

FINANCIAL STATEMENTS



**FOR THE YEARS ENDED
DECEMBER 31, 2015 AND 2014**

INSTITUTE FOR TRANSPORTATION AND DEVELOPMENT POLICY

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GELMAN, ROSENBERG

& FREEDMAN

CERTIFIED PUBLIC ACCOUNTANTS



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Institute for Transportation and Development Policy
New York, New York

We have audited the accompanying financial statements of the Institute for Transportation and Development Policy (ITDP), which comprise the statements of financial position as of December 31, 2015 and 2014, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 ITDP as of December 31, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

August 9, 2016

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INSTITUTE FOR TRANSPORTATION AND DEVELOPMENT POLICY

STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,804,306	\$ 3,111,564
Accounts receivable	490,141	261,253
Grants receivable (Note 2)	1,754,751	1,899,481
Prepaid expenses	<u>70,423</u>	<u>55,571</u>
Total current assets	<u>4,119,621</u>	<u>5,327,869</u>
PROPERTY AND EQUIPMENT		
Equipment	72,220	66,010
Furniture	62,757	59,495
Computer equipment	241,803	265,342
Leasehold improvements	<u>239,219</u>	<u>222,907</u>
	615,999	613,754
Less: Accumulated depreciation and amortization	<u>(538,323)</u>	<u>(515,285)</u>
Net property and equipment	<u>77,676</u>	<u>98,469</u>
NON-CURRENT ASSETS		
Deposits	64,190	48,548
Grants receivable, net of current portion and discount (Note 2)	<u>726,386</u>	<u>242,131</u>
Total non-current assets	<u>790,576</u>	<u>290,679</u>
TOTAL ASSETS	<u>\$ 4,987,873</u>	<u>\$ 5,717,017</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 345,626	\$ 289,972
Accrued salaries and related benefits	170,392	221,642
Refundable advances	108,038	-
Funds held on behalf of others	<u>75,293</u>	<u>75,293</u>
Total current liabilities	<u>699,349</u>	<u>586,907</u>
NET ASSETS		
Unrestricted:		
Undesignated	946,730	1,863,532
Board designated (Note 4)	<u>496,077</u>	<u>569,062</u>
Total unrestricted	1,442,807	2,432,594
Temporarily restricted (Note 5)	<u>2,845,717</u>	<u>2,697,516</u>
Total net assets	<u>4,288,524</u>	<u>5,130,110</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,987,873</u>	<u>\$ 5,717,017</u>

INSTITUTE FOR TRANSPORTATION AND DEVELOPMENT POLICY

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

	<u>2015</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE			
Contributions	\$ 257,327	\$ -	\$ 257,327
Grants	524,104	4,509,174	5,033,278
Interest income	8,963	-	8,963
Consulting and contract revenue	1,069,180	-	1,069,180
Contributed services (Note 6)	100,010	-	100,010
Other revenue	19,226	-	19,226
Net assets released from donor restrictions (Note 5)	<u>4,360,973</u>	<u>(4,360,973)</u>	<u>-</u>
Total revenue	<u>6,339,783</u>	<u>148,201</u>	<u>6,487,984</u>
EXPENSES			
Program Services	<u>6,260,371</u>	<u>-</u>	<u>6,260,371</u>
Supporting Services:			
Fundraising	153,318	-	153,318
Management	<u>915,881</u>	<u>-</u>	<u>915,881</u>
Total supporting services	<u>1,069,199</u>	<u>-</u>	<u>1,069,199</u>
Total expenses	<u>7,329,570</u>	<u>-</u>	<u>7,329,570</u>
Changes in net assets	(989,787)	148,201	(841,586)
Net assets at beginning of year	<u>2,432,594</u>	<u>2,697,516</u>	<u>5,130,110</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,442,807</u>	<u>\$ 2,845,717</u>	<u>\$ 4,288,524</u>

2014		
Unrestricted	Temporarily Restricted	Total
\$ 193,718	\$ -	\$ 193,718
1,321,229	3,928,244	5,249,473
8,796	-	8,796
1,037,050	-	1,037,050
3,616	-	3,616
-	-	-
<u>5,349,229</u>	<u>(5,349,229)</u>	<u>-</u>
<u>7,913,638</u>	<u>(1,420,985)</u>	<u>6,492,653</u>
<u>7,132,978</u>	<u>-</u>	<u>7,132,978</u>
60,952	-	60,952
<u>617,611</u>	<u>-</u>	<u>617,611</u>
<u>678,563</u>	<u>-</u>	<u>678,563</u>
<u>7,811,541</u>	<u>-</u>	<u>7,811,541</u>
102,097	(1,420,985)	(1,318,888)
<u>2,330,497</u>	<u>4,118,501</u>	<u>6,448,998</u>
<u>\$ 2,432,594</u>	<u>\$ 2,697,516</u>	<u>\$ 5,130,110</u>

INSTITUTE FOR TRANSPORTATION AND DEVELOPMENT POLICY

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015

	<u>Supporting Services</u>				<u>Total Expenses</u>
	<u>Program Services</u>	<u>Fundraising</u>	<u>Management</u>	<u>Total Supporting Services</u>	
Salaries	\$ 1,127,026	\$ 52,214	\$ 505,978	\$ 558,192	\$ 1,685,218
Payroll taxes	92,877	3,252	22,342	25,594	118,471
Fringe benefits (Note 8)	159,270	7,893	81,192	89,085	248,355
Subtotal	1,379,173	63,359	609,512	672,871	2,052,044
Bank charges	10,744	17	198	215	10,959
Conferences and meetings	189,053	87	60,049	60,136	249,189
Consultants	1,056,412	750	116,250	117,000	1,173,412
Depreciation and amortization	83,917	-	-	-	83,917
Business meals	11,252	28	1,384	1,412	12,664
Equipment rental	4,718	15	135	150	4,868
Exchange rate loss	66,986	-	-	-	66,986
Field staff	1,714,488	-	15,471	15,471	1,729,959
Insurance	28,245	66	3,102	3,168	31,413
Legal	10,553	5	15,069	15,074	25,627
License fees	60,686	3,832	931	4,763	65,449
Miscellaneous	3,124	14	3,506	3,520	6,644
Office supplies	56,223	115	1,059	1,174	57,397
Postage and delivery	19,202	1,508	647	2,155	21,357
Printing	67,727	2,569	864	3,433	71,160
Professional development	14,128	1,349	10,624	11,973	26,101
Professional fees	407,785	76,282	23,074	99,356	507,141
Rent and office cleaning (Note 7)	321,036	1,624	15,312	16,936	337,972
Subscriptions and books	21,592	1,023	1,624	2,647	24,239
Taxes	7,667	-	-	-	7,667
Telephone and internet	33,669	122	2,637	2,759	36,428
Travel	691,991	553	34,433	34,986	726,977
TOTAL	\$ 6,260,371	\$ 153,318	\$ 915,881	\$ 1,069,199	\$ 7,329,570

INSTITUTE FOR TRANSPORTATION AND DEVELOPMENT POLICY

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2014

	Supporting Services				Total Expenses
	Program Services	Fundraising	Management	Total Supporting Services	
Salaries	\$ 1,449,630	\$ 31,851	\$ 295,012	\$ 326,863	\$ 1,776,493
Payroll taxes	104,025	2,372	20,299	22,671	126,696
Fringe benefits (Note 8)	193,667	5,498	64,482	69,980	263,647
Subtotal	1,747,323	39,721	379,793	419,514	2,166,837
Bank charges	14,568	30	267	297	14,865
Conferences and meetings	225,593	754	121,419	122,173	347,766
Consultants	1,258,223	2,903	23,923	26,826	1,285,049
Depreciation and amortization	93,039	-	-	-	93,039
Business meals	18,703	136	1,333	1,469	20,172
Equipment rental	5,771	14	122	136	5,907
Exchange rate loss	43,651	-	-	-	43,651
Field staff	1,625,971	-	16,824	16,824	1,642,795
Insurance	18,379	173	5,167	5,340	23,719
Legal	15,911	-	28,100	28,100	44,011
License fees	27,589	4,224	1,626	5,850	33,439
Miscellaneous	3,744	1,070	1,428	2,498	6,242
Office supplies	58,242	288	550	838	59,080
Postage and delivery	13,006	1,904	159	2,063	15,069
Printing	94,798	1,674	827	2,501	97,299
Professional development	7,550	145	17	162	7,712
Professional fees	475,540	5,902	14,245	20,147	495,687
Rent and office cleaning (Note 7)	402,519	959	9,289	10,248	412,767
Subscriptions and books	8,423	858	15	873	9,296
Taxes	83,199	-	-	-	83,199
Telephone and internet	36,284	56	1,163	1,219	37,503
Training	6,489	-	-	-	6,489
Travel	848,465	141	11,344	11,485	859,950
TOTAL	\$ 7,132,978	\$ 60,952	\$ 617,611	\$ 678,563	\$ 7,811,541

INSTITUTE FOR TRANSPORTATION AND DEVELOPMENT POLICY

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (841,586)	\$ (1,318,888)
Adjustments to reconcile changes in net assets to net cash used by operating activities:		
Depreciation and amortization	83,917	93,039
Loss on disposal of property and equipment	523	-
(Increase) decrease in:		
Accounts receivable	(228,888)	(160,111)
Grants receivable	(339,525)	610,447
Prepaid expenses	(14,852)	109,918
Deposits	(15,642)	6,075
Increase (decrease) in:		
Accounts payable and accrued liabilities	55,654	(394,812)
Accrued salaries and related benefits	(51,250)	65,432
Refundable advances	<u>108,038</u>	<u>-</u>
Net cash used by operating activities	<u>(1,243,611)</u>	<u>(988,900)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(64,337)	(51,674)
Proceeds from sale of property and equipment	<u>690</u>	<u>-</u>
Net cash used by investing activities	<u>(63,647)</u>	<u>(51,674)</u>
Net decrease in cash and cash equivalents	(1,307,258)	(1,040,574)
Cash and cash equivalents at beginning of year	<u>3,111,564</u>	<u>4,152,138</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,804,306</u>	<u>\$ 3,111,564</u>

INSTITUTE FOR TRANSPORTATION AND DEVELOPMENT POLICY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2015 AND 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The Institute for Transportation and Development Policy (ITDP) was organized as a non-profit corporation in Washington, D.C. in 1985 and operates out of its office in New York City, New York. ITDP is a research, dissemination, and project implementing agency, which seeks to promote the use of non-motorized vehicles and the broader implementation of sustainable transportation policies worldwide. ITDP is supported primarily through grants, donor contributions, and contract revenue. Members include bicycle activists, transportation planners, economic development specialists, small business people, environmentalists, and other professionals, and are primarily, but not exclusively U.S. citizens.

The accompanying financial statements include all financial activity incurred by ITDP's field offices located in Brazil, China, India, Indonesia and Mexico.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958, *Not-for-Profit Entities*.

Cash and cash equivalents -

ITDP considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. At times during the year, ITDP maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

ITDP had \$372,741 and \$440,236 of cash and cash equivalents held in foreign countries at December 31, 2015 and 2014, respectively. A majority of funds held in foreign countries are uninsured.

Accounts and grants receivable -

Accounts and grants receivable approximate fair value. Grants receivable that are expected to be collected in future years are recorded at fair value, measured as the present value of their future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in grants and contribution revenue. Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Property and equipment -

Property and equipment in excess of \$1,000 are capitalized and stated at cost. Property and equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. Leasehold improvements are amortized over the remaining life of the lease. The cost of maintenance and repairs is recorded as expenses are incurred.

INSTITUTE FOR TRANSPORTATION AND DEVELOPMENT POLICY

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2015 AND 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

Income taxes -

ITDP is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. ITDP is not a private foundation.

Uncertain tax positions -

For the years ended December 31, 2015 and 2014, ITDP has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Foreign currency translation -

The dollar ("dollars") is the functional currency for ITDP's worldwide operations. Transactions in currencies other than U.S. Dollars are translated into dollars at the rate of exchange in effect during the month of the transaction. Assets and liabilities denominated in non-U.S. currencies are translated into dollars at the exchange rate in effect at the date of the Combined Statement of Financial Position.

Net asset classification -

The net assets are reported in two self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of ITDP and include both internally designated and undesignated resources.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of ITDP and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Contributions, grants and contracts -

Unrestricted and temporarily restricted contributions and grants are recorded as revenue in the year notification is received from the donor. Temporarily restricted contributions and grants are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Temporarily restricted contributions and grants received in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying financial statements.

ITDP receives funding under grants and contracts from international organizations and other grantors for direct and indirect program costs. This funding is subject to contractual restrictions, which must be met through incurring qualifying expenses for particular programs. Accordingly, such grants and contracts are considered exchange transactions and are recorded as unrestricted income to the extent that related expenses are incurred in compliance with the criteria stipulated in the grant agreements.

INSTITUTE FOR TRANSPORTATION AND DEVELOPMENT POLICY

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Contributions, grants and contracts (continued) -

Funding received in advance of incurring the related expenses for these exchange transactions is recorded as a refundable advance.

Contributed services -

Contributed services consist of pro-bono legal services, consulting, and licenses. Contributed services are recorded at their fair market value as of the date of the gift (please refer to note 6).

Use of estimates -

The preparation of the financial statements in conformity 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 at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Reclassification -

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation. These reclassifications had no effect on the previously reported changes in net assets.

2. GRANTS RECEIVABLE

As of December 31, 2015 and 2014, contributors to ITDP have made written promises to give totaling \$2,519,479 and \$2,149,481, respectively. Grants due in more than one year have been recorded at the present value of the estimated cash flows, using a discount rate of 3.5%. Grants are due as follows at December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Less than one year	\$ 1,754,751	\$ 1,899,481
One to five years	<u>764,728</u>	<u>250,000</u>
	2,519,479	2,149,481
Less: Allowance to discount balance to present value	<u>(38,342)</u>	<u>(7,869)</u>
NET GRANTS RECEIVABLE	<u>\$ 2,481,137</u>	<u>\$ 2,141,612</u>

INSTITUTE FOR TRANSPORTATION AND DEVELOPMENT POLICY

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014**

3. LINE OF CREDIT

ITDP maintained a \$500,000 bank line of credit during the year ended December 31, 2014, which expired on November 16, 2015 and was renewed through November 23, 2017. Amounts borrowed bear interest at the LIBOR rate, plus 3.5 percentage points. As of December 31, 2015 and 2014, there was no outstanding balance on the line of credit. Terms of the original agreement requires ITDP to maintain unrestricted net assets of not less than \$600,000 (ITDP was in compliance). No such requirement was included in the renewal.

4. BOARD DESIGNATED NET ASSETS

As of December 31, 2015 and 2014, net assets have been designated by the Board of Directors for the following purposes:

	<u>2015</u>	<u>2014</u>
Operating Reserve	\$ <u>496,077</u>	\$ <u>569,062</u>

Funds were withdrawn during 2015 to cover costs related to the CEO search.

5. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Africa projects	\$ 75,058	\$ 151,224
Asia projects	1,675,305	1,136,825
Global projects	748,033	626,824
Latin America projects	9,907	587,685
United States projects	<u>337,414</u>	<u>194,958</u>
TOTAL TEMPORARILY RESTRICTED NET ASSETS	\$ <u>2,845,717</u>	\$ <u>2,697,516</u>

The following temporarily restricted net assets were released from donor restrictions by incurring expenses (or through the passage of time), which satisfied the restricted purposes specified by the donors:

	<u>2015</u>	<u>2014</u>
Africa projects	\$ 159,166	\$ 323,014
Asia projects	1,075,227	309,251
Global projects	1,038,337	3,551,322
Latin America projects	1,818,699	799,566
United States projects	<u>269,544</u>	<u>366,076</u>
TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTION	\$ <u>4,360,973</u>	\$ <u>5,349,229</u>

INSTITUTE FOR TRANSPORTATION AND DEVELOPMENT POLICY

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014**

6. CONTRIBUTED SERVICES

During the years ended December 31, 2015 and 2014, ITDP was the beneficiary of contributed services, which allowed ITDP to provide greater resources toward various programs.

To properly reflect total expenses, the following donations have been included in revenue and expense for the years ended December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Contributed Services	\$ <u>100,010</u>	\$ <u>3,616</u>

The following programs have benefited from these contributed services:

	<u>2015</u>	<u>2014</u>
Fundraising	\$ 69,748	\$ -
Management	262	3,616
Program Services	<u>30,000</u>	<u>-</u>
TOTAL CONTRIBUTED SERVICES	\$ <u>100,010</u>	\$ <u>3,616</u>

7. LEASE COMMITMENTS

ITDP is obligated for certain lease payments over the coming years in the USA and its field offices as shown below:

During 2015, ITDP extended its leased office space in New York under a five-year agreement, which expires on July 31, 2020. Base rent is \$150,000 per year, increasing by a factor of 3% per year. ITDP also leases office space under agreements in Washington, D.C. (month-to-month).

ITDP has entered into the following lease agreements at its field offices:

- An office lease in Brazil through September 30, 2016.
- A lease for space in Mexico, which expired in February 2015 and was renewed through February 2016, and again through February 2017.
- Three office leases in India (one set to expire in December 2016, one expired on December 31, 2015 and was renewed through December 2016, and the last set to expire in June 2017).
- Multiple office leases in China, one which expired December 2015 and the other which expired February 2016.
- A lease for space in Indonesia through May 2017

INSTITUTE FOR TRANSPORTATION AND DEVELOPMENT POLICY

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2015 AND 2014

7. LEASE COMMITMENTS (Continued)

The following is a schedule of the future minimum lease payments, including both U.S. and foreign leases:

<u>Year Ending December 31,</u>	
2016	\$ 249,844
2017	203,682
2018	193,341
2019	199,140
2020	<u>118,174</u>
	<u>\$ 964,181</u>

Rent expense under the aforementioned leases totaled \$318,557 and \$387,960 for the years ended December 31, 2015 and 2014, respectively.

8. RETIREMENT PLAN

Full-time ITDP staff are eligible for a 403(b)(7) retirement plan. ITDP will also make an annual contribution to the employee's retirement plan for employees who have worked more than six months with the organization at the time when the contributions are made.

For the first three years, ITDP will provide an annual contribution of \$3,000 or the equivalent of 3% of the employee's annual salary (whichever is greater). After three years of employment, ITDP will provide an annual contribution of the equivalent of 8% of the employee's annual salary toward the retirement plan. Bonuses do not count toward the annual salary calculation for retirement purposes. The contributions are prorated for the first year of employment. Part time employees are not eligible for an employer contribution unless they work 1,000 hours or more during the 12 month consecutive period beginning on their date of hire. If they do meet these terms, part time employees are eligible for the same employer contribution as full time employees. ITDP reserves the right of not making an annual contribution if funding is not available. Contributions to the plan during the years ended December 31, 2015 and 2014 totaled \$110,323 and \$126,433, respectively.

9. SUBSEQUENT EVENTS

In preparing these financial statements, ITDP has evaluated events and transactions for potential recognition or disclosure through August 9, 2016, the date the financial statements were issued.