

THE MAY INSTITUTE, INC. AND AFFILIATES
FINANCIAL STATEMENTS
JUNE 30, 2014

THE MAY INSTITUTE, INC. AND AFFILIATES

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Feeley & Driscoll, P.C.
Certified Public Accountants / Business Consultants

To the Board of Directors
The May Institute, Inc. and Affiliates
Randolph, Massachusetts

Independent Auditor's Report

We have audited the accompanying consolidated financial statements of The May Institute, Inc. and Affiliates, which comprise the consolidated statement of financial position as of June 30, 2014, and the related consolidated statements of activities, functional expenses, and cash flows 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 consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

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

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

Independent Auditor's Report - Continued

Opinion

In our opinion, the 2014 consolidated financial statements referred to above present fairly, in all material respects, the financial position of The May Institute, Inc. and Affiliates 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.

Report on Summarized Comparative Information

The prior year summarized comparative information has been derived from the May Institute, Inc. and Affiliates 2013 financial statements. The consolidated financial statements of The May Institute, Inc. and Affiliates as of June 30, 2013, were audited by other auditors whose report dated December 30, 2013, expressed an unmodified opinion on those statements.

Report on Consolidating Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position and results of operations of the individual companies, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Boston, Massachusetts
December 17, 2014

Feeley, Eriscoll, P.C.



THE MAY INSTITUTE, INC. AND AFFILIATES

Consolidated Statement of Financial Position

June 30, 2014

(with comparative totals as of June 30, 2013)

	<u>2014</u>	<u>2013</u>		<u>2014</u>	<u>2013</u>
<u>ASSETS</u>			<u>LIABILITIES AND NET ASSETS</u>		
Current assets:			Current liabilities:		
Cash and cash equivalents	\$ 4,225,600	\$ 3,272,985	Current maturities of long-term debt	\$ 4,091,837	\$ 1,561,373
Custodial funds	594,870	742,579	Accounts payable	1,528,620	1,584,801
Escrow accounts	3,205,937	3,189,590	Accrued expenses	5,201,906	6,568,097
Accounts receivable, net	9,910,914	9,676,619	Other current liabilities	38,074	235,951
Pledges receivable, net	271,499	270,635	Total current liabilities	<u>10,860,437</u>	<u>9,950,222</u>
Prepaid expenses	333,556	206,730			
Investments	4,288,838	6,168,897	Long-term debt, net of current maturities	<u>26,708,272</u>	<u>30,800,109</u>
Total current assets	<u>22,831,214</u>	<u>23,528,035</u>	Total liabilities	<u>37,568,709</u>	<u>40,750,331</u>
Property, plant and equipment, net	<u>35,086,584</u>	<u>37,469,941</u>	Commitments and contingencies		
Other assets:			Net assets:		
Deposits	405,661	426,716	Unrestricted	19,452,002	19,483,806
Deferred financing costs, net	389,362	471,672	Temporarily restricted	1,691,110	1,661,227
Total other assets	<u>795,023</u>	<u>898,388</u>	Permanently restricted	1,000	1,000
			Total net assets	<u>21,144,112</u>	<u>21,146,033</u>
Total assets	<u>\$ 58,712,821</u>	<u>\$ 61,896,364</u>	Total liabilities and net assets	<u>\$ 58,712,821</u>	<u>\$ 61,896,364</u>

See accompanying notes to consolidated financial statements.

THE MAY INSTITUTE, INC. AND AFFILIATES

Consolidated Statement of Activities

For the year ended June 30, 2014
(with comparative totals for the year ended June 30, 2013)

	2014			2013	
	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals	Totals
Revenues, other support, gains and losses:					
Tuition	\$ 36,153,419	\$ -	\$ -	\$ 36,153,419	\$ 36,986,973
Contract revenue	45,691,758	-	-	45,691,758	45,895,656
Consulting and management services	2,380,034	-	-	2,380,034	2,288,781
Third-party fees	13,992,965	-	-	13,992,965	12,795,304
Consumer revenue	3,094,179	-	-	3,094,179	3,000,820
Other program revenue	1,000,568	-	-	1,000,568	1,094,068
Contributions, grants and subsidies	196,183	374,523	-	570,706	564,951
Interest income	116,703	-	-	116,703	53,951
Net gain on investment activity	511,546	-	-	511,546	305,816
Loss on sale of equipment	(420,290)	-	-	(420,290)	341,235
Loss on unamortized deferred costs	(66,111)	-	-	(66,111)	(455,660)
Other sources	607,935	-	-	607,935	181,421
Net assets released from restrictions	344,640	(344,640)	-	-	-
Total revenues, other support, gains and losses	103,603,529	29,883	-	103,633,412	103,053,316
Expenses:					
The May Institute, Inc. program services:					
Educational services	30,115,039	-	-	30,115,039	30,370,358
Residential and day services	44,452,500	-	-	44,452,500	43,667,420
Consulting and home based services	8,952,656	-	-	8,952,656	9,389,135
Behavioral health services	3,563,686	-	-	3,563,686	4,072,372
Other programs	1,143,951	-	-	1,143,951	-
The Bay School program services	3,666,759	-	-	3,666,759	3,317,652
National Autism Center, Inc. program services	91,649	-	-	91,649	95,608
Greater Springfield Residences, Inc. program services	87,672	-	-	87,672	71,511
The May - West Roxbury Residences, Inc. program services	78,551	-	-	78,551	73,545
Total program service expenses	92,152,463	-	-	92,152,463	91,057,601
Management and general	11,226,471	-	-	11,226,471	11,209,815
Fundraising	256,399	-	-	256,399	194,874
Total expenses	103,635,333	-	-	103,635,333	102,462,290
Change in net assets from continuing operations	(31,804)	29,883	-	(1,921)	591,026
Discontinued operations:					
Connecticut programs	-	-	-	-	(577,272)
Clubhouse programs	-	-	-	-	(115,738)
Total discontinued operations	-	-	-	-	(693,010)
Change in net assets	(31,804)	29,883	-	(1,921)	(101,984)
Net assets at beginning of the year	19,483,806	1,661,227	1,000	21,146,033	21,248,017
Net assets at the end of the year	\$ 19,452,002	\$ 1,691,110	\$ 1,000	\$ 21,144,112	\$ 21,146,033

See accompanying notes to consolidated financial statements.

THE MAY INSTITUTE, INC. AND AFFILIATES

Consolidated Statement of Functional Expenses

For the year ended June 30, 2014
(with comparative totals for the year ended June 30, 2013)

The May Institute, Inc.								
	Educational Services	Residential and Day Services	Consulting and Home Based Services	Behavioral Health Services	Other Programs	The Bay School	National Autism Center	
Salaries and wages	\$ 20,228,016	\$ 28,458,437	\$ 6,562,995	\$ 2,201,647	\$ 486,714	\$ 2,106,211	\$ 89,907	
Employee benefits and payroll taxes	4,190,604	5,902,866	1,266,086	516,750	101,288	447,488	-	
Professional fees and contracted services	581,917	430,533	173,645	53,871	46,894	259,125	-	
Occupancy	2,116,772	4,454,607	228,922	451,680	82,839	500,024	-	
Supplies	590,308	814,930	125,081	53,932	24,756	55,515	-	
Transportation	431,692	2,040,435	366,038	122,668	7,162	182,129	1,742	
Dietary Expense	541,286	1,069,878	12,679	55,627	832	11,489	-	
Interest Expense	401,518	296,644	17,779	5,521	78,177	-	-	
Depreciation and amortization	699,463	544,216	49,102	62,557	103,332	29,124	-	
Other	333,463	439,954	150,329	39,433	211,957	75,654	-	
	<u>\$ 30,115,039</u>	<u>\$ 44,452,500</u>	<u>\$ 8,952,656</u>	<u>\$ 3,563,686</u>	<u>\$ 1,143,951</u>	<u>\$ 3,666,759</u>	<u>\$ 91,649</u>	

See accompanying notes to consolidated financial statements.

THE MAY INSTITUTE, INC. AND AFFILIATES

Consolidated Statement of Functional Expenses - Continued

For the year ended June 30, 2014
(with comparative totals for the year ended June 30, 2013)

				Support Services			
	Greater Springfield Residences Inc.	The May-West Roxbury Residences, Inc.	Total Program Services	Administrative	Fundraising	2014 Total Expenses	2013 Total Expenses
Salaries and wages	\$ 15,918	\$ 9,450	\$ 60,159,295	\$ 5,909,842	\$ 149,393	\$ 66,218,530	\$ 65,296,277
Employee benefits and payroll taxes	-	-	12,425,082	1,277,456	25,982	13,728,520	13,602,325
Professional fees and contracted services	5,447	5,999	1,557,431	1,272,928	44,796	2,875,155	2,410,512
Occupancy	38,100	33,610	7,906,554	577,884	235	8,484,673	8,465,575
Supplies	-	-	1,664,522	250,345	21,117	1,935,984	1,902,450
Transportation	-	-	3,151,866	480,410	71	3,632,347	3,550,643
Dietary Expense	-	-	1,691,791	48,165	660	1,740,616	1,732,639
Interest Expense	-	-	799,639	440,553	-	1,240,192	1,506,812
Depreciation and amortization	25,659	28,918	1,542,371	436,958	1,200	1,980,529	1,905,770
Other	2,548	574	1,253,912	531,930	12,945	1,798,787	2,089,287
	<u>\$ 87,672</u>	<u>\$ 78,551</u>	<u>\$ 92,152,463</u>	<u>\$ 11,226,471</u>	<u>\$ 256,399</u>	<u>\$ 103,635,333</u>	<u>\$ 102,462,290</u>

See accompanying notes to consolidated financial statements.

THE MAY INSTITUTE, INC. AND AFFILIATES

Consolidated Statements of Cash Flows

For the year ended June 30, 2014
(with comparative totals for the year ended June 30, 2013)

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Change in net assets	\$ (1,921)	\$ (101,984)
Adjustments to reconcile change in net assets to net cash provided by operations:		
Depreciation and amortization	1,980,529	1,998,913
Loss on unamortized deferred costs	66,111	455,660
Provision for uncollectible accounts	515,602	-
Net realized and unrealized gains on investments	(511,546)	(305,133)
Donated property	-	(7,640)
Loss (gain) on disposal of asset	420,290	(341,235)
Increase (decrease) in cash resulting from a change in:		
Custodial funds	147,709	86,117
Accounts receivable	(749,897)	320,754
Pledges receivable	(864)	7,907
Prepaid expenses and other current assets	(126,826)	(93,914)
Deposits	21,055	3,900
Accounts payable	(56,181)	374,195
Accrued expenses	(1,366,191)	353,372
Other current liabilities	(197,877)	(442,665)
Net cash provided by operating activities	<u>139,993</u>	<u>2,308,247</u>
Cash flows from investing activities:		
Purchase of property, plant and equipment	(876,964)	(804,816)
Proceeds from property sales	875,701	341,235
Proceeds from investment sales	2,500,000	864,820
Purchases of investments	(108,395)	(1,022,872)
Payment of escrow deposits	(16,347)	(1,324,737)
Net cash provided by (used in) investing activities	<u>2,373,995</u>	<u>(1,946,370)</u>
Cash flows from financing activities:		
Repayments of long-term debt	(1,561,373)	(13,695,640)
Proceeds from long-term debt	-	15,552,000
Net advance (payments) on line-of-credit	-	(2,990,372)
Payment for deferred financing	-	(252,950)
Net cash used in financing activities	<u>(1,561,373)</u>	<u>(1,386,962)</u>
Net increase (decrease) in cash and cash equivalents	952,615	(1,025,085)
Cash and cash equivalents, beginning of year	<u>3,272,985</u>	<u>4,298,070</u>
Cash and cash equivalents, end of year	<u>\$ 4,225,600</u>	<u>\$ 3,272,985</u>
Supplemental disclosure of cash flow information -		
Cash paid during the year for interest	<u>\$ 1,232,119</u>	<u>\$ 1,786,255</u>

See accompanying notes to consolidated financial statements.

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements

June 30, 2014

Note 1 - Organization

Organization - The May Institute, Inc. and Affiliates (the “Organization”) are not-for-profit organizations established for the purpose of providing educational and rehabilitative services for individuals and the families of individuals with autism, developmental disabilities, behavior disorders, and mental illness.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation - The consolidated financial statements include the accounts of The May Institute, Inc. (“May”), Greater Springfield Residences, Inc., The May-West Roxbury Residences, Inc., The Bay School, and National Autism Center, Inc. These corporations are under common control and management. All significant intercompany account balances and transactions have been eliminated in consolidation.

The accounts of the Organization are maintained on the accrual basis of accounting. Net assets are classified into unrestricted, temporarily, and permanently restricted net assets, when appropriate, to properly disclose the nature and amount of significant resources that have been restricted in accordance with specified donor objectives. The assets, liabilities, and net assets of the Organization are reported as follows:

- *Unrestricted net assets* - include amounts not restricted for identified purposes by donors or grantors. These amounts are available to be used by the Board of Directors for the general purposes of the Organization and include amounts designated by the Board of Directors for future capital improvements and other program enhancements.
- *Temporarily restricted net assets* - are those whose uses by the Organization have been limited by donors or grantors to a specific period or purpose.
- *Permanently restricted net assets* - represent contributions and other inflows of assets whose use by the Organization is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

The financial statements include 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 generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization’s financial statements for the year ended June 30, 2013, from which the summarized information was derived.

Use of Estimates - The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America 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. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 2 - Summary of Significant Accounting Policies - Continued

Fair Value of Financial Instruments - The Organization determines the fair value of the financial instruments and includes this information in the notes to the financial statements when the value is materially different than the carrying value of those financial instruments.

Cash and Cash Equivalents - Cash and cash equivalents include investments in highly liquid debt instruments with an original maturity of three (3) months or less.

Custodial funds - The Organization maintains collective fiduciary accounts at financial institutions for the benefit of certain clients. The related liability is included within accrued expenses.

Escrow Deposits - Escrow deposits represent the debt service and debt reserve funds related to tax-exempt bond issuances and escrow accounts required to be maintained by the U.S. Department of Housing and Urban Development ("HUD") and tenant security deposits. These amounts are carried at fair value.

Accounts Receivable - Accounts receivable are carried at their net realizable value. Accounts receivable consist mainly of accounts receivable from third-party payors and grants and contracts receivable from state and local governments. Accounts receivable where a third-party payor is responsible for paying the amount are carried at the original charge for the service provided. Consumer receivables due directly from the consumers are carried at the original charge for services provided. Grants and contracts receivable are carried at original invoice amount.

Management determines the allowance for doubtful accounts by regularly evaluating individual receivables and considering the services provided and the current economic conditions. Accounts receivable are written off when deemed uncollectible. Recoveries of accounts receivable previously written off are recorded as an increase to the allowance for doubtful accounts when received. Interest is not charged on receivables. Accounts receivable are reported in the consolidated financial statements net of the allowance for doubtful accounts.

Investments - Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values based on quoted prices in active markets (all level 1 measurements) in the statement of financial position. Realized and unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Deferred Financing Costs - Deferred financing costs are amortized over the term of the related loan.

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 2 - Summary of Significant Accounting Policies - Continued

Property and Equipment - The Organization capitalizes all expenditures in excess of \$3,500 for property and equipment at cost. Contributed property and equipment is recorded at fair value at the date of donation. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support.

Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis. Routine repairs and maintenance are expensed as incurred.

Contract and Grant Revenue - The majority of the Organization's students and consumers are primarily supported by state municipalities, Massachusetts, other state agencies, third-party insurance, and Massachusetts and Florida Medicaid. The Organization is subject to the regulations and rate formulas of the various funding agencies. Revenue is recorded at the Organization's rates of reimbursement as certified by the applicable funding agencies.

Gifts, Bequests and Contributions - The Organization recognizes contributions, including pledges receivable, as revenue in the period received at fair value. Gifts of cash or other support are reported as restricted if they are received with donor stipulations that limit the use of the donated assets. Contributions in the form of property are recorded at the fair market value on the date the property is received. The property is shown as unrestricted support unless explicit donor stipulations specify how the donated property must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long these long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated asset or acquired long-lived assets are placed in service.

Program Service Fees - The Organization recognizes program service revenue (includes tuition, consulting and management services, third party fees, consumer revenue, and other program revenue) associated with services provided to clients who have third-party coverage on the basis of contractual rates for the services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Under the terms of various agreements, regulations, and statutes, certain elements of third-party reimbursements to the Organization are subject to negotiation, audit, and/or final determination by third-party payors. Retroactive adjustments are accrued on an estimated basis in the period related services are rendered and adjusted in future periods as final settlements are determined. For uninsured clients, the Organization recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). On the basis of historical experience, a portion of the Organization's uninsured clients will be unable or unwilling to pay for the services provided. Thus, the Organization records a provision for bad debts related to uninsured clients in the period the services are provided. Payments received in advance of services are reported as deferred revenue.

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 2 - Summary of Significant Accounting Policies - Continued

Functional Expenses - The costs of providing the various activities of the Organization have been summarized on a functional basis on the statement of functional expenses. Accordingly, certain costs have been allocated among the activities benefited.

Tax Status - the Organization is exempt from income tax pursuant to Section 501(c)(3) of the Internal Revenue Code, and, accordingly, no provision for income taxes has been made in the accompanying financial statements. In accordance with generally accepted accounting principles, the Organization annually evaluates its tax status and tax positions taken with respect to its operations and financial position. Tax years from 2010 through the current year remain open for examination by federal and state taxing authorities.

Reclassifications - Certain amounts reported in the prior year financial statements have been reclassified for comparative purposes to conform with the presentation in the current year financial statements.

Subsequent Events - The Organization has evaluated subsequent events through December 17, 2014, which is the date the financial statements were available for issuance.

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 3 - Concentrations of Credit Risk

The Organization has a potential concentration of credit risk in that it maintains deposits with a financial institution in excess of amounts insured by the Federal Deposit Insurance Corporation ("FDIC"). The maximum deposit insurance amount is \$250,000 for interest-bearing accounts, which is applied per depositor, per insured depository institution for each account ownership category. As of June 30, 2014, the Organization had approximately \$2,000,000 in excess of FDIC limits.

The Organization provides the majority of its services through provider agreements with Medicare, Medicaid, and through contracts negotiated with various agencies of the Commonwealth of Massachusetts. Accordingly, these parties represent the majority of the Organization's accounts and contracts receivable balances at June 30:

	<u>2014</u>	<u>%</u>	<u>2013</u>	<u>%</u>
City and town	\$ 6,961,321	67%	\$ 5,726,375	57%
Third-party	1,532,184	14%	1,564,284	16%
Commonwealth of Massachusetts	1,013,578	10%	1,200,550	12%
Other states	535,275	5%	646,236	6%
Commercial and other	206,960	2%	529,964	5%
Federal	98,446	1%	248,535	3%
Self-pay	58,387	1%	77,884	1%
	<u>10,406,151</u>	<u>100%</u>	<u>9,993,828</u>	<u>100%</u>
Less allowance for uncollectible accounts	<u>495,237</u>		<u>317,209</u>	
	<u>\$ 9,910,914</u>		<u>\$ 9,676,619</u>	

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 3 - Concentrations of Credit Risk - Continued

Management monitors and adjusts its allowances for uncollectible accounts to ensure that receivables are stated at their net realizable value. Although management expects the amounts recorded as net accounts receivable at June 30, 2014, to be collectible, this concentration of credit risk is expected to continue in the near term.

The methodology and assumptions utilized by management to estimate the allowance for doubtful accounts have not significantly changed from the prior year.

Note 4 - Escrow Deposits

Escrow deposits consisted of the following at June 30:

	<u>2014</u>	<u>2013</u>
Capital project fund	\$ 3,097,017	\$ 3,100,993
HUD required escrow accounts	104,622	84,719
Tenant security deposits	4,298	3,878
	<u>\$ 3,205,937</u>	<u>\$ 3,189,590</u>

Note 5 - Pledges Receivable

Pledges receivable are reported in the consolidated financial statements net of an allowance for uncollectable pledges totaling \$84,594 and \$85,579 at June 30, 2014 and 2013, respectively. The pledges receivable balance is expected to be collected within one (1) year.

Note 6 - Fair Value Measurements

The 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 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three (3) levels of the fair value hierarchy under Financial Accounting Standards Board *Accounting Standards Codification* are described as follows:

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 6 - Fair Value Measurements - Continued

Level 1	Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.
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Level 2	<p>Inputs to the valuation methodology include:</p> <ul style="list-style-type: none"> • 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 are observable for the asset or liability; • inputs that are derived principally from or corroborated by observable market data by correlation or other means.
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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 3	Valuations using unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities.
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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.

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

Mutual funds: Valued at the net asset value (NAV) of shares held by the Organization at year-end.

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of June 30, 2014:

	Level 1	Level 2	Level 3	Total
Investments included in:				
Mutual funds:				
Fixed income	\$ 1,918,140	\$ -	\$ -	\$ 1,918,140
Stock	1,597,999	-	-	1,597,999
Debt securities	470,386	-	-	470,386
Cash reserves	302,313	-	-	302,313
Total mutual funds	\$ 4,288,838	\$ -	\$ -	\$ 4,288,838

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 6 - Fair Value Measurements - Continued

The following table sets forth by level, within the fair value hierarchy, the Organization's investments at fair value as of June 30, 2013:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Investments included in:				
Mutual funds:				
Stock	\$ 2,942,532	\$ -	\$ -	\$ 2,942,532
Fixed income	2,260,805	-	-	2,260,805
Debt securities	674,113	-	-	674,113
Cash reserves	291,447	-	-	291,447
Total mutual funds	<u>\$ 6,168,897</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,168,897</u>

Net gain on investment activity consisted of the following for the years ended June 30:

	<u>2014</u>	<u>2013</u>
Net realized gains	\$ 376,979	\$ 49,612
Net unrealized gains	134,567	256,204
	<u>\$ 511,546</u>	<u>\$ 305,816</u>

Note 7 - Endowment

The Organization's endowment includes both donor restricted endowment funds and funds designated by the Board to function as endowments. As required by accounting principles generally accepted in the United States, net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The Organization has interpreted state law as requiring realized and unrealized gains of permanently restricted net assets to be retained in a temporarily restricted net asset classification until appropriated by the Organization's Board and expended, except to the extent donors have indicated investment returns have certain restrictions, either permanent or purpose restrictions. State law allows the Board to appropriate as much of the net appreciation of permanently restricted net assets as is prudent considering the Organization's long- and short-term needs, present and anticipated financial requirements, expected total return on investments, price-level trends, and general economic conditions.

To satisfy its long-term rate of return objectives, the Organization 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 MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 8 - Property and Equipment

Property and equipment was as follows at June 30:

	<u>2014</u>	<u>2013</u>
Building and improvements	\$ 34,653,762	\$ 35,887,733
Land	9,429,901	9,490,621
Equipment	4,669,352	4,039,005
Leasehold improvements	2,637,951	3,244,107
Furniture and fixtures	896,417	824,742
Motor vehicles	325,648	325,648
Construction in progress	203,525	516,097
	<hr/> 52,816,556	<hr/> 54,327,953
Less accumulated depreciation and amortization	<hr/> 17,729,972	<hr/> 16,858,012
	<hr/> <u>\$ 35,086,584</u>	<hr/> <u>\$ 37,469,941</u>

Note 9 - Note Payable, Line of Credit

On October 1, 2010, May entered into a \$5,000,000 line-of-credit agreement with a Massachusetts-based bank. The line-of-credit expires on October 1, 2016, with the interest at the bank's prime rate, three and one-quarter percent (3.25%) at June 30, 2014 and 2013. There were no outstanding borrowings at June 30, 2014 and 2013.

Note 10 - Long-term Debt

On October 1, 2010, Massachusetts Development Finance Agency ("MDFA") issued a 2010 Series Bond on behalf of May in the amount of \$16,000,000, secured by a building and real property. The purpose of this issue was to refinance the 2006 Series Bond and unwind a swap agreement, refinance conventional mortgage debt (see Note 8), and provide new financing for the purchase of real estate. Principal and interest payments of \$81,212 began on November 1, 2010, with final maturity on October 1, 2040. The outstanding balance was \$14,996,180 and \$15,286,911 at June 30, 2014 and 2013, respectively.

The interest rate on the Series 2010 bond is fixed at four and forty-five hundredths percent (4.45%) and subject to two adjustments over the duration of the bond. The first adjustment date and second adjustment date are set at October 1, 2020 and 2030, respectively. As of those dates, the interest rate will be adjusted to reflect the Federal Home Loan Bank Classic 10-Year Advance Rate on the remaining balance of the bonds on those dates, but not less than four and forty-five hundredths percent (4.45%).

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 10 - Long-term Debt - Continued

On November 28, 2012, the Organization refinanced the Series 1999 bond debt, financed termination of the Series 1999 Forward Delivery Agreement in the amount of \$650,000, and secured \$3,500,000 in new MDFA debt secured by a building and real property. The Series A issue is \$3,500,000 and the Series B issue is \$11,482,000. The entire bond series is financed through a private placement with a Massachusetts bank. The bonds are directed towards the construction of an aquatic center, on site records storage facility, and renovations to the sites financed through both series.

The principal and interest payments began on January 1, 2013, for the Series A bond with final maturity on December 1, 2041. The interest rate is fixed at two and ninety-five hundredths percent (2.95%) until November 30, 2022, at which time it is subject to change. Monthly payments are due on the amount of \$14,745. The outstanding balance was \$3,390,031 and \$3,464,368 at June 30, 2014 and 2013, respectively.

In connection with the MDFA 2012 Series A and Series B bonds, the Organization also entered into a term note agreement for \$570,000, secured by a building and real property. Monthly principal of \$23,750, plus interest, commenced on January 1, 2013, with a maturity date of December 1, 2014. The interest rate is the prime rate plus one hundred (100) basis points, which was four and one-quarter percent (4.25%) at June 30, 2014.

On June 30, 2014, the Board of Directors and management determined to abandon the aquatic center project. This event triggered the write-off of architectural renderings capitalized on the property in the amount of \$312,000 and deferred financing costs related to the project totaling \$66,111. The abandonment of the project also allowed the Organization to redeem the MDFA 2012 Series A Bond on August 18, 2014. The financial statements of the Organization reflect balance on the Series A Bond as current.

On January 1, 2013, interest only payments on the Series B bond commenced, and principal and interest payments of \$73,485 are scheduled to commence on January 1, 2015, with final maturity on December 1, 2043. The interest rate is fixed at three and twenty-three hundredths percent (3.23%) until November 30, 2022, at which time it is subject to change. The outstanding balance was \$11,482,000 at June 30, 2014 and 2013.

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 10 - Long-term debt - Continued

Escrow deposits are required to be maintained (see Note 4). The bonds are a general obligation of the Organization and are secured by all assets of the Organization. The bond agreement contains restrictive covenants concerning certain financial statement ratios that the Organization has met as of June 30, 2014 and 2013.

Long-term debt consists of the following at June 30:

	<u>2014</u>	<u>2013</u>
MDFA 2010 Series Bond	\$ 14,996,180	\$ 15,286,911
MDFA 2012 Series B Bond	11,482,000	11,482,000
MDFA 2012 Series A Bond	3,390,031	3,464,368
MDFA 2012 Term Note	142,500	429,788
Promissory note payable to the Community Economic Development Assistance Corporation, with interest at 0%, due November 2033, with possible extended maturity date ten years beyond the original maturity date, secured by a second mortgage on real property. No principal payments are due until maturity.	376,946	376,946

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 10 – Long-term debt - Continued

	<u>2014</u>	<u>2013</u>
Promissory note payable to the Community Economic Development Assistance Corporation, with interest at 0%, due June 2029, with possible extended maturity date ten years beyond the original maturity date, secured by a second mortgage on real property. No principal payments are due until maturity.	\$ 263,901	\$ 263,901
Promissory note payable to the Community Economic Development Assistance Corporation, with interest at 0%, due November 2032, with possible extended maturity date ten years beyond the original maturity date, secured by a second mortgage on real property. No principal payments are due until maturity.	72,557	72,557
Promissory note payable to the North Shore Home Consortium, with 0% stated interest rate. No principal payments are due until maturity.	45,994	45,994
Promissory note payable to the Barnstable Housing Authority, with 0% stated interest rate, due October 2016. No principal payments are due until maturity.	30,000	30,000
Various mortgage notes payable to financial institutions in monthly installments totaling \$9,228, including interest rates ranging from 0% to 6.93%, through dates ranging from 2026 to 2030. The notes are secured by real property.	-	909,017
	30,800,109	32,361,482
Less current portion	4,091,837	1,561,373
	<u>\$ 26,708,272</u>	<u>\$ 30,800,109</u>

On May 27, 2014, the Organization agreed to exchange its rights in property held as part of the Organization's discontinued operations (Note 14) for the outstanding principal balances on the mortgage notes payable. The Organization was relieved of \$875,701 of mortgage notes payable in exchange for property with a net book value of \$976,453. The Organization recorded a loss on sale of property for the disposal of \$100,752.

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 10 - Long-term debt - Continued

Aggregate annual maturities of long-term debt are as follows:

2015	\$ 4,091,837
2016	837,299
2017	871,985
2018	905,239
2019	939,795
Thereafter	<u>23,153,954</u>
	<u>\$ 30,800,109</u>

Note 11 - Operating Leases

The Organization leases facilities under operating leases expiring at various dates through 2021. Included in occupancy expense is rental expense of \$3,791,628 and \$3,989,159 for the years ended June 30, 2014 and 2013, respectively. The Organization collects rent from tenants that live in the space that the Organization leases. The Organization recognized sublease income for the years ended June 30, 2014 and 2013, of \$143,000 and \$302,000, respectively.

The Organization leases motor vehicles under operating leases expiring at various dates through fiscal year 2016. Included in transportation expense is rental expense of \$1,150,000 and \$1,377,000 for the years ended June 30, 2014 and 2013, respectively.

The Organization leases numerous copiers under operating leases expiring at various dates through fiscal year 2017. Included in occupancy expense is rental expense of \$189,000 and \$219,000 for the years ended June 30, 2014 and 2013, respectively.

The Organization leases pieces of office and other equipment under operating leases expiring at various dates through fiscal year 2017. Included in occupancy expense are lease and rental expenses of \$18,000 and \$24,000 for the years ended June 30, 2014 and 2013, respectively.

The following is a schedule of future minimum payments under non-cancelable lease agreements which have remaining terms in excess of one (1) year as of June 30:

2015	\$ 4,426,748
2016	2,586,355
2017	1,539,072
2018	1,030,472
2019	612,420
Thereafter	<u>669,891</u>
	<u>\$ 10,864,958</u>

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 12 - Temporarily and Permanently Restricted Net Assets

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

	<u>2014</u>	<u>2013</u>
Capital advances from HUD	\$ 1,330,800	\$ 1,330,800
Pledges - services to children and families	271,498	270,635
Aquatic center	35,245	35,245
Equipment	30,000	430
Trustee awards	23,567	24,117
	<u>\$ 1,691,110</u>	<u>\$ 1,661,227</u>

Under the terms of the HUD capital advance program, no repayment of principal is required so long as the residences are occupied for no less than forty (40) years by very low-income persons with disabilities. If, for any reason, the capital advance is not continued to be used for the specific purpose, repayment of principal and interest will be required.

Net assets released from restriction were released for the following purposes for the year ended June 30:

	<u>2014</u>	<u>2013</u>
Pledge – services to children and families	\$ 255,659	\$ 222,960
Program equipment and supplies	2,200	8,587
Trustee awards	4,000	2,500
Support of services to children and families	82,781	2,060
	<u>\$ 344,640</u>	<u>\$ 236,107</u>

Permanently restricted net assets totaling \$1,000 consist of cash to be held in perpetuity. The earnings on the investment of the cash are expendable to support the operations of the Organization.

Note 13 - Retirement Plans

The Organization maintains a tax deferred annuity plan, as described in Internal Revenue Code Section 403(b), covering all eligible employees beginning on their date of hire. The plan allows the Organization to make matching contributions, as set forth in the plan, subject to IRS limitations. Effective September 1, 2010, the plan was amended to include eligibility thresholds and elective deferral timing. The Organization recognized an expense of \$486,573 and \$467,217 related to the plan for the years ended June 30, 2014 and 2013, respectively.

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 13 - Retirement Plans - Continued

The Organization maintains a deferred compensation plan for certain key employees under the provisions of Internal Revenue Code Section 457(b). The Organization contributed \$119,231 to the plan during the year ended June 30, 2014. No amounts were contributed for the year ended June 30, 2013.

Additionally, during the year ended June 30, 2009, the Organization created a deferred compensation plan for certain key employees under the provisions of Internal Revenue Code Section 457(f). The Organization contributed \$42,500 and \$39,561 to the plan during the years ended June 30, 2014 and 2013, respectively.

Note 14 - Discontinued Operations

Effective June 30, 2013, all programs in the state of Connecticut were closed. The activity of the Connecticut programs is included in discontinued operations on the statement of activities. Activities for the Connecticut discontinued operations were as follows for the years ended June 30:

	<u>2013</u>
Contract revenue	\$ 8,261,561
Consumer revenue	623,417
Tuition	61,672
Consulting and management services	54,150
Other sources	41,508
Contributions, grant and subsidies	<u>1,749</u>
Total revenues, gains, losses and other support	9,044,057
 Total expenses	 <u>9,621,329</u>
	<u><u>\$ (577,272)</u></u>

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 14 - Discontinued Operations - Continued

Effective September 30, 2012, all clubhouse programs were closed. The activity of the clubhouse programs is included in discontinued operations on the statement of activities. Activities for the clubhouse discontinued operations were as follows for the years ended June 30:

	<u>2013</u>
Contract revenue	\$ 610,370
Tuition	187,614
Consumer revenue	<u>13,248</u>
Total revenues, gains, losses and other support	811,232
 Total expenses	 <u>926,970</u>
	 <u><u>\$ (115,738)</u></u>

Note 15 - Surplus Revenue Retention

The Operational Services Division of the Commonwealth of Massachusetts (the “Commonwealth”) has promulgated regulations requiring that all not-for-profit entities engaged in the provision of health and social service programs by contract with state agencies be subject to a revenue retention policy. Under this policy, any surplus generated from contracts with the Commonwealth which exceeds five percent (5%) of the current year’s Commonwealth revenues or, on a cumulative basis, exceeds twenty percent (20%) of prior year Commonwealth revenues, becomes a liability to the Commonwealth. Additionally, the Commonwealth requires that providers take steps to segregate state attributed surpluses which fall below five percent (5%) as a segregated account which is presented in unrestricted net assets.

As of June 30, 2014 and 2013, the Organization is not subject to any recoupment under the provisions of the Commonwealth’s Surplus Revenue Retention regulations.

THE MAY INSTITUTE, INC. AND AFFILIATES

Notes to Consolidated Financial Statements - Continued

June 30, 2014

Note 16 - Commitments and Contingencies

The human service industry is subject to numerous laws and regulations of federal, state, and local governments. Government activity is ongoing with respect to investigations and allegations concerning possible violations by providers of fraud and abuse statutes and regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments for program services previously billed. Compliance with such laws and regulations can be subject to future government review and interpretations, as well as regulatory actions unknown or unasserted at this time. Management believes that the Organization is in substantial compliance with current laws and regulations.

Claims and legal actions are brought against the Organization during the normal course of business. Management has taken the necessary steps to mitigate potential losses by obtaining insurance coverage and engaging legal counsel. In the opinion of management, no claims or legal actions have been asserted against the Organization which, individually or in the aggregate, will be in excess of its insurance coverage.

The Organization has an employment agreement with its current CEO which is automatically renewed for successive one (1)-year periods. The agreements call for an annual base salary and other business terms common in this sector.

ADDITIONAL INFORMATION

THE MAY INSTITUTE, INC. AND AFFILIATES

Consolidating Schedule of Financial Position

June 30, 2014

	The May Institute, Inc.	Greater Springfield Residences, Inc.	The May-West Roxbury Residences, Inc.	The Bay School	National Autism Center	Eliminations	Total
<u>Assets</u>							
Current assets:							
Cash and cash equivalents	\$ 3,526,271	\$ 31,564	\$ 32,032	\$ 569,192	\$ 66,541	\$ -	\$ 4,225,600
Custodial funds	594,870	-	-	-	-	-	594,870
Escrow accounts	3,097,017	42,205	66,715	-	-	-	3,205,937
Accounts receivable, net	9,158,299	34,496	-	718,119	-	-	9,910,914
Pledges receivable, net	165,423	-	-	-	106,076	-	271,499
Due from affiliates	694,002	-	-	1,040,703	-	(1,734,705)	-
Prepaid expenses	281,863	-	-	51,693	-	-	333,556
Investments	4,284,876	-	-	3,962	-	-	4,288,838
Total current assets	21,802,621	108,265	98,747	2,383,669	172,617	(1,734,705)	22,831,214
Property, plant and equipment, net	33,389,598	545,937	1,147,519	162,401	-	(158,871)	35,086,584
Other assets:							
Deposits	378,301	-	-	27,360	-	-	405,661
Deferred financing costs, net	389,362	-	-	-	-	-	389,362
Total other assets	767,663	-	-	27,360	-	-	795,023
Total assets	\$ 55,959,882	\$ 654,202	\$ 1,246,266	\$ 2,573,430	\$ 172,617	\$ (1,893,576)	\$ 58,712,821
<u>Liabilities and Net Assets</u>							
Current Liabilities:							
Current maturities of long-term debt	\$ 4,091,837	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,091,837
Accounts payable	1,481,976	3,375	3,187	40,082	-	-	1,528,620
Due to affiliates	1,040,703	190,324	345,169	45,993	112,516	(1,734,705)	-
Accrued expenses	5,094,512	2,655	1,644	103,095	-	-	5,201,906
Other current liabilities	38,074	-	-	-	-	-	38,074
Total current liabilities	11,747,102	196,354	350,000	189,170	112,516	(1,734,705)	10,860,437
Long-term debt, net of current maturities	26,067,425	263,901	376,946	-	-	-	26,708,272
Total liabilities	37,814,527	460,255	726,946	189,170	112,516	(1,734,705)	37,568,709
Net assets (deficit):							
Unrestricted	17,920,120	(422,053)	(195,480)	2,379,260	(70,974)	(158,871)	19,452,002
Temporarily restricted	224,235	616,000	714,800	5,000	131,075	-	1,691,110
Permanently restricted	1,000	-	-	-	-	-	1,000
Total net assets (deficit)	18,145,355	193,947	519,320	2,384,260	60,101	(158,871)	21,144,112
Total liabilities and net assets	\$ 55,959,882	\$ 654,202	\$ 1,246,266	\$ 2,573,430	\$ 172,617	\$ (1,893,576)	\$ 58,712,821

THE MAY INSTITUTE, INC. AND AFFILIATES

Consolidating Statement of Activities

For the year ended June 30, 2014

	The May Institute, Inc.	Greater Springfield Residences, Inc.	The May-West Roxbury Residences, Inc.	The Bay School	National Autism Center	Eliminations	Total
Revenues and other support:							
Tuition	\$ 32,187,415	\$ -	\$ -	\$ 3,966,004	\$ -	\$ -	\$ 36,153,419
Contract revenue	45,691,758	-	-	-	-	-	45,691,758
Consulting and management services	2,994,049	41,504	38,076	-	-	(693,595)	2,380,034
Third-party fees	13,992,965	-	-	-	-	-	13,992,965
Consumer revenue	2,943,313	27,648	25,104	98,114	-	-	3,094,179
Other program revenue	846,078	-	-	154,490	-	-	1,000,568
Contributions, grants and subsidies	442,815	-	-	10,324	117,567	-	570,706
Interest Income	116,657	26	20	-	-	-	116,703
Net gain on investment activity	511,591	-	-	(45)	-	-	511,546
Loss on sale of equipment	(420,290)	-	-	-	-	-	(420,290)
Loss on unamortized deferred costs	(66,111)	-	-	-	-	-	(66,111)
Other sources	568,359	-	-	35,507	4,069	-	607,935
Total revenues, gains, losses and other support	<u>99,808,599</u>	<u>69,178</u>	<u>63,200</u>	<u>4,264,394</u>	<u>121,636</u>	<u>(693,595)</u>	<u>103,633,412</u>
Expenses:							
The May Institute, Inc. Program Services:							
Educational Services	30,115,039	-	-	-	-	-	30,115,039
Residential and Day Services	44,452,500	-	-	-	-	-	44,452,500
Consulting and Home Based Services	8,952,656	-	-	-	-	-	8,952,656
Behavioral Health Services	3,563,686	-	-	-	-	-	3,563,686
Other programs	1,143,951	-	-	-	-	-	1,143,951
The Bay School Program Services	117,782	-	-	3,666,759	-	(117,782)	3,666,759
National Autism Center, Inc. Program Services	89,192	-	-	-	91,649	(89,192)	91,649
Greater Springfield Residences, Inc. Program Services	24,174	87,672	-	-	-	(24,174)	87,672
The May - West Roxbury Residences, Inc. Program Services	14,787	-	78,551	-	-	(14,787)	78,551
Total program service expenses	<u>88,473,767</u>	<u>87,672</u>	<u>78,551</u>	<u>3,666,759</u>	<u>91,649</u>	<u>(245,935)</u>	<u>92,152,463</u>
Management and general	11,216,425	4,887	5,159	435,540	12,120	(447,660)	11,226,471
Fundraising	256,399	-	-	-	-	-	256,399
Total expenses	<u>99,946,591</u>	<u>92,559</u>	<u>83,710</u>	<u>4,102,299</u>	<u>103,769</u>	<u>(693,595)</u>	<u>103,635,333</u>
Change in net assets	<u>(137,992)</u>	<u>(23,381)</u>	<u>(20,510)</u>	<u>162,095</u>	<u>17,867</u>	<u>-</u>	<u>(1,921)</u>
Net assets at beginning of the year	<u>18,283,347</u>	<u>217,328</u>	<u>539,830</u>	<u>2,222,165</u>	<u>42,234</u>	<u>(158,871)</u>	<u>21,146,033</u>
Net assets at the end of the year	<u>\$ 18,145,355</u>	<u>\$ 193,947</u>	<u>\$ 519,320</u>	<u>\$ 2,384,260</u>	<u>\$ 60,101</u>	<u>\$ (158,871)</u>	<u>\$ 21,144,112</u>