430
Promises to give, the proceeds from which have no donor restriction yet are unavailable for expenditure until due	38,593,771	15,853,595
Total subject to expenditure for specified purpose and passage of time	101,631,410	83,351,086
Subject to the Museum's spending policy and appropriation (Including original gift amounts of \$327,550,948 and \$307,690,399, respectively, in investments; and \$30,121,551 and \$29,632,469, respectively, in outstanding pledges receivable, net of discount.)		
Endowment held in perpetuity by nature, including amounts above the original gift amount, which once appropriated is expendable to support:		
Museum Endowment	272,486,114	243,835,913
Levine Institute for Holocaust Education	77,141,105	70,637,749
Mandel Center for Advanced Holocaust Studies	53,241,244	46,418,242
Simon-Skjodt Center for the Prevention of Genocide	23,360,452	24,067,336
David M. Rubenstein National Institute for Holocaust Documentation	13,743,433	14,219,576
Other outreach and public programs	6,557,891	6,016,249
Museum operations	2,579,675	2,413,455
Total subject to Museum's spending policy and appropriation	449,109,914	407,608,520
Perpetual in nature, not subject to spending policy		
Assets held under split-interest agreements, net of annuity liability	25,905,559	20,859,311
Total perpetual in nature	475,015,473	428,467,831
Total net assets with donor restrictions	\$ 576,646,883	\$ 511,818,917

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

15. Contributed Services

In-kind contributions of goods and services totaling \$177,092 and \$77,646 were received by the Museum during the fiscal years ended September 30, 2023 and 2022, respectively. This amount has been recognized as revenue and expense in the accompanying statement of activities based on the amount reported by the independent third-party providers. In addition to the contributed services recognized in the financial statements, the Museum had more than 333 and 294 volunteers, including 50 Holocaust survivors in both years, donating approximately 12,492 hours and 14,168 hours during fiscal years ended September 30, 2023 and 2022, respectively. The value of these contributions cannot be objectively measured and do not meet the criteria for recognition of in-kind contributions, and accordingly, are not recognized in the financial statements.

16. Endowment

On January 23, 2008, the District of Columbia adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) which defines a robust set of guidelines about what constitutes prudent spending of endowment funds. The Museum, as an independent establishment of the United States Government, has constitutional immunity from regulation by states as conferred by the Supremacy Clause of the Constitution and as such is not subject to and has not adopted the provisions of UPMIFA.

The Museum's endowment consists of 98 individual funds established for a variety of purposes including donor-restricted endowment funds. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. In accordance with U.S. GAAP, the Museum discloses the activities related to the donor-restricted and board-designated endowment funds, and reports on other funds invested as endowment as set aside by management.

Funds functioning as endowment consist of the following at September 30, 2023:

	Without donor restrictions	With donor restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 327,550,948	\$ 327,550,948
Accumulated investment return on donor-restricted endowment funds	-	91,437,415	91,437,415
Board-designated endowment funds	82,200,175	-	82,200,175
Total endowment	82,200,175	418,988,363	501,188,538
Other funds invested as endowment	79,572,385	22,522,543	102,094,928
Total funds invested as endowment	\$ 161,772,560	\$ 441,510,906	\$ 603,283,466

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

Funds functioning as endowment consist of the following at September 30, 2022:

	Without donor restrictions	With donor restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 307,690,399	\$ 307,690,399
Accumulated investment return on donor-restricted endowment funds	-	70,285,652	70,285,652
Board-designated endowment funds	76,145,548	-	76,145,548
Total endowment	76,145,548	377,976,051	454,121,599
Other funds invested as endowment	69,687,374	21,528,563	91,215,937
Total funds invested as endowment	\$ 145,832,922	\$ 399,504,614	\$ 545,337,536

Endowment funds consist of donor-restricted endowment funds and funds designated by the board as endowments. Income from donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure. Board-designated endowment funds and other funds invested as endowment are used to support the mission of the Museum and are subject to similar spending releases as donor-restricted endowment funds.

Changes in funds functioning as endowment for the year ended September 30, 2023 are as follows:

	Without donor restrictions - Board- designated endowment funds	With donor restrictions	Without donor restrictions - Other funds invested as endowment	Total funds invested as endowment
Balance, September 30, 2022	\$ 76,145,548	\$ 399,504,614	\$ 69,687,374	\$ 545,337,536
Investment return	7,739,483	40,619,663	8,326,472	56,685,618
Contributions	-	20,339,212	-	20,339,212
Payout of endowment assets for expenditures	(1,684,856)	(19,946,563)	(26,000,000)	(47,631,419)
Additional funds functioning as endowment	-	993,980	27,558,539	28,552,519
Balance, September 30, 2023	\$ 82,200,175	\$ 441,510,906	\$ 79,572,385	\$ 603,283,466

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

Changes in funds functioning as endowment for the year ended September 30, 2022 are as follows:

	Without donor restrictions - Board- designated endowment funds	With donor restrictions	Without donor restrictions - Other funds invested as endowment	Total funds invested as endowment
Balance, September 30, 2021	\$ 83,892,221	\$ 421,825,551	\$ 75,719,134	\$ 581,436,906
Investment return	(7,155,492)	(37,577,515)	(7,782,123)	(52,515,130)
Contributions	-	11,067,077	-	11,067,077
Payout of endowment assets for expenditures	(591,181)	(17,339,062)	(12,000,000)	(29,930,243)
Additional funds functioning as endowment	-	21,528,563	13,750,363	35,278,926
Balance, September 30, 2022	\$ 76,145,548	\$ 399,504,614	\$ 69,687,374	\$ 545,337,536

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 U.S. GAAP requires the Museum to retain as a fund of perpetual duration. These deficiencies would result from unfavorable market fluctuations that occur after the investment of new endowments restricted in perpetuity and continued appropriation for certain programs that was deemed prudent by the Museum's Council. As a result of this interpretation, when reviewing its donor-restricted endowment funds, the Museum considers a fund to be underwater if its fair value is less than the sum of the (a) original value of initial and subsequent gift amounts, (b) any accumulations to the fund from net investment return, and (c) appropriations from the funds. Temporary deficiencies are reported under net assets with donor restrictions. Future investment gains restore the balance to their required levels as stipulated by the donors. For the year ended September 30, 2023, there were two funds with deficiencies amounting to \$8,013. There were four funds with deficiencies amounting to \$225,708 for the year ended September 30, 2022.

The Museum has adopted investment and spending policies that provide a predictable stream of funding to programs while maintaining the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Museum must hold in perpetuity or for a donor-specified period. Under these policies, as approved by the Museum's Council, endowment assets are invested in a manner to attain an average annual real return (net of management fees) of at least 5%, with adjustments for inflation (as measured by the CPI-U index), over a period of five years. It is recognized that the real return objective may be difficult to attain in every five-year period, but should be attainable over a series of five-year periods.

To satisfy its long-term rate-of-return objectives, the Museum relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Museum targets a diversified asset allocation that places emphasis on investments in cash and equivalents, fixed income/credit, global equity, alternative and real assets, and multi-asset class funds in a 3%, 15%, 55%, 25% and 2% ratio to achieve its long-term return objectives within prudent risk constraints.

United States Holocaust Memorial Museum
Notes to Financial Statements
As of and for the Year Ended September 30, 2023
(with comparative information for the year ended September 30, 2022)

The Museum has a policy of distributing each year 5% of its endowment funds' average fair value using the prior 12 quarters through June 30 preceding the fiscal year in which the distribution is planned. In establishing these policies, the Museum considered the expected return on its endowment. Accordingly, the Museum expects the current spending policy to allow its endowment to maintain its purchasing power by growing at a rate equal to planned payouts. Additional real growth will be provided through new gifts and any excess investment return.

17. Risks and Uncertainties

The Museum invests in various investment securities that may be exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least 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 statement of financial position and the statement of activities.

In the normal course of business, the Museum is from time to time a party to various claims and lawsuits. If management determines, based on the underlying facts and circumstances, that it is probable a loss will result from a litigation contingency and the amount of the loss can be reasonably estimated, the estimated loss is accrued for. Management does not expect any adverse financial impact from open litigation matters occurring in the normal course of business as of September 30, 2023.

18. Subsequent Events

Management has performed an evaluation of subsequent events through November 15, 2023, which is the date that the financial statements were available to be issued, noting no events which affect the financial statements as of September 30, 2023.

Supplementary Schedules

United States Holocaust Memorial Museum

Schedule of Budgetary Resources - Appropriated Funds Years Ended September 30, 2023 and 2022

<i>For the years ended September 30,</i>	2023	2022
Budgetary resources:		
Unobligated balance from prior year budget authority, net	\$ 15,611,274	\$ 23,900,623
Appropriations	65,231,000	62,616,000
Total budgetary resources	\$ 80,842,274	\$ 86,516,623

<i>For the years ended September 30,</i>	2023	2022
Status of budgetary resources:		
New obligations and upward adjustments, total	\$ 75,748,636	\$ 67,434,059
Unobligated balance, end of year:		
Apportioned, unexpired accounts	3,857,851	16,428,411
Expired unobligated balance, end of year	1,235,787	2,654,153
Total unobligated balance, end of year	5,093,638	19,082,564
Total budgetary resources	\$ 80,842,274	\$ 86,516,623

<i>For the years ended September 30,</i>	2023	2022
Outlays:		
Gross outlays	\$ 65,871,045	\$ 62,136,064
Less: offsetting collections	-	-
Outlays, net	\$ 65,871,045	\$ 62,136,064

United States Holocaust Memorial Museum

Schedule of Net Cost - Appropriated Funds Years Ended September 30, 2023 and 2022

	For the year ended September 30, 2023		
	Intra- government	Public	Total
Museum operations	\$ 4,628,829	\$ 27,021,143	\$ 31,649,972
Mandel Center for Advanced Holocaust Studies	456,873	2,439,607	2,896,480
Levine Institute for Holocaust Education	710,498	9,640,971	10,351,469
David M. Rubenstein National Institute for Holocaust Documentation	1,772,875	10,328,832	12,101,707
Education and outreach	305,887	796,740	1,102,627
Stein Museum shop	-	-	-
Simon-Skjodt Center for the Prevention of Genocide and other outreach and public programs	47,863	1,873,804	1,921,667
Supporting services	1,254,958	5,271,458	6,526,416
Net cost of operations	\$ 9,177,783	\$ 57,372,555	\$ 66,550,338
	For the year ended September 30, 2022		
	Intra- government	Public	Total
Museum operations	\$ 4,311,389	\$ 25,577,542	\$ 29,888,931
Mandel Center for Advanced Holocaust Studies	434,629	2,385,683	2,820,312
Levine Institute for Holocaust Education	650,304	7,276,844	7,927,148
David M. Rubenstein National Institute for Holocaust Documentation	1,701,685	9,687,896	11,389,581
Education and outreach	45,486	846,719	892,205
Stein Museum shop	-	-	-
Simon-Skjodt Center for the Prevention of Genocide and other outreach and public programs	349,842	1,915,980	2,265,822
Supporting services	1,097,423	6,721,814	7,819,237
Net cost of operations	\$ 8,590,758	\$ 54,412,478	\$ 63,003,236

United States Holocaust Memorial Museum

Schedule of Changes in Net Position - Appropriated Funds Years Ended September 30, 2023 and 2022

<i>For the year ended September 30,</i>	2023	2022
Unexpended appropriations:		
Beginning balances	\$ 39,657,704	\$ 39,514,848
Changes in unexpended appropriations:		
Appropriations received	65,231,000	62,616,000
Canceled or expired appropriations	-	(206,100)
Appropriations used	(68,444,490)	(62,267,044)
Net changes in unexpended appropriations	(3,213,490)	142,856
Total Unexpended Appropriations	\$ 36,444,214	\$ 39,657,704
Cumulative results of operations:		
Beginning balances	\$ 11,753,791	\$ 11,408,840
Changes in cumulative unexpended appropriations:		
Appropriations used	68,444,490	62,267,044
Imputed financing source	1,153,186	1,081,143
Net cost of operations	(66,550,338)	(63,003,236)
Net changes in cumulative results of operations	3,047,338	344,951
Total cumulative results of operations	\$ 14,801,129	\$ 11,753,791

United States Holocaust Memorial Museum

Schedule Reconciling Net Cost of Operations to Net Outlays - Appropriated Funds Years Ended September 30, 2023 and 2022

<i>For the year ended September 30,</i>	2023	2022
Net cost of operations	\$ 66,550,338	\$ 63,003,236
Components of net cost not part of budgetary outlays:		
Depreciation and amortization of property and equipment	(3,288,532)	(2,922,565)
Increase/(decrease) in assets:		
Other assets	51,440	-
(Increase)/decrease in assets:		
Accounts payable and accrued expenses	(3,199,861)	(223,614)
Financing sources:		
Imputed financing source	(1,153,186)	(1,081,143)
Components of budget outlays that are not part of net operating cost:		
Acquisition of capital assets	6,910,846	3,360,150
Outlays, net	\$ 65,871,045	\$ 62,136,064

United States Holocaust Memorial Museum

Schedule of Claims Conference Payments Year Ended September 30, 2023

Grant Award		2023
Fund S053/App. 19623	\$	20,073
SO56/App. 21020		150,000
Fund SO58/App. 25521		173,800
Fund GGR2022B/App. 35009		100
Fund GGR2022B/App. 36602		100
<hr/>		
Fiscal year 2023 grant payments to United States Holocaust Memorial Museum	\$	344,073

**Independent Auditor's Reports Required by
*Government Auditing Standards***



Independent Auditor's Report on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

To the Council Members
United States Holocaust Memorial Museum
Washington, D.C.

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Bulletin No. 24-01, *Audit Requirements for Federal Financial Statements*, the financial statements of the United States Holocaust Memorial Museum (the Museum), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 15, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Museum's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Museum's internal control. Accordingly, we do not express an opinion on the effectiveness of the Museum's internal control. Further, we did not test all internal controls relevant to operating objectives as broadly defined by the *Federal Managers' Financial Integrity Act of 1982*.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Museum's management, Council Members, OMB, the U.S. Government Accountability Office, and the U.S. Congress and is not intended to be and should not be used by anyone other than these specified parties.

BDO USA, P.C.

November 15, 2023



Independent Auditor’s Report on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

To the Council Members
United States Holocaust Memorial Museum
Washington, D.C.

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget (OMB) Bulletin No. 24-01, *Audit Requirements for Federal Financial Statements*, the financial statements of the United States Holocaust Memorial Museum (the Museum), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 15, 2023.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Museum’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements, and certain provisions of other laws and regulations specified in OMB Bulletin No. 24-01. We limited tests of compliance to the provisions described in the preceding sentence, and we did not test compliance with all laws, regulations, contracts and grant agreements applicable to the Museum. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests described in the preceding paragraph of this report disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* or OMB Bulletin No. 24-01.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Museum’s compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Museum’s management, Council Members, OMB, the U.S. Government Accountability Office, and the U.S. Congress and is not intended to be and should not be used by anyone other than these specified parties.

BDO USA, P.C.
November 15, 2023