

**ALTERNATIVES FOR COMMUNITY
& ENVIRONMENT, INC.**

Financial Statements

and

Auditors' Report

June 30, 2009 with Comparative Totals for 2008



Daniel Dennis & Company LLP
Certified Public Accountants

116 Huntington Avenue
Boston, MA 02116
(617) 262-9898
FAX: (617) 437-9937

Web Site: <http://www.danieldennis.com>

Alternatives for Community & Environment, Inc.

Contents

	<i>Page</i>
Independent Auditors' Report	1
Statement of Financial Position	2
Statement of Activities	3
Statement of Functional Expenses	4
Statement of Cash Flows	5
Notes to Financial Statements	6

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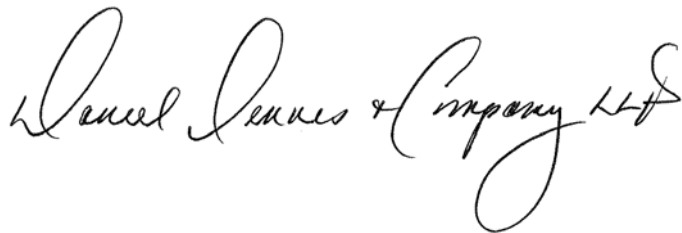
To the Board of Directors of
**Alternatives for Community &
Environment, Inc.**

Independent Auditors' Report

We have audited the accompanying statement of financial position of Alternatives for Community & Environment, Inc. (ACE) as of June 30, 2009 and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of ACE's management. Our responsibility is to express an opinion on these financial statements based on our audits. The prior year summarized comparative information has been derived from ACE's 2008 financial statements and, in our report dated January 7, 2009, we expressed an unqualified opinion on those financial statements.

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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Alternatives for Community & Environment, Inc. as of June 30, 2009, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "Daniel Dennis & Company LLP". The signature is written in dark ink and is positioned above the date.

March 10, 2010

Alternatives for Community & Environment, Inc.
Statement of Financial Position
June 30, 2009 with Comparative Totals for 2008

	2009	2008
<i>Assets</i>		
<i>Current Assets:</i>		
Cash and cash equivalents	\$ 635,259	\$ 414,424
Cash held for specific organizations	70,076	15,300
Promises to give, net	42,240	151,580
Accounts receivable	1,584	34,330
Investments	389,868	388,375
Prepaid expenses	<u>14,104</u>	<u>12,085</u>
Total current assets	<u>1,153,131</u>	<u>1,016,094</u>
<i>Fixed Assets:</i>		
Office equipment	85,363	67,778
Accumulated depreciation	<u>(66,651)</u>	<u>(62,506)</u>
Net fixed assets	<u>18,712</u>	<u>5,272</u>
<i>Other Assets:</i>		
Security deposit	<u>10,000</u>	<u>10,000</u>
Total assets	<u>\$ 1,181,843</u>	<u>\$ 1,031,366</u>
<i>Liabilities and Net Assets</i>		
<i>Current Liabilities:</i>		
Accounts payable	\$ 6,931	\$ 32,577
Accrued expenses	36,275	35,048
Designated by donor for specific organizations	70,076	15,300
Capital lease obligation, current portion	2,874	-
Deferred revenue	<u>2,770</u>	<u>-</u>
Total current liabilities	<u>118,926</u>	<u>82,925</u>
<i>Long Term Liabilities:</i>		
Capital lease obligation	<u>11,267</u>	<u>-</u>
Total liabilities	<u>130,193</u>	<u>82,925</u>
<i>Net Assets:</i>		
Unrestricted		
Board designated contingency reserve	279,896	298,890
Fixed assets	4,571	5,272
Operating	<u>716,183</u>	<u>487,779</u>
Total unrestricted net assets	1,000,650	791,941
Temporarily restricted	<u>51,000</u>	<u>156,500</u>
Total net assets	<u>1,051,650</u>	<u>948,441</u>
Total liabilities and net assets	<u>\$ 1,181,843</u>	<u>\$ 1,031,366</u>

See accompanying notes to financial statements.

Alternatives for Community & Environment, Inc.
Statement of Activities
For the Year Ended June 30, 2009 with Comparative Totals for 2008

	2009	2008
<i>Changes in Unrestricted Net Assets:</i>		
<i>Revenue and Support:</i>		
Government grants and contracts	\$ 95,803	\$ 47,651
Foundation grants and contributions	1,141,387	651,428
Fees	7,391	7,624
Interest	24,893	37,806
Unrealized (loss) gain on investments	(18,918)	10,280
Other income	-	22
Net assets released from restrictions	<u>156,500</u>	<u>266,998</u>
Total unrestricted revenue and support	<u>1,407,056</u>	<u>1,021,809</u>
<i>Expenses:</i>		
<i>Programs:</i>		
Roxbury Environmental Empowerment Project	214,661	296,162
Services to Allies	205,243	204,984
Membership	199,038	274,983
Action	68,531	51,305
T Riders Union	154,229	-
Fiscal Sponsorship	<u>107,656</u>	<u>-</u>
Total programs	<u>949,358</u>	<u>827,434</u>
<i>Supporting services:</i>		
General and administrative	85,446	79,016
Fundraising	<u>163,543</u>	<u>136,115</u>
Total supporting services	<u>248,989</u>	<u>215,131</u>
Total expenses	<u>1,198,347</u>	<u>1,042,565</u>
Change in unrestricted net assets	<u>208,709</u>	<u>(20,756)</u>
<i>Changes in Temporarily Restricted Net Assets:</i>		
Foundation grants and contributions	51,000	156,500
Net assets released from restrictions	<u>(156,500)</u>	<u>(266,998)</u>
Change in temporarily restricted net assets	<u>(105,500)</u>	<u>(110,498)</u>
Change in net assets	103,209	(131,254)
Net assets, beginning of year	<u>948,441</u>	<u>1,079,695</u>
Net assets, end of year	<u>\$ 1,051,650</u>	<u>\$ 948,441</u>

See accompanying notes to financial statements.

Alternatives for Community & Environment, Inc.
Statement of Functional Expenses
For the Year Ended June 30, 2009 with Summarized Comparative Totals for 2008

Description	Program Services						Supporting Services		2009 Total	2008 Total
	Roxbury		Action	T-Riders Union	Fiscal Sponsorship	Membership	General and Fund			
	Environmental Empowerment Project	Services to Allies					Administrative	Raising		
Payroll and related expenses	\$ 168,406	\$ 159,270	\$ 64,465	\$ 120,518	\$ 4,232	\$ 148,285	\$ 57,684	\$ 118,126	\$ 840,986	\$ 767,779
Consultants	17,242	16,118	135	10,555	120	6,372	10,190	1,408	62,140	30,727
Payroll service	379	600	-	486	-	649	312	486	2,912	2,386
Rent	8,224	13,032	-	10,565	-	14,108	6,769	10,565	63,263	60,529
Postage and delivery	148	139	81	687	72	945	172	2,686	4,930	6,526
Telephone and fax	814	1,290	-	1,046	-	1,397	670	1,046	6,263	5,586
Printing and copying	831	574	273	1,162	243	3,761	553	2,702	10,099	15,479
Office supplies	2,816	1,405	873	1,631	660	1,733	563	1,694	11,375	12,053
Travel and transportation	958	3,317	328	119	25	2,817	391	693	8,648	10,614
Membership dues	412	805	168	215	150	1,127	2,038	980	5,895	4,811
Staff development	104	50	30	39	27	70	678	36	1,034	477
Publications and library	104	1,711	16	20	14	26	190	69	2,150	2,424
Insurance	278	2,409	153	199	136	257	1,935	214	5,581	8,539
Utilities	1,703	2,704	-	2,193	-	2,928	1,405	2,192	13,125	12,838
In-kind expense	-	-	-	-	-	-	-	373	373	355
Events	5,149	903	1,973	4,055	445	6,080	1,118	19,514	39,237	28,383
Miscellaneous	65	61	36	46	32	60	26	66	392	403
Grants	6,490	-	-	-	101,500	7,500	-	-	115,490	69,024
Bad debt expense	-	-	-	-	-	-	-	-	-	750
Interest expense	-	-	-	-	-	-	309	-	309	-
Depreciation	538	855	-	693	-	923	443	693	4,145	2,882
Total	\$ 214,661	\$ 205,243	\$ 68,531	\$ 154,229	\$ 107,656	\$ 199,038	\$ 85,446	\$ 163,543	\$ 1,198,347	\$ 1,042,565

See accompanying notes to financial statements.

Alternatives for Community & Environment, Inc.
Statement of Cash Flows
For the Year Ended June 30, 2009 with Comparative Totals for 2008

	2009	2008
<i>Cash Flows From Operating Activities</i>		
Change in net assets	\$ 103,209	\$ (131,254)
Adjustment to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	4,145	2,882
Bad debt expense	-	750
Net realized and unrealized loss (gain) on investments	18,918	(10,280)
(Increase)/decrease in operating assets:		
Cash held for specific organizations	(54,776)	(15,300)
Promises to give	109,340	75,670
Accounts receivable	32,746	(34,330)
Prepaid expenses	(2,020)	(6,935)
Increase/(decrease) in operating liabilities:		
Accounts payable	(25,646)	27,805
Accrued expenses	1,227	9,024
Designated by donor for specific organizations	54,776	15,300
Deferred revenue	<u>2,770</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u>244,689</u>	<u>(66,668)</u>
<i>Cash Flows From Investing Activities</i>		
Fixed asset purchases	(1,995)	(2,340)
Investment purchases	(572,060)	(447,837)
Proceeds from sales of investments	<u>551,650</u>	<u>713,002</u>
Net cash (used in) provided by investing activities	<u>(22,405)</u>	<u>262,825</u>
<i>Cash Flows From Financing Activities</i>		
Principal payments on capital lease obligation	<u>(1,449)</u>	<u>-</u>
Net cash used in financing activities	<u>(1,449)</u>	<u>-</u>
Net increase in cash and cash equivalents	220,835	196,157
Cash and cash equivalents at beginning of year	<u>414,424</u>	<u>218,267</u>
Cash and cash equivalents at end of year	<u>\$ 635,259</u>	<u>\$ 414,424</u>
Supplemental Information:		
Noncash Investing Activity:		
Fixed assets financed with capital lease	<u>\$ 15,590</u>	<u>\$ -</u>

Alternatives for Community & Environment, Inc.

Notes to Financial Statements

June 30, 2009 and 2008

1. Organization

Alternatives for Community & Environment, Inc. (ACE), a Massachusetts non-profit corporation, is based in Roxbury, Massachusetts. ACE builds the power of communities of color and lower income communities to eradicate environmental racism and classism and achieve environmental justice. ACE believes everyone has the right to a healthy environment and to be decision-makers on issues affecting their communities. ACE is a membership-driven organization, but also provides services to partner groups in its region. ACE's current programs include:

Roxbury Environmental Empowerment Project – ACE develops environmental justice leadership among youth in its home neighborhood through an environmental justice curriculum, leadership program, and youth-led organizing projects.

Services to Allies – ACE provides an integrated set of services (legal and technical assistance, networking, and capacity building) to groups working on environmental justice in its region. As part of this program, ACE coordinates the *Massachusetts Environmental Justice Assistance Network* (MEJAN), a network of more than 100 attorneys, public health professionals, and environmental consultants, who provide pro bono assistance to groups throughout the state. ACE also coordinates the Massachusetts Environmental Justice Alliance (MA EJ Alliance). This emerging coalition has pulled together community and environmental groups, activists, health professionals, academic researchers, and ordinary people to help push forward an environmental justice agenda.

Membership – ACE supports the organizing and leadership development activities of its members in ACE's home neighborhood, Dudley Square, Roxbury, for sustainable, green and just development. As part of that work, ACE participates in the Green Justice Coalition, a statewide partnership of community groups, labor unions, environmental organizations, and other allied organizations to build a broad-based constituency in support of a sustainable, equitable, and clean energy economy in Massachusetts. ACE also partners with its Boston partners in the Right to the City Alliance in order to move forward a social justice agenda grounded in the Right to the City framework. During 2008, this program included T Riders Union project. The program was reconfigured and renamed the Dudley Square Organizing Project in fiscal year 2010.

T Riders Union – ACE brings transit riders together to advocate for first class service. As part of this work, ACE participates in the On the Move Coalition, which unites community and environmental groups to advocate for regional transportation justice. During 2008, the T Riders Union activity was grouped with Membership activity.

Action – ACE hosts the coordinator for *Action for Regional Equity* Coalition. This coalition addresses continuing disparities in affordable housing, transportation investment and environmental justice.

Fiscal Sponsorship – ACE serve as a fiscal agent to a variety of organizations whose missions are consistent with ACE's and are either unincorporated and/or do not have IRS tax exempt status. For those assets to which ACE has variance power (unilateral power to redirect the use of transferred assets to another beneficiary) and ultimate responsibility for program compliance, the related activity is recorded as an ACE program.

Alternatives for Community & Environment, Inc.

Notes to Financial Statements - *Continued*

June 30, 2009 and 2008

1. *Organization – Continued*

ACE's programs are funded primarily by government and foundation grants, and contributions from the general public.

2. *Summary of Significant Accounting Policies*

Basis of Accounting

ACE prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Foundation Grants and Contributions

ACE reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restrictions are accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

ACE uses the allowance method to determine uncollectible unconditional promises receivable. The allowance is based on prior years' experience and management's analysis of specific promises made. At June 30, 2009 and 2008, the outstanding promises to give were fully collectible.

Use of Estimates

The preparation of 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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Fixed Assets

Donations of fixed assets are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire fixed assets are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, ACE reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. ACE reclassifies temporarily restricted net assets to unrestricted net assets at that time. Purchased fixed assets are carried at cost. Repairs and maintenance are charged to operations. Betterments, renewals and purchases of more than \$500 are capitalized. Fixed assets are depreciated using the straight-line method.

Alternatives for Community & Environment, Inc.

Notes to Financial Statements - *Continued*

June 30, 2009 and 2008

2. *Summary of Significant Accounting Policies – Continued*

Fixed Assets – Continued

Depreciation expense for the years ended June 30, 2009 and 2008 was \$4,145 and \$2,882, respectively.

Designated by Donor for Specific Organizations

Designated by donor for specific organizations represents assets accepted by ACE that it agrees to use on the behalf of or transfer to another entity. ACE does not have the unilateral power to redirect the use or transfer the assets to another beneficiary.

Accounts Receivable

Accounts receivable are presented net of the allowance for doubtful accounts. ACE's periodic evaluation of the adequacy of the allowance is based on its past loss experience. Accounts receivables are charged off when they are over 90 days past due. At June 30, 2009 and 2008, the outstanding accounts were fully collectible.

Cash Equivalents

ACE considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments are carried at fair market value based on quoted market prices, in accordance with the framework for fair value measurements established by the Financial Accounting Standards Board. That framework 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 price in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Investment income and gains and losses on investments are reported as increases or decreases in unrestricted net assets unless a donor or law temporarily or permanently restricts their use.

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, costs have been allocated among the programs and services benefited.

Alternatives for Community & Environment, Inc.

Notes to Financial Statements - *Continued*

June 30, 2009 and 2008

2. *Summary of Significant Accounting Policies – Continued*

Income Taxes

ACE is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and is exempt from state income taxes under Chapter 180 of the Massachusetts General Laws. Unrelated business income, of which there was none for the fiscal years ended June 30, 2009 and 2008, would be subject to federal and state income taxes. Consequently, the accompanying financial statements do not reflect any provisions for income taxes.

During 2009, ACE adopted Financial Accounting Standard Board (FASB) Interpretation No. 48 *Accounting for Uncertainty in Income Taxes* (FIN 48). FIN 48 provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in financial statements. FIN 48 requires the evaluation of tax positions taken or expected to be taken in the ACE's tax returns to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold, along with accrued interest and penalties thereon, would be recorded as an expense in the current year financial statements. ACE has evaluated the tax positions taken in its previously filed returns and those expected to be taken in its 2009 returns and believe they are more-likely-than-not of being sustained if examined by Federal or state tax authorities. ACE's 2002 through 2008 tax years remain subject to examination by federal and state tax authorities.

Donated Services

ACE receives donated services in support of its administrative and programmatic functions. Donated services are recorded at fair value. Donated services that (a) create or enhance a nonfinancial asset or (b) require specialized skills, are provided by entities or persons possessing those skills, and would need to be purchased if they were not donated are recorded as contributions in the financial statements. Donated services not requiring specialized skills are not recorded in the financial statements.

Summarized Comparative Financial Statements

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 accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with ACE's financial statements for the year ended June 30, 2008, from which the summarized information was derived.

Alternatives for Community & Environment, Inc.

Notes to Financial Statements - *Continued*

June 30, 2009 and 2008

3. Lease Commitments

Operating Lease

ACE leases office space under a non-cancelable operating lease that expires in March 2014. Rent expense for the years ended June 30, 2009 and 2008 was \$63,263 and \$60,529, respectively.

Future minimum lease payments are as follows:

Year Ending	
June 30	
2010	\$ 64,680
2011	\$ 65,165
2012	\$ 66,620
2013	\$ 67,119
2014	\$ 51,464

Capital Lease

During 2009, ACE began leasing a copier under a capital lease that expires in December 2013. The copier is being amortized over its estimated productive life. Amortization of the copier is recorded in depreciation expense. The value of the asset and the related accumulated depreciation on the statement of financial position was \$15,590 and \$1,559, respectively, at June 30, 2009.

Future minimum lease payments are as follows:

Year Ending	
June 30	
2010	\$ 3,516
2011	3,516
2012	3,516
2013	3,516
2014	<u>1,758</u>
Total minimum lease payments	15,822
Less amount representing interest	<u>1,681</u>
Present value of minimum lease payments	<u>\$ 14,141</u>

Alternatives for Community & Environment, Inc.

Notes to Financial Statements - *Continued*

June 30, 2009 and 2008

4. *Retirement Plan*

ACE has a 401k defined contribution plan (the Plan) covering all eligible employees. ACE makes a contribution to the Plan each year equal to 5% of each individual participant's compensation. Participants vest after three years of service, at which time; they earn a nonforfeitable right to the contributions made on their behalf by ACE. Total expense for the years ended June 30, 2009 and 2008, was \$24,640 and \$26,986, respectively.

5. *Promises to Give*

Unconditional

At June 30, 2009 and 2008, unconditional promises to give totaled \$42,240 and \$126,830, respectively, and were all due within one year.

Conditional

Conditional promises to give consist of the following:

2009

<i>Donor</i>	<i>Purpose</i>	<i>Expected Year of Payment</i>	
		<i>June 30, 2010</i>	
The Hyams Foundation	General operations	\$	30,000
Robert Wood Johnson Foundation	Fiscal Sponsorship		<u>100,000</u>
	Total conditional promises to give	\$	<u>130,000</u>

The Hyams Foundation promise for general operations funding is conditioned upon a review of the grant report and the assessment of the progress and achievements of ACE's operations. The Robert Wood Johnson Foundation promise for a Fiscal Sponsorship program member is conditioned upon the receipt of certain financial reports required under the grant agreement.

2008

<i>Donor</i>	<i>Purpose</i>	<i>Expected Year of Payment</i>		<i>Total</i>
		<u>2009</u>	<u>2010</u>	
Barr Foundation (1)	General operations	\$ 105,000	\$ -	\$ 105,000
Barr Foundation (2)	On the Move Coalition	100,000	-	100,000
Policy Link	Policy Campaign Director for Action	<u>79,422</u>	<u>36,711</u>	<u>116,133</u>
	Total conditional promises to give	<u>\$ 284,422</u>	<u>\$ 36,711</u>	<u>\$ 321,133</u>

The Barr Foundation (1) promise for general operations funding was conditioned upon a review of the grant report and the assessment of the progress and achievements of ACE's operations. The \$105,000 was received in 2009. The Barr Foundation (2) promise for the On the Move Coalition was conditioned upon a review of the grant report and the assessment of the progress and achievements of the On the Move Coalition project. The \$100,000 was received in 2009. The Policy Link promise for funding of the Policy Campaign Director for the Action program was conditioned upon the amount of expenses incurred. \$99,751 was received in 2009. Per mutual agreement of Policy Link and ACE, the agreement was terminated effective June 2009.

Alternatives for Community & Environment, Inc.

Notes to Financial Statements - *Continued*

June 30, 2009 and 2008

6. Donated Services

During 2009 and 2008, ACE received donated legal staffing services valued at \$18,483 and \$25,030, respectively, in support of its programmatic function. This contribution is recognized in the statement of activities.

7. Designated by Donor for Specific Organizations

During 2009 and 2008, ACE served as a fiscal agent for several unincorporated nonprofit organizations. \$70,076 and \$15,300, respectively was being held for specific organizations at June 30, 2009 and 2008.

8. Investments

The fair value of investments at June 30, 2009 and 2008 was as follows:

<i>Fair value of investments based on quoted prices in active markets for identical assets (Level 1 measurements)</i>	<i>Fair Value</i>	
	<i>2009</i>	<i>2008</i>
Equity securities	\$ 75,687	\$ 93,031
Certificates of Deposits	303,658	203,669
Government securities	-	91,675
Total	<u>\$ 379,345</u>	<u>\$ 388,375</u>
<i>Fair value of investments using significant unobservable inputs (Level 3 measurements)</i>		
Real Estate Investment Trust		
Balance, July 1	\$ -	\$ -
Total gains or losses (realized/unrealized)	-	-
Purchases and sales, net	10,523	-
Transfers in and/or out of Level 3	-	-
Balance, June 30	<u>\$ 10,523</u>	<u>\$ -</u>
Gains and losses included in unrestricted net assets at June 30	<u>\$ -</u>	<u>\$ -</u>

Alternatives for Community & Environment, Inc.
Notes to Financial Statements - *Continued*
June 30, 2009 and 2008

9. Concentrations

Credit Risk

Interest bearing accounts at the ACE's financial institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 and non-interest bearing accounts are fully insured. At June 30, 2009 and 2008, ACE had no uninsured deposits. Securities held at its investment manager are insured up to \$500,000 by the Securities Investors Protection Corporation.

Market Risk

ACE's investments are subject to market fluctuations. Due to the level of risk associated with investments, it is at least reasonably possible that changes in the value of investments will occur in the near term and that such changes could materially affect the financial statements.

Revenue and Support

During 2009 and 2008, ACE received 25% and 20%, respectively, of its total revenue and support from two donors. At June 30, 2009 and 2008, the outstanding promises to give from three donors represented 95% and 66%, respectively, of the total outstanding promises to give.

10. Temporarily Restricted Net Assets

At June 30, 2009 and 2008, temporarily restricted net assets were restricted for the following purposes:

<i>Programs and Functions</i>	<i>June 30,</i>	
	<u>2009</u>	<u>2008</u>
General and Administrative (time restricted)	\$ 40,000	\$ 130,000
Fiscal Sponsorship	11,000	-
Membership	-	2,500
Service to Allies	-	6,000
Roxbury Environmental Empowerment Project	-	18,000
Total	<u>\$ 51,000</u>	<u>\$ 156,500</u>

Alternatives for Community & Environment, Inc.
Notes to Financial Statements - *Continued*
June 30, 2009 and 2008

11. *Subsequent Events*

ACE has evaluated subsequent events through March 10, 2010, which is the date the financial statements were available to be issued. There are no recognized subsequent events that provide additional evidence about conditions that existed at the statement of financial position date, or nonrecognized subsequent events that provide evidence about conditions that did not exist at the statement of financial position date, which are necessary to disclose to keep the financial statements from being misleading.