



**FINANCIAL STATEMENTS  
JUNE 30, 2014 AND 2013  
TOGETHER WITH  
INDEPENDENT AUDITOR'S REPORT**

**BOSTON AFTER SCHOOL & BEYOND, INC.**

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JUNE 30, 2014 AND 2013**

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CERTIFIED PUBLIC ACCOUNTANTS  
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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
Boston After School & Beyond, Inc.:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Boston After School & Beyond, Inc. (a Massachusetts corporation, not for profit) which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities and changes in net assets, cash flows and functional expenses 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 Boston After School & Beyond, Inc. as of June 30, 2014 and 2013, 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.

Boston, Massachusetts  
October 2, 2014

**BOSTON AFTER SCHOOL & BEYOND, INC.**

**STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2014 AND 2013**

<u>ASSETS</u>	2014			2013		
	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>	<u>UNRESTRICTED</u>	<u>TEMPORARILY RESTRICTED</u>	<u>TOTAL</u>
<b>CURRENT ASSETS:</b>						
Cash and cash equivalents	\$ 1,017,932	\$ 2,709,459	\$ 3,727,391	\$ 754,612	\$ 3,244,195	\$ 3,998,807
Current portion of grants receivable	28,038	1,166,497	1,194,535	256,338	1,320,416	1,576,754
Other receivables	11,018	-	11,018	15,342	-	15,342
Prepaid expenses	15,566	101,664	117,230	10,593	-	10,593
Total current assets	1,072,554	3,977,620	5,050,174	1,036,885	4,564,611	5,601,496
<b>GRANTS RECEIVABLE, net of current portion</b>	-	-	-	-	200,000	200,000
<b>OTHER ASSETS</b>	5,025	-	5,025	7,586	-	7,586
Total assets	<u>\$ 1,077,579</u>	<u>\$ 3,977,620</u>	<u>\$ 5,055,199</u>	<u>\$ 1,044,471</u>	<u>\$ 4,764,611</u>	<u>\$ 5,809,082</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>						
<b>CURRENT LIABILITIES:</b>						
Accounts payable	\$ 93,165	\$ -	\$ 93,165	\$ 119,864	\$ -	\$ 119,864
Grants payable	284,160	-	284,160	411,000	-	411,000
Accrued expenses	233,581	-	233,581	114,332	-	114,332
Total current liabilities	610,906	-	610,906	645,196	-	645,196
<b>NET ASSETS:</b>						
Unrestricted	466,673	-	466,673	399,275	-	399,275
Temporarily restricted	-	3,977,620	3,977,620	-	4,764,611	4,764,611
Total net assets	466,673	3,977,620	4,444,293	399,275	4,764,611	5,163,886
Total liabilities and net assets	<u>\$ 1,077,579</u>	<u>\$ 3,977,620</u>	<u>\$ 5,055,199</u>	<u>\$ 1,044,471</u>	<u>\$ 4,764,611</u>	<u>\$ 5,809,082</u>

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

**BOSTON AFTER SCHOOL & BEYOND, INC.**

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	2014			2013		
	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL	UNRESTRICTED	TEMPORARILY RESTRICTED	TOTAL
	<b>REVENUE AND SUPPORT:</b>					
Grants and contributions	\$ 760,516	\$ 2,435,228	\$ 3,195,744	\$ 1,269,785	\$ 3,748,016	\$ 5,017,801
Donated goods and services	73,500	-	73,500	59,658	-	59,658
Interest, reimbursements, and other	15,626	-	15,626	6,451	-	6,451
Program fees	-	-	-	79,316	-	79,316
Net assets released from purpose restriction	3,147,219	(3,147,219)	-	1,990,640	(1,990,640)	-
Net assets released from time restriction	75,000	(75,000)	-	62,500	(62,500)	-
	4,071,861	(786,991)	3,284,870	3,468,350	1,694,876	5,163,226
Total revenue and support						
<b>EXPENSES:</b>						
Program services	3,700,795	-	3,700,795	3,085,846	-	3,085,846
General and administrative	268,712	-	268,712	261,455	-	261,455
Fundraising	34,956	-	34,956	47,815	-	47,815
	4,004,463	-	4,004,463	3,395,116	-	3,395,116
Total expenses						
Changes in net assets	67,398	(786,991)	(719,593)	73,234	1,694,876	1,768,110
<b>NET ASSETS, beginning of year</b>	399,275	4,764,611	5,163,886	326,041	3,069,735	3,395,776
<b>NET ASSETS, end of year</b>	\$ 466,673	\$ 3,977,620	\$ 4,444,293	\$ 399,275	\$ 4,764,611	\$ 5,163,886

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

**BOSTON AFTER SCHOOL & BEYOND, INC.**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Changes in net assets	\$ (719,593)	\$ 1,768,110
Adjustments to reconcile changes in net assets to net cash provided by (used in) operating activities:		
Depreciation	495	4,723
Bad debt	-	1,906
Changes in operating assets and liabilities:		
Grants receivable	582,219	(720,101)
Other receivables	4,324	(4,830)
Prepaid expenses	(106,637)	75,919
Other assets	2,066	109
Accounts payable	(26,699)	65,789
Grants payable	(126,840)	280,233
Accrued expenses	119,249	21,617
Net cash provided by (used in) operating activities	(271,416)	1,493,475
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<u>3,998,807</u>	<u>2,505,332</u>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<u>\$ 3,727,391</u>	<u>\$ 3,998,807</u>

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

**BOSTON AFTER SCHOOL & BEYOND, INC.**

**STATEMENTS OF FUNCTIONAL EXPENSES  
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013**

	<u>2014</u>				<u>2013</u>			
	<u>PROGRAM SERVICES</u>	<u>GENERAL AND ADMINIS- TRATIVE</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>	<u>PROGRAM SERVICES</u>	<u>GENERAL AND ADMINIS- TRATIVE</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
<b>GRANTS TO OTHERS</b>	\$ 2,205,146	\$ -	\$ -	\$ 2,205,146	\$ 1,664,265	\$ -	\$ -	\$ 1,664,265
<b>PERSONNEL AND RELATED:</b>								
Salaries	423,728	117,316	24,591	565,635	577,505	133,219	23,767	734,491
Employee benefits	59,301	12,408	2,882	74,591	58,874	23,897	2,171	84,942
Payroll taxes	35,445	5,783	2,072	43,300	49,681	10,821	2,040	62,542
Total personnel and related	<u>518,474</u>	<u>135,507</u>	<u>29,545</u>	<u>683,526</u>	<u>686,060</u>	<u>167,937</u>	<u>27,978</u>	<u>881,975</u>
<b>OTHER:</b>								
Professional fees	544,921	85,079	125	630,125	475,502	53,337	8,421	537,260
Program supplies	209,227	-	-	209,227	26,614	-	-	26,614
Donated goods and services	66,150	7,350	-	73,500	59,658	-	-	59,658
Occupancy	55,003	16,629	1,836	73,468	72,291	6,433	1,828	80,552
Travel	43,760	1,179	306	45,245	41,221	1,287	2,293	44,801
Meetings and events	35,560	5,829	324	41,713	40,975	11,291	614	52,880
Communication	11,111	2,726	291	14,128	9,871	494	173	10,538
Office	1,411	7,189	265	8,865	1,794	9,967	194	11,955
Printing	6,001	1,546	3	7,550	3,174	1,606	70	4,850
Dues and subscriptions	168	2,660	2,164	4,992	220	528	6,159	6,907
Insurance	1,933	2,159	64	4,156	2,282	2,053	57	4,392
Postage	1,439	188	20	1,647	1,198	282	12	1,492
Equipment maintenance	411	96	13	520	651	147	16	814
Depreciation	-	495	-	495	-	4,723	-	4,723
Marketing and promotion	80	80	-	160	70	1,370	-	1,440
Total other	<u>977,175</u>	<u>133,205</u>	<u>5,411</u>	<u>1,115,791</u>	<u>735,521</u>	<u>93,518</u>	<u>19,837</u>	<u>848,876</u>
Total expenses	<u>\$ 3,700,795</u>	<u>\$ 268,712</u>	<u>\$ 34,956</u>	<u>\$ 4,004,463</u>	<u>\$ 3,085,846</u>	<u>\$ 261,455</u>	<u>\$ 47,815</u>	<u>\$ 3,395,116</u>

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

## BOSTON AFTER SCHOOL & BEYOND, INC.

### NOTES TO FINANCIAL STATEMENTS JUNE 30, 2014 AND 2013

#### (1) OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES

##### OPERATIONS

Boston After School & Beyond, Inc. (the Agency) is a nonprofit corporation incorporated in 2004 in the Commonwealth of Massachusetts. The Agency is a public-private partnership charged with supporting, strengthening, and expanding Boston's out-of-school time system. The Agency connects school, after-school, and summer learning in order to provide young people with the opportunity to learn and thrive. It mobilizes partnerships among government, schools, a variety of leading nonprofits, and local and national philanthropy. Below is a summary of specific initiatives:

**Boston Summer Learning Project** - Launched by the Boston Opportunity Agenda in 2010, and co-managed by the Agency and the Boston Public Schools, the Boston Summer Learning Project (SLP) seeks to reverse summer learning loss and develop the skills and resiliencies associated with school success. It also aims to inform a citywide system of summer learning and a model of expanding learning through school-community partnerships. Since its 2010 launch with 232 students, five schools and seven community partners, the project has grown to include approximately 1,700 students, 51 schools, 18 lead and 10 supporting community partners, and multiple local and national funders. Through this initiative, Boston is participating in national research funded by The Wallace Foundation. In 2013, the National Summer Learning Association recognized this project with the New York Life Excellence in Summer Learning Award.

**Advancing Quality Partnerships** - The Agency is helping eight turnaround and high support schools to measure and document their drive toward transforming the student learning experience through strategic partnerships. Advancing Quality Partnerships (AQP), a joint initiative of the Agency, Boston Public Schools, and the Barr Foundation, provides support for school improvement strategies that integrate academics, social-emotional supports, and expanded learning opportunities through school-community partnerships. This effort helps to align schools and partners around measurable and specific shared goals, create an evidence base upon which to focus improvements, and provide school leaders with insights into the value partners bring to their students. Through this work, SLP, and other efforts, the Agency seeks to improve partnership management and measurement at the school and district level to increase access to high quality expanded learning opportunities in Boston.

**Teen Initiative** - The Teen Initiative is focused on the goals of getting and keeping young people on track for high school graduation and college success by providing experiences that build tangible connections between what they learn in school and the world beyond the classroom walls. This is achieved by creating expanded learning opportunities for students to earn academic credit and to develop the skills necessary for success in high quality community-based learning experiences. The Teen Initiative aims to provide all of the city's students with access to its wide array of cultural, natural, civic and community assets, making learning relevant and engaging.



**BOSTON AFTER SCHOOL & BEYOND, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2014 AND 2013**

(Continued)

**(1) OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES**

(Continued)

**OPERATIONS (Continued)**

**Measurement for Quality Improvement** - Common measures across organizations reveal trends and help individual organizations build on strengths and address weaknesses. The Agency is driving the adoption of common measures of program quality and student skill gain. A comprehensive view of programs involves the perspectives of trained observers, teachers and program staff, and young people. Additionally, in collaboration with the City of Boston, the Agency manages Boston Navigator, a database of more than 1,700 after-school and summer programs offered by more than 700 organizations. The database is searchable by age, type of activity, and keyword - within 1/4 mile of any address. Information housed in the database informs funders and policy-makers on program supply and gaps in services for youth.

**Policy** - The Agency participates in the Every Hour Counts coalition, a partnership of intermediary organizations dedicated to increasing the availability of expanded learning opportunities through coordinated citywide systems.

**STEM** - The Agency's STEM initiatives aim to make learning hands-on and project-based for students. It also engages informal science partners, which includes after-school and summer programs, in student learning. The Agency coordinates partnerships, professional development, and assessment and evaluation efforts aimed at providing high quality STEM experiences across the city.

**ACT Skills Framework** - The Achieving-Connecting-Thriving (ACT) skills framework guides the organization's initiatives and helps connect the approaches of community organizations with those of the Boston Public Schools. The framework was commissioned by the Mayor's Office, the Boston Public Schools and the Agency as part of the Partners for Student Success initiative, funded by the Wallace Foundation. The framework is intended to guide the development of common practice around the development of the skills that help young people succeed in school and life.

**NONPROFIT STATUS**

The Agency is exempt from Federal income taxes as an organization (not a private foundation) formed for charitable purposes under Section 501(c)(3) of the Internal Revenue Code (IRC). The Agency is also exempt from state income taxes. Donors may deduct contributions made to the Agency within the IRC requirements.

**SIGNIFICANT ACCOUNTING POLICIES**

The Agency prepares its financial statements in accordance with generally accepted accounting standards and principles established by the Financial Accounting Standards Board (FASB). References to U.S. GAAP in these notes are to the FASB Accounting Standards Codification (ASC).

**BOSTON AFTER SCHOOL & BEYOND, INC.**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014 AND 2013  
(Continued)**

**(1) OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Estimates

The preparation of financial statements in accordance with U.S. GAAP 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 expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

Revenue from unrestricted grants and contributions is recorded as unrestricted revenue and net assets when unconditionally pledged or received. Revenue from restricted grants and contributions is recorded as temporarily restricted revenue and net assets when unconditionally pledged or received. Transfers are made to unrestricted revenue and net assets as costs are incurred or time restrictions or program restrictions have lapsed. Temporarily restricted grants received and expended for their designated purpose in accordance with restrictions in the same fiscal year are reported as unrestricted revenue. All other revenue is recorded when earned.

Expense Allocation

Expenses related directly to a program are distributed to that program, while other indirect expenses are allocated based upon management's estimate of the percentage attributable to each program.

Grants to Others

Grants are recorded when awarded by the Agency.

Cash and Cash Equivalents

Cash and cash equivalents consist of checking and money market accounts.

Donated Goods and Services

Volunteers and other organizations contribute goods and services to the Agency in support of various aspects of its programs. These goods and services are reflected in the accompanying financial statements based upon the estimated value assigned to them by the donating volunteers, agencies, or by management. Donated goods and services include the following for the years ended June 30:

	<u>2014</u>	<u>2013</u>
Legal services	\$73,500	\$ -
Consulting services and salaries	<u>-</u>	<u>59,658</u>
	<u>\$73,500</u>	<u>\$59,658</u>

**BOSTON AFTER SCHOOL & BEYOND, INC.**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014 AND 2013  
(Continued)**

**(1) OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Fair Value Measurements

ASC Topic, *Fair Value Measurements*, establishes a framework for measuring fair value and expands disclosures about fair value measurements. This guidance only applies when the fair value measurement of assets and liabilities is required or permitted. The Agency has determined that none of its financial or nonfinancial assets or liabilities is measured at fair value, therefore, the disclosure requirements do not currently apply.

Property and Equipment and Depreciation

Property and equipment are recorded at cost. Renewals and betterments with an expected life greater than one year are capitalized, while repairs and maintenance are expensed as incurred. Depreciation is computed using the straight-line method over the following estimated useful lives:

Furniture, fixtures and equipment	5 years
Leasehold improvements	Life of lease

Property and equipment consist of the following and are included in other assets in the accompanying statements of financial position as of June 30:

	<u>2014</u>	<u>2013</u>
Furniture, fixtures and equipment	\$37,588	\$37,588
Leasehold improvements	<u>9,207</u>	<u>9,207</u>
	46,795	46,795
Less - accumulated depreciation	<u>46,795</u>	<u>46,300</u>
	<u>\$ -</u>	<u>\$ 495</u>

Net Assets

**Unrestricted Net Assets**

Unrestricted net assets are those net resources that bear no external restrictions and are generally available for use by the Agency.

**Temporarily Restricted Net Assets**

Temporarily restricted net assets include contributions and grants which are designated by donors for specific purposes or specific time periods. These contributions are recorded as temporarily restricted net assets until they are expended for their designated purposes or the time period lapses.

**BOSTON AFTER SCHOOL & BEYOND, INC.**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014 AND 2013  
(Continued)**

**(1) OPERATIONS, NONPROFIT STATUS AND SIGNIFICANT ACCOUNTING POLICIES**  
(Continued)

**SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Net Assets (Continued)

**Temporarily Restricted Net Assets (Continued)**

Temporarily restricted net assets are restricted for the following:

	<u>2014</u>	<u>2013</u>
Boston Summer Learning Project	\$2,377,405	\$2,376,581
Advancing Quality Partnerships	1,103,480	1,708,841
Teen Initiative	284,727	509,192
Time	175,000	75,000
STEM	<u>37,008</u>	<u>94,997</u>
	<u>\$3,977,620</u>	<u>\$4,764,611</u>

Grants Receivable

Grants receivable consist of contributions for general operating support and various programs. These grants are recorded at the net present value when unconditionally committed. The Agency reviews grants receivable annually and an allowance for uncollectible amounts due is recorded if amounts are deemed uncollectible. There was no allowance at June 30, 2014 and 2013. Long-term grants receivable as of June 30, 2013, are due in fiscal year 2015.

Prepaid Expenses

Prepaid expenses included in temporarily restricted net assets represent amounts paid for curriculum for the Agency's Boston Summer Learning Project (see Note 1).

Income Taxes

The Agency accounts for uncertainty in income taxes in accordance with ASC Topic, *Income Taxes*. This standard clarifies the accounting for uncertainty in tax positions and prescribes a recognition threshold and measurement attribute for the financial statement regarding a tax position taken or expected to be taken in a tax return. The Agency has determined that there are no uncertain tax positions which qualify for either recognition or disclosure in the financial statements at June 30, 2014 and 2013. The Agency's information returns are subject to examination by the Federal and state jurisdictions and generally remain open for the most recent three years.

Subsequent Events

Subsequent events have been evaluated through October 2, 2014, which is the date the financial statements were available to be issued. There were no events that met the criteria for recognition or disclosure in the financial statements.

**BOSTON AFTER SCHOOL & BEYOND, INC.**

**NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014 AND 2013  
(Continued)**

**(2) RETIREMENT PLAN**

The Agency maintains an IRC Section 401(k) Retirement Plan (the Plan) for all eligible employees. Employees may make contributions to the Plan up to the maximum allowed by law. The Agency makes a matching contribution equal to 100% of the first 5% of employee contributions to the Plan on a yearly basis. Employees can be fully vested in the Plan after three years, and are eligible for 50% vesting after two years.

The Agency's contribution for the year ended June 30, 2014, was made from the direct contributions of \$21,895. The Agency's contribution for the year ended June 30, 2013, was made in part from the forfeiture investment account held by the Plan and in part from direct contributions of \$23,561. These amounts are included in fringe benefits in the accompanying statements of functional expenses.

**(3) LEASE AGREEMENTS**

Effective March, 2013, the Agency entered into a lease agreement for office and program space expiring in March, 2018. The Agency has an option to extend the lease for an additional five years at fair market rent, as defined in the agreement. Annual rent is \$60,294, plus the Agency's proportionate share of certain operating costs and real estate taxes. Until February, 2013, the Agency sublet part of its office space to various local nonprofits, with sublease income netted against occupancy costs. The sublet arrangements terminated with the new lease agreement in March, 2013. Net rental expense was \$60,294 and \$80,552 for the years ended June 30, 2014 and 2013, respectively, and is included in occupancy in the accompanying statements of functional expenses. Future minimum lease payments are as follows:

**Fiscal Year**

2015	\$60,294
2016	\$60,294
2017	\$60,294
2018	\$45,221

**(4) CONCENTRATIONS**

The Agency maintains its cash balances in three Massachusetts banks and is insured up to the limits of the Federal Deposit Insurance Corporation (FDIC). At certain times during the year, these balances exceeded the insured amount. The Agency has not experienced any losses in these accounts. The Agency's management believes the Agency is not exposed to any significant credit risk on cash.

One and three donors represent approximately 92% and 93% of the total outstanding grants receivable balance as of June 30, 2014 and 2013, respectively. Three and two donors represent approximately 88% and 72% of total operating revenue for fiscal years 2014 and 2013, respectively.

**(5) RECLASSIFICATIONS**

Certain amounts in the fiscal year 2013 financial statements have been reclassified to conform with the fiscal 2014 presentation.