



February 24, 2015

Clinton Bench
Deputy Director of Planning, MassDOT
Greenway Conservancy Board Member

CC: Jeannie Gorlovsky-Schepp, CPA
Manager, Alexander, Aronson, Finning & Co.

Dear Clinton:

The Rose Kennedy Greenway Conservancy is planning to change its fiscal year from July 1-June 30 to a calendar year to better align with our operations. We have consulted with our auditors and discussed preliminarily at the Finance, Audit, and Risk Management Committee's (FARMC) public meeting on January 27, 2015.

A January 1 fiscal year will better match the Conservancy's operations. The Greenway's "high season" runs spring to fall, which is split in half by the current fiscal year. For example, we make seasonal hires spring to fall, we publish volunteer opportunities for the season, and we track attendance on a calendar year. For revenue, the May-June timeframe of our major Gala fundraiser means we face uncertainty right at the end of the current June 30 fiscal year. From a Finance and HR perspective, a calendar year would align with payroll taxes and with performance reviews. The MassDOT-Conservancy lease has never matched the fiscal year, but the pending new lease (and funding) will be closer to calendar years.

We plan to follow the expert advice of our auditors, Alexander, Aronson, Finning (AAF), on how to make this change. AAF has extensive experience with nonprofits changing their fiscal years, and they have strongly endorsed the business rationale for our FY-change. At their recommendation and following best nonprofit practice, we will move to the new fiscal year with an 18-month audit (July 1, 2014 – December 31, 2015). The federal government will require two tax filings (July 1, 2014 – June 30, 2015 & July 1, 2015 – December 31, 2015), and we will submit both together in spring 2016. AAF and the Conservancy anticipate a small one-time accounting savings from the shift.

We are committed to doing this transparently and efficiently. To assure that the public has full insight into this process, we will discuss regularly at FARMC and Board public meetings throughout 2015. To meet public expectations during the transition, we will present budget and financial figures at typical times in 2015. At the July 2015 public Board meeting, we will present a proposed 6-month budget (July 1, 2015 – December 31, 2015). And at a fall 2015 public Board meeting, we will present pro forma "year-end" figures (July 1, 2014 – June 30, 2015) developed in consultation with our auditors. We will continue quarterly reports to MassDOT on expenditures of public funds. We will make all necessary filings and assure that public officials and community groups understand the change.

Please let me know if you have any questions.

Best regards,

A handwritten signature in blue ink, appearing to read "Jesse Brackenbury".

Jesse Brackenbury
Executive Director