# The Barack Obama Foundation

(A District of Columbia Not-for-Profit Corporation)

Financial Statements as of and for the Years Ended December 31, 2017 and 2016, Supplemental Schedules for the Years Ended December 31, 2017 and 2016, and Independent Auditor's Report

(A District of Columbia Not-for-Profit Corporation)

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**Deloitte & Touche LLP** 111 South Wacker Drive Chicago, IL 60606-4301 USA

Tel: +1 312 486 1000 Fax: +1 312 486 1486 www.deloitte.com

#### INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of The Barack Obama Foundation:

We have audited the accompanying financial statements of The Barack Obama Foundation (a District of Columbia Not-for-Profit Corporation), which comprise the statement of financial position as of December 31, 2017, and the related statement of activities 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 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 misstatements, 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 the accounting principles 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 on the 2017 Financial Statements**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Barack Obama Foundation as of December 31, 2017, 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.

#### Predecessor Auditors' Opinion on the 2016 Financial Statements

The financial statements of The Barack Obama Foundation as of and for the year ended December 31, 2016, were audited by other auditors whose report, dated May 12, 2017 (August 27, 2018 as to the effects of the restatement discussed in Note 12), expressed an unmodified opinion on those statements, and included an emphasis-of-a matter paragraph related to the correction of an error.

### **Report on Supplemental Schedules**

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Our audit was conducted for the purpose of forming an opinion on the 2017 financial statements taken as a whole. The supplemental schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. These schedules are the responsibility of The Barack Obama Foundation's management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 2017 schedule has been subjected to the auditing procedures applied in our audit of the 2017 financial statements and certain additional procedures, including comparing and reconciling such schedule directly to the underlying accounting and other records used to prepare the 2017 financial statements or to the 2017 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such schedule is fairly stated, in all material respects, in relation to the 2017 financial statements taken as a whole. The 2016 supplemental schedule was subjected to auditing procedures by other auditors whose report, dated May 12, 2017 (August 27, 2018 as to the effects of the restatement discussed in Note 12), referred to above, stated that such schedule is fairly stated, in all material respects, in relation to the 2016 financial statements taken as a whole.

September 12, 2018

(A District of Columbia Not-for-Profit Corporation)

# STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2017 AND 2016

	2017	2016
ASSETS		
Cash	\$ 49,871,514	\$ 6,753,927
Prepaid and other assets Contributions and pledges receivable, net	226,266 162,894,021	14,073 2,795,608
Grants receivable, net	381,213	2,775,000
Fixed assets, net	13,475,302	3,866,404
Donated lease assets	2,210,705	2,467,840
Collections	<u> 18,601</u>	<u> 18,601</u>
TOTAL ASSETS	\$229,077,622	\$15,916,453
LIABILITIES AND NET ASSETS		
LIABILITIES:		
Accounts payable and accrued expenses	\$ 3,276,335	\$ 2,162,891
Accrued payroll and benefits  Deferred grant revenue	998,241 567,255	396,925
Deferred rent liability	1,701	
Total liabilities	4,843,532	2,559,816
NET ASSETS:		
Unrestricted	59,417,072	8,146,278
Temporarily restricted	164,817,018	5,210,359
Total net assets	224,234,090	13,356,637
TOTAL LIABILITIES AND NET ASSETS	\$229,077,622	\$15,916,453

The accompanying notes are an integral part of these financial statements.

(A District of Columbia Not-for-Profit Corporation)

# STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2017

	Unrestricted	Temporarily Restricted	Total
REVENUE:			
Contributions and grants	\$60,720,743	\$170,989,737	\$ 231,710,480
Contributions in kind	832,852		832,852
Interest and dividends	101,127		101,127
Other income	8,810		8,810
Realized gain on sale of investments	49,210		49,210
Contribution received in acquisition	123,268	160,000	283,268
Net assets released from restrictions	11,543,078	(11,543,078)	
	<del> </del>		
Total revenue	73,379,088	159,606,659	232,985,747
EXPENSES:			
Program costs	12,560,630		12,560,630
Fundraising	4,252,742		4,252,742
General and administrative	5,294,922		5,294,922
Ceneral and daministrative	0,271,722		0,271,722
Total expenses	22,108,294	-	22,108,294
·			
CHANGE IN NET ASSETS	51,270,794	159,606,659	210,877,453
NET ASSETS—Beginning of year	8,146,278	5,210,359	13,356,637
NET ASSETS—End of year	<u>\$59,417,072</u>	<u>\$164,817,018</u>	\$ 224,234,090

The accompanying notes are an integral part of these financial statements.

(A District of Columbia Not-for-Profit Corporation)

# STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2016

	Unrestricted	Temporarily Restricted	Total
REVENUE:			
Contributions	\$10,433,213	\$2,742,519	\$13,175,732
Contributions in kind	312,725	2,583,751	2,896,476
Interest and dividends	29		29
Realized gain on sale of investments Net assets released from restrictions	6,331 449,244	(449,244)	6,331 
Total revenue	11,201,542	4,877,026	16,078,568
EXPENSES:			
Program costs	3,014,500		3,014,500
Fundraising	1,180,639		1,180,639
General and administrative	1,104,773	<u> </u>	1,104,773
Total expenses	5,299,912	<del>-</del>	5,299,912
CHANGE IN NET ASSETS	5,901,630	4,877,026	10,778,656
NET ASSETS—Beginning of year	2,244,648	333,333	2,577,981
NET ASSETS—End of year	\$ 8,146,278	\$5,210,359	\$13,356,637

The accompanying notes are an integral part of these financial statements.

(A District of Columbia Not-for-Profit Corporation)

# STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 210,877,453	\$ 10,778,656
Adjustments to reconcile change in net assets to net cash		
provided by operating activities:		
Depreciation	223,100	44,137
Donated lease asset	257,135	(2,467,840)
Contributions restricted for the Obama Presidential Center	(10,266,125)	
Donated securities	(17,273,696)	
Gain on fair value of investments	(49,163)	
Contribution received in acquisition	(283,268)	
(Increase) decrease in:	(4.00,000,442)	(0.455.054)
Contributions and pledges receivable	(160,098,413)	(2,455,051)
Grants receivable	(381,213)	(( 57()
Prepaid and other assets	(212,194)	(6,576)
(Decrease) increase in: Accounts payable and accrued expenses	(130,210)	123,734
Accounts payable and accided expenses  Accrued payroll and benefits	601,316	123,734
Deferred grant revenue and rent	=	101 002
Deferred grant revenue and rent	<u>216,936</u>	101,002
Net cash provided by operating activities	23,481,658	6,118,062
CASH FLOWS FROM INVESTING ACTIVITIES:		
Pre-construction costs	(8,272,541)	(1,092,018)
Purchase of fixed assets	(315,802)	(602,333)
Net proceeds from sale of investments	17,322,859	
Cash received in acquisition	635,288	
Purchase of collections		(18,601)
Net cash provided by (used in) investing activities	9,369,804	(1,712,952)
CASH FLOWS FROM FINANCING ACTIVITIES:	10 2// 125	
Contributions restricted for the Obama Presidential Center	<u>10,266,125</u>	
Net cash provided by financing activities	10,266,125	
INCREASE IN CASH	43,117,587	4,405,110
CASH—Beginning of year	6,753,927	2,348,817
CASH—End of year	\$ 49,871,514	\$ 6,753,927
NONCASH INVESTING ACTIVITIES—		
Accrual of fixed asset costs	<u>\$ 1,243,655</u>	\$ 922,487

The accompanying notes are an integral part of these financial statements

(A District of Columbia Not-for-Profit Corporation)

# NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

#### 1. NATURE OF ACTIVITIES

The Barack Obama Foundation (the "Foundation") is a nonprofit tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. The Foundation's mission is to honor the legacy of President Obama and to inspire, empower, and connect people to change their world.

A core purpose of the Foundation is to build the Obama Presidential Center (the "OPC"), housing the Presidential Museum in Jackson Park on the South Side of Chicago. The Museum will tell the story of our nation's first African American President and First Lady, their journey to the White House, and the countless individuals, communities, and social currents that shaped their journey. The Museum will focus on the historic Obama presidency, its successes and challenges, and its legacy of inspiring individual people to come together to solve problems in their community. The OPC will use the Obamas' personal story of community engagement and public service to inspire visitors to find their own paths to civic engagement and leadership.

The Foundation will also advance programming that seeks to draw on the Obamas' example of engaged citizenship and public service to inspire and equip people to strengthen their communities. Broadly-accessible online content will encourage individuals to engage with their communities on issues about which they care deeply. In-person trainings will enable emerging leaders in fields as diverse as the arts, entrepreneurship, science, and education, among others, to increase their persuasiveness and efficacy. Intensive fellowships will offer support and a spotlight to established leaders. And international leadership initiatives will convene, connect, and inspire emerging global leaders who are strengthening communities world-wide.

Echoing the Museum's focus on the Obama's lifelong commitment to local engagement, the Foundation's programming will also reinforce the importance of engaging and empowering communities, organizations and institutions. In Chicago, the Foundation may partner with the public schools, the public library, and other impactful community-based programs. Throughout the country, the Foundation will work with boys and young men of color. Throughout the world, we will work to support grassroots girls' education practitioners and young leaders. President and Mrs. Obama have devoted their lives' work to advancing these and other communities. The Museum will celebrate this work, and the Foundation's programming will draw on it as inspiration in working to restore our civic infrastructure.

### 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting**: The financial statements of the Foundation are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (US GAAP).

**Basis of Presentation**: For financial reporting purposes, net assets and revenue are classified on the basis of the existence or absence of donor-imposed restrictions, as follows:

**Unrestricted Net Assets**: Net assets not subject to donor-imposed restrictions. The Foundation's Board of Directors may designate a portion of unrestricted net assets for specific purposes.

**Temporarily Restricted Net Assets**: Net assets subject to donor-imposed restrictions that can be fulfilled by the actions of the Foundation or the passage of time.

**Cash**: The Foundation's cash consists primarily of deposit with banks. The Foundation had deposits in excess of federally insured limits at December 31, 2017 and 2016, but has not experienced any losses in these accounts and believes that it is not exposed to any significant credit risk.

**Prepaid and Other Assets**: Other assets consist primarily of prepaid expenses and merchandise inventory. Inventory represents online retail merchandise valued at cost, principally using the first in, first out cost method, but not to exceed net realizable value.

**Contributions and Pledges Receivable**: Unconditional pledges to the Foundation that are expected to be collected within one year are recorded at net realizable value. Unconditional pledges expected to be collected beyond one year are adjusted to net present value by discounting future cash flows using a rate commensurate with the risk involved. Management believes that no allowance for uncollectibility is necessary.

Conditional pledges are not recognized as revenue until the conditions on which they depend are substantially met.

**Grants Receivable**: Amounts expended in advance of grant reimbursements are reported as grants receivable.

**Fixed Assets**: Fixed assets are recorded at cost, if purchased, or at fair value at the date of donation. Depreciation is calculated on the straight-line method designed to amortize the cost of the depreciable assets over their estimated useful lives, which ranges from 3-7 years for furniture and equipment, and 3 years for website. Repairs and maintenance that do not extend the life of the applicable assets are charged to expense as incurred.

Expenses directly and indirectly related to planning and developing the OPC will begin being depreciated when the OPC is placed in service.

**Collections**: The Foundation has works of arts that it accounts for as collections as the items are held for exhibition to the public and not financial gain. The Foundation has adopted a policy to capitalize all collections. Collection items acquired in exchange transactions are measured at cost and recognized as assets in the period acquired. Donated collection items are recognized as assets and contributions in the period received and measured at fair value.

**Revenue Recognition**: Contributions and grants are recorded when cash or a pledge is received and are recorded as unrestricted, temporarily restricted, or permanently restricted depending on the nature of any donor restrictions. Unconditional promises to give with payments due in future periods are reported as temporarily or permanently restricted, unless explicit donor stipulations or circumstances surrounding the receipt of the

promise make clear that the donor intended them to be used to support activities of the current period, in which case they are reported as unrestricted support in the statement of activities. Gifts that are originally restricted by the donor for a specific purpose and for which the restriction is met in the same time period are recorded as temporarily restricted and then released from restriction. When a restriction expires (such as when a time restriction ends or purpose restriction is satisfied), temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from restriction.

Revenue from grants is recognized when earned, which is generally as the related costs are incurred under the terms of the grant.

Gifts of long-lived assets are reported as unrestricted revenue and net assets unless explicit donor stipulations specify how such assets must be used, in which case the gifts are reported as temporarily or permanently restricted revenue and net assets. Absent explicit donor stipulations for the time long-lived assets must be held, expirations of restrictions resulting in reclassification of temporarily restricted net assets as unrestricted net assets are reported when the long-lived assets are placed in service.

Donated services are recorded as revenue and expenditures when they meet the criteria for recognition in the financial statements. The Foundation has volunteers who contribute meaningful amounts of time in furtherance of the Foundation's mission. Such contributions do not meet generally accepted accounting criteria for recognition of contributed services and, accordingly, are not reflected in the statement of activities.

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

**Financial Instruments**: The Foundation's financial instruments consist primarily of cash, accounts receivable, and accounts payable. The carrying amounts for cash, accounts receivable, and accounts payable approximate their fair values.

**Functional Allocation of Expenses**: The costs of providing the various programs and other activities have been summarized on a functional basis in the supplemental schedule of functional expenses. Expenses that can be identified with a specific program or support service are allocated directly according to their natural expense classification. Other expenses that are common to several functions are allocated based on time and other methods.

**Use of Estimates**: In preparing financial statements in conformity with U.S GAAP, management makes estimates and assumptions affecting the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Income Taxes**: The Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable state law. Accordingly, no provision for such taxes has been recognized in these financial statements.

The Financial Accounting Standards Board issued guidance that requires tax effects from uncertain tax positions to be recognized in the financial statements only if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. Management has determined there are no material uncertain positions that

require recognition in the financial statements. Additionally, no provision for income taxes is reflected and there is no interest or penalties recognized in the statements of activities or statements of financial position.

**Reclassifications**: Certain 2016 amounts have been reclassified to conform with the current year presentation. These reclassifications have no effect on net assets or changes in net assets.

#### 3. PLEDGES RECEIVABLE

The Foundation has received various pledges from individuals and corporate donors. Pledges expected to be collected beyond one year are adjusted to net present value by discounting future cash flows. The discount rates used to determine the present value of pledges receivable represent risk adjusted interest rates applicable to the years in which the promises are received and range from 2.98% to 3.25%. The Foundation does not maintain an allowance for doubtful accounts from pledges receivable, nor did it have significant write-offs from pledges receivable.

Pledges receivable are due in the following periods:

	2017	2016
Within one year One to five years	\$ 48,050,000 	\$1,280,000 
Total pledges receivable	169,260,357	2,840,000
Less: present value discount	(6,896,863)	(97,481)
Pledges receivable, net	\$162,363,494	\$2,742,519

**Conditional Grants and Pledges**: In 2017, the Foundation was given promises of approximately \$21,000,000 to support its operating activities, which include conditions, such as future programming and certain construction activities, that must be fulfilled prior to receiving future payments. As of December 31, 2017, such conditions have not yet been fulfilled. The revenue will be recorded when the related conditions are met.

#### 4. FIXED ASSETS

Fixed assets consist of the following as of December 31, 2017 and 2016:

	2017	2016
Computer equipment Furniture and fixtures Website	\$ 195,298 321,971 448,500	\$ 137,063 168,154 33,500
Subtotal	965,769	338,717
Accumulated depreciation	(282,376)	(59,276)
Subtotal	683,393	279,441
Pre-construction costs for the center Website development	12,791,909	3,275,713 311,250
Fixed assets, net	\$13,475,302	\$3,866,404

Depreciation expense for the years ended December 31, 2017 and 2016, was \$223,100 and \$44,137, respectively.

The Foundation has incurred a total of \$12,791,909 toward the development of the OPC as of December 31, 2017. These costs relate to direct and indirect expenses associated with the site selection, architect selection, surveys, feasibility studies and other costs and have not yet been placed in service.

### 5. TEMPORARILY RESTRICTED NET ASSETS

The Foundation's temporarily restricted net assets consist of the following at December 31, 2017 and 2016:

	2017	2016
Restricted for:		
Planning and construction of the OPC	\$ 63,454,628	\$ -
Donated lease asset	2,210,705	2,467,840
Educational programming and outreach	67,772	
Time restricted	99,083,913	2,742,519
Total temporarily restricted net assets	\$164,817,018	\$5,210,359

Net assets were released from donor restrictions due to the passage of time or performance of activities satisfying the restricted purposes specified by the donors as follows:

	2017	2016
Passage of time	\$ 1,232,970	\$333,333
Expenditures satisfying donor-imposed purpose restrictions:		
Planning and building the OPC	9,891,965	
Donated lease asset	257,135	115,911
Educational programming and outreach	161,008	
Total net assets released from restrictions	<u>\$ 11,543,078</u>	\$449,244

#### 6. EMPLOYEE BENEFITS

In 2015, the Foundation entered into a tax-deferred annuity plan qualified under Section 403(b) of the Internal Revenue Code. The plan covers full-time employees of the Foundation. The 403(b) plan is an employee contributed plan only. Employees may make contributions to the plan up to the maximum amount allowed by the Internal Revenue Code if they wish.

#### 7. LEASE COMMITMENTS

During 2016, the Foundation entered into an operating lease for office space in Chicago expiring in 2022. The Foundation is a subleasee under the agreement and paid \$1 in base rent for the entire lease term. The donated lease was recognized as time-restricted revenue at the inception of the lease. The donated lease asset and related temporarily restricted net asset was \$2,210,705 and \$2,467,840 at December 31, 2017 and 2016, respectively. The estimated fair rental value of the lease donation and their related lease expense for the years ended December 31, 2017 and 2016, was \$257,135 and \$115,911, respectively.

During fiscal year 2017, the Foundation entered into two operating leases for office space in Washington, D.C. The one lease began in 2017 and is expiring in 2019. The other lease will begin in March 2018 and will expire in 2025. The leases have escalating rental payments and the related deferred rent liability for the active lease at December 31, 2017, is \$1,701.

The Foundation has also entered into a several noncancelable operating leases for office equipment that expire between 2019 and 2022.

Future minimum lease payments under operating lease are:

Years Ending December 31	
2018	\$ 676,433
2019	552,275
2020	493,772
2021	503,845
2022	512,208
Thereafter	1,104,070
	\$3,842,603

Rental expense for office space and equipment the years ended December 31, 2017 and 2016, was \$428,985 and \$2,040, respectively.

#### 8. CONTRIBUTED GOODS AND SERVICES

For the years ended December 31, 2017 and 2016, the Foundation received contributed services in the amount of \$155,652 and \$275,225, respectively, for professional services provided for trademark protection, IT and IP vendor service agreements, travel, and Obama Foundation initiatives. In addition, the Foundation received contributed office space in the amount of \$83,663 and \$257,634, for the years ended December 31, 2017 and 2016, respectively.

The Foundation received contributed goods in the amount of \$253,484 and \$0 for the years ended December 31, 2017 and 2016, respectively.

#### 9. RELATED-PARTY TRANSACTIONS

A board member of the Foundation sits on the board of a vendor who provides services to the Foundation directly, and in partnership with a consortium of professional service providers. Direct expenses paid to the vendor during the year ended December 31, 2017, were \$36,560. Expenses paid to the consortium were \$1,261,000.

Donated office space estimated at \$25,000 was provided by a firm affiliated with a board member for the year ended December 31, 2016.

#### 10. CONSTRUCTION COMMITMENT

In 2016, the Foundation selected the architectural team of Tod Williams Billie Tsien Architects | Partners (TWBTA) and Interactive Design Architects (IDEA) to lead the effort to design the OPC on Chicago's mid-South Side. The contract was signed on June 27, 2016, with the project term through 2022. Expenses incurred related to TWBTA for the years ended December 31, 2017 and 2016, are \$4,963,525 and \$674,604, respectively.

In 2018, the Foundation selected Lakeside Alliance to serve as the construction manager for the OPC. Lakeside Alliance is a joint venture between a large international construction company and 4 minority-owned Chicago construction firms who will have 51% financial equity in the OPC contract. The contract was signed in January 2018, with an expected contract term through December 2022.

#### 11. ACQUISITION

President Obama launched My Brother's Keeper in February 2014 to address persistent opportunity gaps facing boys and young men of color and to ensure all youth can reach their full potential. In 2015, My Brother's Keeper Alliance (MBK Alliance) was launched, inspired by My Brother's Keeper, to scale and sustain this mission. In late 2017, MBK Alliance became an initiative of the Obama Foundation. Within the Obama Foundation, MBK Alliance focuses on building safe and supportive communities for boys and young men of color where they feel valued and have clear pathways to opportunity.

The receipt of cash from MBK Alliance was deemed to be an inherent contribution. The Foundation recorded the following items:

Cash	\$635,288
Deferred revenue for a grant	352,020
Restricted contribution	160,000
Unrestricted contribution	123,268

There were no operating liabilities, collection items, or promises to give received as part of the transaction.

#### 12. SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events for potential recognition and/or disclosure through September 12, 2018, the date the financial statements were approved and available to be issued.

In May 2018, a lawsuit was filed against the City of Chicago and the Chicago Park District to enjoin the transfer of certain acreage in Jackson Park to the Foundation to build the OPC. The Foundation is not a party to this lawsuit, but is monitoring it closely to assess and proactively address any impact on the Foundation or the construction of the OPC.

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**SUPPLEMENTAL SCHEDULES** 

(A District of Columbia Not-for-Profit Corporation)

# SCHEDULE OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2017

	Program Costs	Fundraising	General & Administrative	Total
SALARIES AND BENEFITS	\$ 4,714,800	\$1,629,694	\$2,444,917	\$ 8,789,411
FUNDRAISING		493,575		493,575
COMMUNICATIONS	1,656,658	288,205	806,073	2,750,936
PROFESSIONAL AND CONSULTING	1,416,633	263,721	1,149,623	2,829,977
PRINTING AND COPYING	65,122	22,510	33,770	121,402
OFFICE EXPENSES	270,908	93,641	153,500	518,049
TRAVEL	660,804	1,217,958	291,055	2,169,817
CONFERENCES AND SUMMITS	3,071,424		46,594	3,118,018
INFORMATION TECHNOLOGY	279,321	96,549	144,845	520,715
COST OF GOODS SOLD			4,177	4,177
OCCUPANCY COSTS	271,345	93,792	140,709	505,846
INSURANCE	33,940	11,731	17,600	63,271
Total before depreciation	12,440,955	4,211,376	5,232,863	21,885,194
DEPRECIATION	119,675	41,366	62,059	223,100
TOTAL EXPENSES	\$12,560,630	\$4,252,742	\$5,294,922	\$22,108,294

(A District of Columbia Not-for-Profit Corporation)

# SCHEDULE OF FUNCTIONAL EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2016

	Program Costs	Fundraising	General & Administrative	Total
SALARIES AND BENEFITS	\$1,014,099	\$ 242,089	\$ 563,271	\$1,819,459
FUNDRAISING		615,056		615,056
COMMUNICATIONS	1,103,749	47,200	140,319	1,291,268
PROFESSIONAL AND CONSULTING	562,007	135,932	206,303	904,242
PRINTING AND COPYING	151	278	2,912	3,341
OFFICE EXPENSES	82,528	11,216	92,227	185,971
TRAVEL	131,454	107,998	14,093	253,545
OCCUPANCY COSTS	80,692	20,662	52,057	153,411
INSURANCE			29,482	29,482
Total before depreciation	2,974,680	1,180,431	1,100,664	5,255,775
DEPRECIATION	39,820	208	4,109	44,137
TOTAL EXPENSES	\$3,014,500	\$1,180,639	\$1,104,773	\$5,299,912