



**FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013
TOGETHER WITH
INDEPENDENT AUDITOR'S REPORT**

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

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JUNE 30, 2014 AND 2013**

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Alexander, Aronson, Finning & Co., P. C.

21 East Main Street, Westborough, MA 01581-1461 (508) 366-9100
Boston, MA (617) 205-9100 Wellesley, MA (781) 965-9100
www.aafcpa.com FAX (508) 366-9789 info@aafcpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Rose Fitzgerald Kennedy Greenway Conservancy, Inc.:

Report on the Financial Statements

We have audited the accompanying financial statements of Rose Fitzgerald Kennedy Greenway Conservancy, Inc. (a Massachusetts corporation, not for profit) which comprise the statement of financial position as of June 30, 2014, and the related statements of activities and changes in net assets, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rose Fitzgerald Kennedy Greenway Conservancy, Inc. as of June 30, 2014, 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.

Other Matter – Predecessor Auditor

The June 30, 2013 financial statements of Rose Fitzgerald Kennedy Greenway Conservancy, Inc. were audited by other auditors whose report dated September 9, 2013, expressed an unmodified opinion on those statements.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information shown on pages 19 and 20 is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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, such information is fairly stated in all material respects in relation to the financial statements as a whole. The accompanying supplementary information for fiscal year 2013 on page 20 was subjected to the auditing procedures applied in the fiscal year 2013 audit of the basic financial statements by other auditors, whose report on such information stated that it was fairly stated in all material respects in relation to the fiscal year 2013 financial statements as a whole.

Alexander, Brown, Pinning & Co., P.C.

Boston, Massachusetts
October 7, 2014

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2014 AND 2013**

<u>ASSETS</u>	2014				2013			
	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
CURRENT ASSETS:								
Cash and cash equivalents	\$ 1,144,649	\$ 407,291	\$ -	\$ 1,551,940	\$ 1,460,308	\$ 1,649,975	\$ -	\$ 3,110,283
Accounts receivable, net	31,120	-	-	31,120	10,364	-	-	10,364
Current portion of grants and pledges receivable, net (Note 4)	-	41,221	-	41,221	-	13,500	-	13,500
Prepaid expenses and other	22,656	-	-	22,656	6,221	-	-	6,221
Total current assets	1,198,425	448,512	-	1,646,937	1,476,893	1,663,475	-	3,140,368
GRANTS AND PLEDGES RECEIVABLE , net (Note 4)	-	22,222	50,000	72,222	-	32,000	99,480	131,480
INVESTMENTS (Note 3)	737,716	1,865,550	13,454,770	16,058,036	629,682	852,875	13,405,290	14,887,847
PROPERTY AND EQUIPMENT , net (Note 7)	4,176,687	-	-	4,176,687	2,930,378	-	-	2,930,378
Total assets	<u>\$ 6,112,828</u>	<u>\$ 2,336,284</u>	<u>\$ 13,504,770</u>	<u>\$ 21,953,882</u>	<u>\$ 5,036,953</u>	<u>\$ 2,548,350</u>	<u>\$ 13,504,770</u>	<u>\$ 21,090,073</u>
<u>LIABILITIES AND NET ASSETS</u>								
CURRENT LIABILITIES:								
Accounts payable and accrued expenses	\$ 354,861	\$ -	\$ -	\$ 354,861	\$ 802,383	\$ -	\$ -	\$ 802,383
NET ASSETS:								
Unrestricted (Note 2):								
Operating	907,837	-	-	907,837	674,510	-	-	674,510
Board designated	673,443	-	-	673,443	629,682	-	-	629,682
Property and equipment	4,176,687	-	-	4,176,687	2,930,378	-	-	2,930,378
Total unrestricted	5,757,967	-	-	5,757,967	4,234,570	-	-	4,234,570
Temporarily restricted (Note 5)	-	2,336,284	-	2,336,284	-	2,548,350	-	2,548,350
Permanently restricted (Note 5)	-	-	13,504,770	13,504,770	-	-	13,504,770	13,504,770
Total net assets	5,757,967	2,336,284	13,504,770	21,599,021	4,234,570	2,548,350	13,504,770	20,287,690
Total liabilities and net assets	<u>\$ 6,112,828</u>	<u>\$ 2,336,284</u>	<u>\$ 13,504,770</u>	<u>\$ 21,953,882</u>	<u>\$ 5,036,953</u>	<u>\$ 2,548,350</u>	<u>\$ 13,504,770</u>	<u>\$ 21,090,073</u>

The accompanying notes are an integral part of these statements.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	2014				2013			
	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>PERMANENTLY RESTRICTED</u>	<u>TOTAL</u>
OPERATING REVENUE AND SUPPORT:								
Government support	\$ -	\$ 1,903,600	\$ -	\$ 1,903,600	\$ -	\$ 1,899,888	\$ -	\$ 1,899,888
Endowment draw for current operations	607,148	-	-	607,148	581,007	-	-	581,007
Contributions and grants	157,092	432,239	-	589,331	89,278	340,585	-	429,863
Earned revenue	578,124	-	-	578,124	206,301	-	-	206,301
In-kind support - public	244,361	-	-	244,361	235,047	-	-	235,047
In-kind support - private	87,810	-	-	87,810	111,604	-	-	111,604
Other income	32,198	-	-	32,198	64,280	-	-	64,280
Net assets released from restrictions:								
Satisfaction of time restrictions	11,000	(11,000)	-	-	17,000	(17,000)	-	-
Satisfaction of purpose restrictions	2,102,836	(2,102,836)	-	-	2,492,132	(2,492,132)	-	-
Subtotal	<u>3,820,569</u>	<u>222,003</u>	<u>-</u>	<u>4,042,572</u>	<u>3,796,649</u>	<u>(268,659)</u>	<u>-</u>	<u>3,527,990</u>
Gala event contributions	553,140	-	-	553,140	379,916	-	-	379,916
Less - gala expenses	<u>(129,921)</u>	<u>-</u>	<u>-</u>	<u>(129,921)</u>	<u>(127,645)</u>	<u>-</u>	<u>-</u>	<u>(127,645)</u>
Gala event, net	<u>423,219</u>	<u>-</u>	<u>-</u>	<u>423,219</u>	<u>252,271</u>	<u>-</u>	<u>-</u>	<u>252,271</u>
Total operating revenue and support	<u>4,243,788</u>	<u>222,003</u>	<u>-</u>	<u>4,465,791</u>	<u>4,048,920</u>	<u>(268,659)</u>	<u>-</u>	<u>3,780,261</u>
OPERATING EXPENSES:								
Programmatic	3,369,638	-	-	3,369,638	3,318,324	-	-	3,318,324
Administration	367,495	-	-	367,495	528,190	-	-	528,190
Fundraising	<u>498,913</u>	<u>-</u>	<u>-</u>	<u>498,913</u>	<u>393,853</u>	<u>-</u>	<u>-</u>	<u>393,853</u>
Total operating expenses	<u>4,236,046</u>	<u>-</u>	<u>-</u>	<u>4,236,046</u>	<u>4,240,367</u>	<u>-</u>	<u>-</u>	<u>4,240,367</u>
Changes in net assets from operations	<u>7,742</u>	<u>222,003</u>	<u>-</u>	<u>229,745</u>	<u>(191,447)</u>	<u>(268,659)</u>	<u>-</u>	<u>(460,106)</u>
NON-OPERATING REVENUE AND SUPPORT:								
Investment income, net of fees	51,244	1,624,825	-	1,676,069	19,298	686,381	-	705,679
Contributions and grants - capital projects	-	12,665	-	12,665	-	1,668,136	-	1,668,136
Government support - capital projects	-	-	-	-	-	250,000	-	250,000
Endowment draw for current operations	-	(607,148)	-	(607,148)	-	(581,007)	-	(581,007)
Net assets released - capital projects	<u>1,464,411</u>	<u>(1,464,411)</u>	<u>-</u>	<u>-</u>	<u>1,605,781</u>	<u>(1,605,781)</u>	<u>-</u>	<u>-</u>
Total non-operating revenue and support	<u>1,515,655</u>	<u>(434,069)</u>	<u>-</u>	<u>1,081,586</u>	<u>1,625,079</u>	<u>417,729</u>	<u>-</u>	<u>2,042,808</u>
Changes in net assets	<u>1,523,397</u>	<u>(212,066)</u>	<u>-</u>	<u>1,311,331</u>	<u>1,433,632</u>	<u>149,070</u>	<u>-</u>	<u>1,582,702</u>
NET ASSETS, beginning of year	<u>4,234,570</u>	<u>2,548,350</u>	<u>13,504,770</u>	<u>20,287,690</u>	<u>2,800,938</u>	<u>2,399,280</u>	<u>13,504,770</u>	<u>18,704,988</u>
NET ASSETS, end of year	<u>\$ 5,757,967</u>	<u>\$ 2,336,284</u>	<u>\$ 13,504,770</u>	<u>\$ 21,599,021</u>	<u>\$ 4,234,570</u>	<u>\$ 2,548,350</u>	<u>\$ 13,504,770</u>	<u>\$ 20,287,690</u>

The accompanying notes are an integral part of these statements.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Changes in net assets	\$ 1,311,331	\$ 1,582,702
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Unrealized and realized gains on investments	(1,021,367)	(554,609)
Capital grants	(12,665)	(1,918,136)
Depreciation	246,503	96,808
Reduction in allowance for uncollectible pledges, net	(30,545)	-
Changes in operating assets and liabilities:		
Accounts receivable	(22,256)	5,841
Grants and pledges receivable	(31,418)	374,098
Prepaid expenses and other	(16,435)	(1,921)
Accounts payable and accrued expenses	(62,743)	74,664
Net cash provided by (used in) operating activities	<u>360,405</u>	<u>(340,553)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of investments	(3,785,941)	(353,073)
Proceeds from investments	3,637,119	581,007
Acquisition of property and equipment	(1,877,591)	(1,228,271)
Net cash used in investing activities	<u>(2,026,413)</u>	<u>(1,000,337)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Endowment contributions collected	95,000	70,000
Capital grants	12,665	1,918,136
Net cash provided by financing activities	<u>107,665</u>	<u>1,988,136</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,558,343)	647,246
CASH AND CASH EQUIVALENTS, beginning of year	<u>3,110,283</u>	<u>2,463,037</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 1,551,940</u></u>	<u><u>\$ 3,110,283</u></u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Construction in process included in accounts payable and accrued expenses	<u>\$ -</u>	<u>\$ 384,779</u>
Unrealized gains (losses) on investments	<u><u>\$ 673,117</u></u>	<u><u>\$ (386,623)</u></u>

The accompanying notes are an integral part of these statements.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2014**

(With Summarized Comparative Totals for the Year Ended June 30, 2013)

	2014								2013
	PROGRAMMATIC								
	MAINTENANCE AND HORTICULTURE	PUBLIC EVENTS	GREEN & GROW	PLANNING AND DESIGN	TOTAL PROGRAMMATIC	ADMINIS- TRATION	FUNDRAISING	TOTAL	TOTAL
Salaries and related expenses	\$ 913,690	\$ 241,044	\$ 72,560	\$ 202,612	\$ 1,429,906	\$ 298,726	\$ 318,896	\$ 2,047,528	\$ 2,192,569
Contracted services	798,939	-	5,226	19,530	823,695	-	17,027	840,722	753,437
Direct program expense	412,722	76,255	1,015	42,459	532,451	-	74,869	607,320	648,838
Depreciation	144,635	23,071	2,038	13,578	183,322	26,175	37,006	246,503	96,808
Occupancy expense	80,896	12,927	2,826	7,876	104,525	14,599	19,876	139,000	139,000
Insurance	118,214	1,136	259	694	120,303	1,282	1,742	123,327	116,678
Legal and accounting	65,382	10,422	380	6,048	82,232	17,250	16,992	116,474	164,808
Office expense	41,549	7,097	1,629	5,035	55,310	9,395	11,493	76,198	82,018
Public outreach	-	25,572	-	-	25,572	-	-	25,572	31,534
Professional development	11,622	60	-	640	12,322	68	1,012	13,402	14,677
Total expenses	<u>\$ 2,587,649</u>	<u>\$ 397,584</u>	<u>\$ 85,933</u>	<u>\$ 298,472</u>	<u>\$ 3,369,638</u>	<u>\$ 367,495</u>	<u>\$ 498,913</u>	<u>\$ 4,236,046</u>	<u>\$ 4,240,367</u>

The accompanying notes are an integral part of these statements.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2013**

	PROGRAMMATIC							
	<u>MAINTENANCE AND HORTICULTURE</u>	<u>PUBLIC EVENTS</u>	<u>GREEN & GROW</u>	<u>PLANNING AND DESIGN</u>	<u>TOTAL PROGRAMMATIC</u>	<u>ADMINIS- TRATION</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
Salaries and related expenses	\$ 832,966	\$ 270,860	\$ 180,512	\$ 191,059	\$ 1,475,397	\$ 447,683	\$ 269,489	\$ 2,192,569
Contracted services	729,242	-	2,298	3,378	734,918	11,874	6,645	753,437
Direct program expense	466,187	113,882	12,506	3,961	596,536	-	52,302	648,838
Depreciation	49,372	10,649	5,808	4,840	70,669	13,553	12,586	96,808
Occupancy expense	70,888	15,290	8,340	6,950	101,468	19,463	18,069	139,000
Insurance	113,359	745	406	339	114,849	948	881	116,678
Legal and accounting	87,206	17,499	9,259	8,240	122,204	21,809	20,795	164,808
Office expense	45,284	7,872	4,229	4,558	61,943	10,106	9,969	82,018
Public outreach	8,925	15,959	1,050	875	26,809	2,450	2,275	31,534
Professional development	12,423	387	613	108	13,531	304	842	14,677
Total expenses	<u>\$ 2,415,852</u>	<u>\$ 453,143</u>	<u>\$ 225,021</u>	<u>\$ 224,308</u>	<u>\$ 3,318,324</u>	<u>\$ 528,190</u>	<u>\$ 393,853</u>	<u>\$ 4,240,367</u>

The accompanying notes are an integral part of these statements.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014 AND 2013**

NOTE 1 - OPERATIONS AND NONPROFIT STATUS

Operations

Rose Fitzgerald Kennedy Greenway Conservancy, Inc. (the Conservancy) is a private, not for profit corporation dedicated to raising broad-based support to ensure standards of excellence in the design, sustainability, and use of the Rose Fitzgerald Kennedy Greenway (the Greenway). To secure the Greenway's future as one of America's foremost urban parks, the Conservancy advocates for standards of consistency and excellence in design; manages its operations working collaboratively to create, finance, promote, and coordinate public programs and events for the general public to enjoy; and strives to raise adequate and stable funding in support of long-range public uses.

The Conservancy works to achieve its public mission in a public/private partnership with the Commonwealth of Massachusetts as described in the Conservancy's enabling legislation. The Maintenance and Horticulture Department maintains the hardscape, furnishings, and special features, and uses organic practices to care for the lawns, beds, and trees. The Planning and Design Department plans and leads park improvements such as furniture, way finding signage, art planning, and the design and construction of the Greenway Carousel and site. Green & Grow is the youth workforce development and education program that the Conservancy ran through September, 2013, to help young Bostonians become effective and reliable employees through working and learning in an urban park. The Public Events Department brings hundreds of free annual events including farmers markets, concerts, festivals, community celebrations, and public art installations. The Fundraising department works to cultivate donors and raise private support for the Conservancy, and Administration includes finance, human resources and information technology.

Nonprofit Status

The Conservancy is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is generally exempt from Federal and state income taxes pursuant to Section 501(a) of the Code. Donors may deduct contributions made to the Conservancy within the requirements of the Code.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies followed by the management of the Conservancy in the preparation of the accompanying financial statements is set forth below:

Basis of Accounting

The Conservancy prepares its financial statements in accordance with generally accepted accounting standards and principles established by the Financial Accounting Standards Board (FASB). References to U.S. GAAP in these footnotes are to the FASB Accounting Standards Codification (ASC).

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

Revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions and state law. Accordingly, net assets and changes therein are classified as follows:

Unrestricted – Net assets that are not subject to donor-imposed stipulations which the Conservancy may use at its discretion. The Conservancy has grouped its unrestricted net assets into the following categories:

Operating net assets - represent funds available to carry on the operations of the Conservancy.

Board designated net assets - represent unrestricted net assets whose use is subject to designation for specific purposes by action of the Conservancy's Board of Directors.

Property and equipment net assets - represent the resources available and amounts expended for property and equipment, net of related liabilities.

Temporarily Restricted net assets – Net assets whose use is limited by state law or donor-imposed stipulations that may or will be met with the passage of time and/or by the actions of the Conservancy (see Notes 5 and 6). Transfers are made to unrestricted net assets from temporarily restricted net assets as costs are incurred or time restrictions have lapsed (see Note 5). Net appreciation (depreciation) of permanently restricted long-term investments is recognized within temporarily restricted net assets until such funds are available to be spent under the Conservancy's spending policy (see Notes 5 and 6).

Permanently Restricted net assets – Net assets that are subject to donor-imposed stipulations that they be maintained in perpetuity by the Conservancy. Generally, donors of these assets allow the Conservancy to use all or part of the income, and the realized or unrealized gain, if any, on related investments for general or specific purposes (see Notes 5 and 6).

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases to unrestricted net assets unless their use is restricted by donor-imposed stipulation or by state law. Expirations of temporary restrictions on net assets, due to either the Conservancy fulfilling donor-imposed restrictions or the passage of time, are reported as releases to unrestricted net assets (see Note 5).

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, the 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 vary from the estimates that were used.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

The Conservancy considers highly liquid investments with maturities of three (3) months or less at the date of purchase to be cash equivalents. Cash, not subjected to either donor-imposed stipulations or restrictions under state law, is included in the accompanying financial statements as unrestricted cash; all other cash is treated as temporarily restricted.

Cash equivalents held by investment managers are considered part of investments and are categorized according to any donor-imposed restrictions or as required by state law.

Accounts Receivable and Allowance for Uncollectible Accounts

Accounts receivable are reported at the amount management expects to collect on balances outstanding at year end. Management estimates the allowance for doubtful accounts based on historical collections together with a review of the current status of the existing accounts receivable. The allowance for uncollectible accounts receivable as of June 30, 2014, is \$1,500. No allowance was deemed necessary as of June 30, 2013.

Grants and Pledges Receivable and Allowance for Uncollectible Pledges

When an unconditional promise to give is received or the condition has been fulfilled for a conditional promise to give, the corresponding pledges receivable are recorded as revenue at the present value of expected proceeds. Management estimates the allowance for doubtful pledges (see Note 4) based on historical collections together with a review of the current status of the existing pledges receivable.

Revenue Recognition

Contributions may include gifts of cash, collection items, or promises to give. Contributions and government support, including unconditional promises to give, are recognized as revenues in the period received and recorded in the appropriate net asset category in accordance with donor imposed restrictions. Conditional promises to give are not recognized until they become unconditional, that is, at the time when the conditions on which they depend are substantially met. Contributions of assets other than cash are reported at their estimated fair value. When considered material, contributions to be received after one (1) year are discounted at an appropriate discount rate commensurate with the risk involved. Multi-year commitments are recorded during the year of the initial pledge.

Earned revenue is recognized as services are provided. Other income is recognized as it is earned.

The Conservancy recognizes in-kind services in accordance with applicable accounting standards if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills, and are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation (see Note 10).

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

All property and equipment (see Note 7) is stated at cost or, if donated, at the fair market value at the date of receipt. Major renewals, additions and betterments are charged to the property accounts, while replacements, maintenance and repairs, which do not improve or extend the lives of the respective assets, are expensed in the year incurred.

Contributions of cash or other assets that must be used to acquire long-lived assets are recorded as temporarily restricted contributions until the assets are acquired and placed in service.

Once property and equipment (see Note 7) is acquired and placed into service, depreciation is provided for by using the straight-line method over the estimated useful lives of the related assets, as follows:

Depreciable Life

Greenway improvements	3 - 20 years
Motor vehicles	4 - 7 years
Office equipment	7 years

Investments

Investments are reported at their fair value. The realized and unrealized appreciation (depreciation) in the fair market value of such investments is included in the statement of activities in the appropriate net asset categories. Dividends and interest are recorded when earned. Gains and losses are recognized as incurred upon sale or based on market value changes during the period.

Dividends, interest and net realized and unrealized gains (losses) on investments are reported as non-operating revenue as follows:

- As increases in permanently restricted net assets if the donor-imposed stipulation require that they be added to the corpus of a permanently restricted endowment fund
- As increases (decreases) in temporarily restricted net assets, net of related investment fees, if the terms of the contribution or relevant state law impose restrictions of current use of income or net gains.
- As increases (decreases) in unrestricted net assets, net of related investment fees, as in all other cases.

Functional Allocation of Expenses

The costs of providing the Conservancy's various programs and activities have been summarized on a functional basis in the accompanying financial statements. Accordingly, expenses related directly to a program are distributed to that program, while other expenses are allocated based upon management's estimate of the percentage attributable to each program.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Uncertain Tax Positions

The Conservancy accounts for uncertainty in income taxes in accordance with ASC Topic, *Income Taxes*. This standard clarifies the accounting for uncertainty in tax positions and prescribes a recognition threshold and measurement attribute for the financial statement regarding a tax position taken or expected to be taken in a tax return. The Conservancy has determined that there are no uncertain tax positions which qualify for either recognition or disclosure in the financial statements at June 30, 2014 and 2013. The Conservancy's information returns are subject to examination by the Federal and state jurisdictions and generally remain open for the most recent three years.

Subsequent Events

The Conservancy has evaluated events and transactions subsequent to June 30, 2014, for potential recognition or disclosure in the financial statements through October 7, 2014, which is the date the financial statements were available for issuance. There were no events that met the criteria for recognition or disclosure in the financial statements.

Fair Value Measurements

The Conservancy determines the fair value of investments and other assets framework for measuring fair value provides a fair value hierarchy that 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) and the lowest priority to unobservable inputs (Level 3). The three (3) levels of the fair value hierarchy under the ASC are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Conservancy has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that is observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability. Level 2 also includes investments with notice periods for redemption of more than ninety days.

In accordance with standards pertaining to *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* or fund type investments, the Conservancy uses each fund's net asset value per share to calculate and report the fair value of its Level 2 investments.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

(Continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair Value Measurements (Continued)

Following is a description of the valuation methodologies used for assets measured at fair value:

Exchange Traded Funds: Valued at the daily closing price as reported by the fund. Funds held by the Conservancy are open-end funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The funds held by the Conservancy are deemed to be actively traded.

TIFF Multi Asset Fund: Valued at the monthly closing price as reported by the fund, a cooperative style investment organization to support non-profit organizations by using an asset mix that seeks to achieve long-term returns that exceeds inflation plus 5% per annum through a globally diversified portfolio that includes domestic and foreign equities and fixed income instruments as well as hedging and futures vehicles. Shares in the fund may be redeemed by the Conservancy at its request. However, the shares held by the Conservancy are deemed not to be actively traded.

The methodologies used as of June 30, 2014, differ from those used as of June 30, 2013, specifically the TIFF Multi Asset Fund was disclosed as valued using Level 1 inputs as of June 30, 2013, and was determined to be valued using Level 2 inputs as of June 30, 2014. This fund has been reclassified to being valued using Level 2 inputs in Note 3. There was no change in the investment valuation as a result of the reclassification.

NOTE 3 - INVESTMENTS

The following tables sets forth by level, within the fair value hierarchy (see Note 2), the Conservancy's invested assets at fair value as of June 30, 2014 and 2013:

	2014			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and equivalents	\$ 297,071	\$ -	\$ -	\$ 297,071
Exchange Traded Funds:				
US fixed income	3,493,785	-	-	3,493,785
US equity	2,472,707	-	-	2,472,707
Foreign equity	1,373,205	-	-	1,373,205
Commodities	733,108	-	-	733,108
Emerging markets	603,178	-	-	603,178
US real estate	446,495	-	-	446,495
Foreign real estate	140,539	-	-	140,539
Emerging market fixed income	108,829	-	-	108,829
TIFF Multi Asset Fund	-	6,389,119	-	6,389,119
	<u>\$9,668,917</u>	<u>\$6,389,119</u>	<u>\$ -</u>	<u>\$16,058,036</u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

(Continued)

NOTE 3 - INVESTMENTS (Continued)

	2013			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Cash and equivalents	\$ 366,678	\$ -	\$ -	\$ 366,678
Exchange Traded Funds:				
US fixed income	4,347,239	-	-	4,347,239
US equity	2,863,377	-	-	2,863,377
Foreign equity	1,564,321	-	-	1,564,321
Commodities	133,728	-	-	133,728
US real estate	255,155	-	-	255,155
Currency funds	196,549	-	-	196,549
Emerging market fixed income	164,565	-	-	164,565
TIFF Multi Asset Fund	<u>-</u>	<u>4,996,235</u>	<u>-</u>	<u>4,996,235</u>
	<u>\$9,891,612</u>	<u>\$4,996,235</u>	<u>\$ -</u>	<u>\$14,887,847</u>

The TIFF Multi Asset Fund disclosed that 65% and 60% of its underlying securities are valued using Level 1 inputs as of June 30, 2014 and 2013, respectively.

Investment income, net, consists of the following for the years ended June 30:

	<u>2014</u>	<u>2013</u>
Net realized gain on sale of investments	\$ 348,250	\$ 941,232
Net unrealized gain (loss) on investments	673,117	(386,623)
Interest and dividends	752,596	305,011
Investment fees	<u>(97,894)</u>	<u>(153,941)</u>
	<u>\$1,676,069</u>	<u>\$ 705,679</u>

Substantially all investments are components of the Conservancy's endowment (see Note 6). Accordingly, these investments have been classified as non-current assets in the accompanying statements of financial position regardless of maturity or liquidity of the individual securities held. Investments are not insured and are subject to ongoing market fluctuations.

NOTE 4 - GRANTS AND PLEDGES RECEIVABLE

Grants and pledges receivable are due as follows at June 30:

	<u>2014</u>	<u>2013</u>
Due in one year	\$ 96,221	\$108,500
Due in two to five years	<u>22,222</u>	<u>82,000</u>
	118,443	190,500
Less - allowance for doubtful pledges	<u>1,500</u>	<u>45,520</u>
	<u>\$116,943</u>	<u>\$144,980</u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

(Continued)

NOTE 4 - GRANTS AND PLEDGES RECEIVABLE (Continued)

Pledges to endowment funds are classified as long-term assets in the accompanying statements of financial position regardless of expected payment date. The Conservancy has not recorded a discount on long-term pledges receivable as the amount is not material.

NOTE 5 - TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS

Temporarily Restricted Net Assets

Temporarily restricted net assets were available for use based upon donor-imposed stipulations and time periods as follows at June 30:

	<u>2014</u>	<u>2013</u>
Appreciation on permanently restricted net assets	\$1,658,283	\$ 647,224
Public Art	326,443	-
Capital Projects	224,781	1,709,830
Maintenance and Horticulture	124,777	98,159
General Operations – time restricted	2,000	13,000
Education/Green & Grow	-	79,637
Public Events	-	500
	<u>\$2,336,284</u>	<u>\$2,548,350</u>

During the years ended June 30, 2014 and 2013, net assets were released from restriction for the following programs and purposes and other restrictions:

	<u>2014</u>	<u>2013</u>
Maintenance and Horticulture	\$1,923,675	\$1,946,586
Capital Projects	1,464,411	1,605,781
Education/Green & Grow	93,635	251,657
Public Art	50,672	97,033
Planning & Design	33,304	171,844
General Operations – time restrictions	11,000	17,000
Public Events	1,550	25,012
	<u>\$3,578,247</u>	<u>\$4,114,913</u>

Permanently Restricted Net Assets

Permanently restricted net assets were restricted for the following purposes at June 30:

	<u>2014</u>	<u>2013</u>
General endowment	\$12,319,020	\$11,854,020
Park specific	837,000	837,000
Education	348,750	-
Education/Green & Grow	-	813,750
	<u>\$13,504,770</u>	<u>\$13,504,770</u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

(Continued)

NOTE 5 - TEMPORARILY AND PERMANENTLY RESTRICTED NET ASSETS (Continued)

After the Conservancy discontinued the Green & Grow program in September, 2013, one donor re-designated its gift of \$465,000 from Green & Grow to the general endowment, and another donor, its gift of \$348,750 to support education programs.

NOTE 6 - ENDOWMENTS

The composition of endowment net assets and the changes in endowment net assets by class are as follows:

	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, June 30, 2013	\$ 647,224	\$13,504,770	\$14,151,994
Investment return:			
Investment income	737,970	-	737,970
Investment fees	(89,950)	-	(89,950)
Realized gains	326,048	-	326,048
Unrealized gains	644,139	-	644,139
Total investment return	1,618,207	-	1,618,207
Endowment draw for current operations	(607,148)	-	(607,148)
Endowment assets, June 30, 2014	\$1,658,283	\$13,504,770	\$15,163,053
	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Endowment net assets, June 30, 2012	\$ 540,009	\$13,504,770	\$14,044,779
Investment return:			
Investment income	287,556	-	287,556
Investment fees	(145,287)	-	(145,287)
Realized gains	884,687	-	884,687
Unrealized losses	(338,734)	-	(338,734)
Total investment return	688,222	-	688,222
Endowment draw for current operations	(581,007)	-	(581,007)
Endowment assets, June 30, 2013	\$ 647,224	\$13,504,770	\$14,151,994

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

(Continued)

NOTE 6 - ENDOWMENTS (Continued)

The Conservancy adheres to the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Subject to the intent of a donor, an institution may appropriate for expenditure or accumulate so much of a permanently restricted endowment fund as the institution determines is prudent for the uses, benefits, purposes, and duration for which the permanently restricted endowment fund is established. The assets in a permanently restricted endowment fund are donor-restricted assets until appropriated according to the donor stipulation for expenditure by the Conservancy.

The Conservancy has adopted an investment and spending policy for its endowment assets and for any Board designated net assets that are designed to preserve capital through downside risk management while providing a level of support for the Conservancy and its programs in accordance with UPMIFA. Under its investment policy, the endowment assets are to be invested to provide a total rate of return commensurate with prudent diversification and moderate risk. Risk and diversification parameters have been established and the endowment is maintained and rebalanced accordingly. The Conservancy relies on a total rate of return strategy that targets 4.5% plus the rate of inflation over a full seven year business cycle. Investment returns are achieved through both capital appreciation (realized and unrealized) and current income (interest and dividends). While it is understood that the endowment assets are to be managed with a long-term focus, endowment performance is monitored quarterly in relation to several appropriate benchmarks.

The Conservancy has a policy of appropriating for operations each year 4.5% of the rolling average of the prior twelve quarter-end fair values. These amounts are reflected as endowment draw for current operations in the accompanying financial statements and the table on page 15 in this footnote. In establishing this policy, the Conservancy considered the expected returns plus an adjustment for inflation. This is consistent with the stated goal of enhancing the purchasing power of the endowment over time, while providing necessary funds for operations. In the event of a significant market decline, the Conservancy will consider all factors relevant to the stated goal in determining any change to the appropriation as allowed by UPMIFA.

NOTE 7 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following at June 30:

	<u>2014</u>	<u>2013</u>
Greenway improvements	\$4,588,401	\$3,105,895
Motor vehicles	113,003	113,003
Office equipment	<u>20,869</u>	<u>10,563</u>
	4,722,273	3,229,461
Less - accumulated depreciation	<u>545,586</u>	<u>299,083</u>
	<u>\$4,176,687</u>	<u>\$2,930,378</u>

Included in Greenway improvements at June 30, 2013, was approximately \$2,070,000 of construction in process related to the Carousel project that was placed in service during fiscal year 2014.

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

(Continued)

NOTE 8 - LEASE WITH MASSACHUSETTS DEPARTMENT OF TRANSPORTATION

The Greenway is a 1.3 mile stretch of public land in downtown Boston reclaimed by the suppression of the Central Artery. It includes approximately 15 acres of public park land. The Greenway is owned by the Massachusetts Department of Transportation (Mass DOT), the successor of the Massachusetts Turnpike Authority (MTA). Chapter 306 of the Acts of 2008 authorizes the Conservancy to lease the Greenway from the MTA, and under that lease, to operate, preserve, maintain, program, manage, and improve the Greenway. The Conservancy and the MTA finalized such a lease on February 9, 2009, effective December 1, 2008. The lease term commenced on the effective date and ends on the fifth anniversary of the effective date, and is subject to any extensions as permitted under the lease. Each extension is not to exceed ten (10) years in duration and cumulatively not to exceed fifty-five (55) years in duration. The Conservancy has signed several amendments to extend this lease term. The most recent lease amendment expires on October 31, 2014, and the Conservancy is negotiating its extension.

NOTE 9 - OPERATING LEASE

The Conservancy had its offices within a building operated by Mass DOT (see Note 8) during the years ended June 30, 2014 and 2013. The Conservancy is not required to pay rent for use of the premises during the term of the lease. The estimated fair market value of the occupancy was \$11,583 per month for the years ended June 30, 2014 and 2013, and has been reported in the accompanying financial statements as both in-kind revenue and expense. For the years ended June 30, 2014 and 2013, in-kind support and occupancy expense related to the lease was \$139,000 in each fiscal year. See Note 10.

NOTE 10 - IN-KIND SUPPORT - GOODS, SERVICES AND USE OF FACILITIES

Organizations may contribute goods, services and use of facilities to the Conservancy in support of its programs. These goods, services and use of facilities are reflected in the accompanying financial statements based upon the estimated value assigned to them by the donors, agencies or by management. The value of these goods and services are as follows for the years ended June 30:

	<u>2014</u>	<u>2013</u>
Office space - public (see Note 9)	\$139,000	\$139,000
Utilities - public	<u>105,361</u>	<u>96,047</u>
Total in-kind support - public	244,361	235,047
Other goods and services - private	53,779	16,125
Legal services - private	<u>34,031</u>	<u>95,479</u>
Total in-kind support - private	<u>87,810</u>	<u>111,604</u>
	<u>\$332,171</u>	<u>\$346,651</u>

NOTE 11 - CONCENTRATIONS

For the year ended June 30, 2014, Mass DOT (see Note 8) provided \$1,891,600 in government support and an additional \$244,361 of in-kind support; for the year ended June 30, 2013, \$1,887,870 in government support and \$235,047 in in-kind support, respectively. Government support is recorded as temporarily restricted contributions and the funds are released to unrestricted net assets as the Conservancy expends the funds as stipulated by Mass DOT. In-kind support is recorded as unrestricted revenue (see Note 10).

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2014 AND 2013

(Continued)

NOTE 11 - CONCENTRATIONS (Continued)

For the year ended June 30, 2013, one non-governmental donor provided approximately twenty-six percent (26%) of total revenue and support.

The Conservancy has a potential concentration of credit risk in that it sometimes maintains deposits with financial institutions in excess of amounts insured by the Federal Deposit Insurance Corporation (FDIC). The maximum deposit insurance amount is \$250,000 per depositor at each bank after aggregating both non-interest and interest bearing accounts. At times, cash and cash equivalents exceeded the insured limits. The Conservancy has not experienced any losses in these accounts. The Conservancy believes it is not exposed to any significant credit risk on cash and cash equivalents.

NOTE 12 - COMMITMENT

In July, 2013, the Conservancy entered into an agreement with a vendor to provide horticultural, operation and maintenance, landscaping, and related services to the Greenway (see Note 1). The agreement expires in July, 2016, and contains two three-year extension options. The agreement will terminate automatically prior to the end of the agreement should the Greenway's lease with the Mass DOT (see Note 8) terminate. The agreement may be terminated by either party with thirty days written notice. Under this agreement, the Conservancy pays the vendor \$44,757 per month for basic services, and pays additional amounts for additional services on an as-needed basis. Total payments for basic services under this agreement were \$537,084 and \$492,327 for the years ended June 30, 2014 and 2013, respectively, and are included in contracted services in the accompanying financial statements.

Remaining minimum payments for basic services under this agreement are as follows for the fiscal years ended June 30:

2015	\$537,084
2016	\$537,084
2017	\$ 44,757

NOTE 13 - RETIREMENT PLAN

The Conservancy maintains a defined contribution retirement plan (the Plan) under Section 403(b) of the IRC. The Conservancy matches certain employee contributions, as defined in the Plan, for eligible employees, as defined in the Plan. For the years ended June 30, 2014 and 2013, the Conservancy made matching contributions to the Plan totaling \$23,111 and \$30,690, respectively.

NOTE 14 - RECLASSIFICATIONS

Certain reclassifications have been made to the prior year financial statements in order to conform to the current year presentation.

SUPPLEMENTAL INFORMATION

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**SUPPLEMENTAL STATEMENT OF FUNCTIONAL EXPENSES -
MASSACHUSETTS DEPARTMENT OF TRANSPORTATION
EXCLUDING IN-KIND SUPPORT
FOR THE YEAR ENDED JUNE 30, 2014**

(With Summarized Comparative Totals for the Year Ended June 30, 2013)

	2014								2013
	PROGRAMMATIC								
	MAINTENANCE AND HORTICULTURE	PUBLIC EVENTS	GREEN & GROW	PLANNING AND DESIGN	TOTAL PROGRAMMATIC	ADMINIS- TRATION	FUNDRAISING	TOTAL	TOTAL
Salaries and related expenses	\$ 775,474	\$ -	\$ -	\$ -	\$ 775,474	\$ -	\$ -	\$ 775,474	\$ 774,067
Contracted services	678,426	-	-	-	678,426	-	-	678,426	685,287
Direct program expense	268,503	4,000	-	-	272,503	-	-	272,503	319,455
Insurance	108,368	-	-	-	108,368	-	-	108,368	107,148
Legal and accounting	15,072	-	-	-	15,072	-	-	15,072	14,521
Office expense	31,081	-	-	-	31,081	-	-	31,081	29,033
Professional development	10,676	-	-	-	10,676	-	-	10,676	10,034
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenses	<u>\$ 1,887,600</u>	<u>\$ 4,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,891,600</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,891,600</u>	<u>\$ 1,939,545</u>

ROSE FITZGERALD KENNEDY GREENWAY CONSERVANCY, INC.

**SUPPLEMENTAL STATEMENT OF FUNCTIONAL EXPENSES -
MASSACHUSETTS DEPARTMENT OF TRANSPORTATION
EXCLUDING IN-KIND SUPPORT
FOR THE YEAR ENDED JUNE 30, 2013**

	PROGRAMMATIC							
	<u>MAINTENANCE AND HORTICULTURE</u>	<u>PUBLIC EVENTS</u>	<u>GREEN & GROW</u>	<u>PLANNING AND DESIGN</u>	<u>TOTAL PROGRAMMATIC</u>	<u>ADMINIS- TRATION</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
Salaries and related expenses	\$ 774,067	\$ -	\$ -	\$ -	\$ 774,067	\$ -	\$ -	\$ 774,067
Contracted services	685,287	-	-	-	685,287	-	-	685,287
Direct program expense	319,455	-	-	-	319,455	-	-	319,455
Insurance	107,148	-	-	-	107,148	-	-	107,148
Legal and accounting	14,521	-	-	-	14,521	-	-	14,521
Office expense	29,033	-	-	-	29,033	-	-	29,033
Professional development	10,034	-	-	-	10,034	-	-	10,034
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenses	<u>\$ 1,939,545</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,939,545</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,939,545</u>