

CLEAN WISCONSIN, INC.

**FINANCIAL STATEMENTS WITH
SUPPLEMENTARY INFORMATION**

December 31, 2014 and 2013

CONTENTS

Independent Auditor's Report	1
Statements of Financial Position	3
Statements of Activities	4
Statements of Cash Flows	6
Notes to Financial Statements	7
Schedules of Functional Expenses	14



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Clean Wisconsin, Inc.
Madison, Wisconsin

We have audited the accompanying financial statements of Clean Wisconsin, Inc., which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities 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 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 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 Clean Wisconsin, Inc. as of December 31, 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.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses are presented for purposes of additional analysis and are

Janesville Office:
101 E. Milwaukee Street
Suite 425
Janesville, WI 53545
P: (608) 756-4020

Baraboo Office:
123 Second Street
P.O. Box 150
Baraboo, WI 53913
P: (608) 356-3966
F: (608) 356-2966

Pewaukee Office:
W239 N3490 Pewaukee Road
Suite 200
Pewaukee, WI 53072
P: (262) 522-7555
F: (262) 522-7550

Madison Office:
2110 Luann Lane
Madison, WI 53713
P: (608) 274-4020
F: (608) 274-0775

www.wegnercpas.com
info@wegnercpas.com
(888) 204-7665

not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Wegner CPAs LLP

Wegner CPAs, LLP
Madison, Wisconsin
March 31, 2015

CLEAN WISCONSIN, INC.
STATEMENTS OF FINANCIAL POSITION
December 31, 2014 and 2013

	2014	2013
ASSETS		
CURRENT ASSETS		
Cash	\$ 308,362	\$ 677,977
Accounts receivable	106,503	-
Unconditional promises to give	699,750	53,892
Due from Clean Wisconsin Action Fund	5,403	2,727
Prepaid expenses	20,327	18,477
	<u>1,140,345</u>	<u>753,073</u>
Total current assets	1,140,345	753,073
EQUIPMENT		
Furniture and equipment	127,389	118,589
Less accumulated depreciation	109,049	101,129
	<u>18,340</u>	<u>17,460</u>
Equipment - net	18,340	17,460
OTHER ASSETS		
Beneficial interest in assets held by MCF	714,493	734,554
Security deposits	7,850	7,850
	<u>714,493</u>	<u>734,554</u>
Total assets	<u><u>\$ 1,881,028</u></u>	<u><u>\$ 1,512,937</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 45,485	\$ 15,501
Accrued payroll and taxes	23,330	22,683
Deferred revenue	18,333	20,000
Due to other organizations	150,000	-
	<u>237,148</u>	<u>58,184</u>
Total current liabilities	237,148	58,184
OTHER LIABILITIES		
Liability under operating lease	6,165	7,822
	<u>6,165</u>	<u>7,822</u>
Total liabilities	243,313	66,006
NET ASSETS		
Undesignated	121,498	143,560
Designated for Legacy Fund	201,515	193,776
Designated for Litigation Fund	109,600	128,797
	<u>432,613</u>	<u>466,133</u>
Total unrestricted net assets	432,613	466,133
Temporarily restricted	945,462	721,158
Permanently restricted	259,640	259,640
	<u>1,637,715</u>	<u>1,446,931</u>
Total net assets	1,637,715	1,446,931
Total liabilities and net assets	<u><u>\$ 1,881,028</u></u>	<u><u>\$ 1,512,937</u></u>

See accompanying notes.

CLEAN WISCONSIN, INC.
STATEMENT OF ACTIVITIES
Year Ended December 31, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE				
Contributions	\$ 310,059	\$ 1,564,000	\$ -	\$ 1,874,059
Program service revenue	378,041	-	-	378,041
Event income	82,945	-	-	82,945
Investment return	21,379	23,639	-	45,018
Other	2,317	-	-	2,317
	<hr/>	<hr/>	<hr/>	<hr/>
Total support and revenue	794,741	1,587,639	-	2,382,380
EXPENSES				
Program services				
Energy	1,090,272	-	-	1,090,272
Water	444,044	-	-	444,044
Outreach and education	50,337	-	-	50,337
Other programs	142,428	-	-	142,428
	<hr/>	<hr/>	<hr/>	<hr/>
Total program services	1,727,081	-	-	1,727,081
Supporting activities				
Management and general	264,457	-	-	264,457
Fundraising	200,058	-	-	200,058
	<hr/>	<hr/>	<hr/>	<hr/>
Total supporting activities	464,515	-	-	464,515
Total expenses	2,191,596	-	-	2,191,596
Net assets released from restrictions	1,363,335	(1,363,335)	-	-
Change in net assets	(33,520)	224,304	-	190,784
Net assets - beginning of year	466,133	721,158	259,640	1,446,931
	<hr/>	<hr/>	<hr/>	<hr/>
Net assets - end of year	<u>\$ 432,613</u>	<u>\$ 945,462</u>	<u>\$ 259,640</u>	<u>\$ 1,637,715</u>

See accompanying notes.

CLEAN WISCONSIN, INC.
STATEMENT OF ACTIVITIES
Year Ended December 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
SUPPORT AND REVENUE				
Contributions	\$ 292,668	\$ 591,468	\$ -	\$ 884,136
Program service revenue	31,964	-	-	31,964
Investment return	42,180	53,794	-	95,974
Other	87,843	-	-	87,843
Total support and revenue	454,655	645,262	-	1,099,917
EXPENSES				
Program services				
Energy	728,839	-	-	728,839
Water	400,199	-	-	400,199
Outreach and education	133,988	-	-	133,988
Other programs	24,983	-	-	24,983
Total program services	1,288,009	-	-	1,288,009
Supporting activities				
Management and general	180,988	-	-	180,988
Fundraising	127,965	-	-	127,965
Total supporting activities	308,953	-	-	308,953
Total expenses	1,596,962	-	-	1,596,962
Net assets released from restrictions	1,213,613	(1,213,613)	-	-
Change in net assets	71,306	(568,351)	-	(497,045)
Net assets - beginning of year	394,827	1,289,509	259,640	1,943,976
Net assets - end of year	<u>\$ 466,133</u>	<u>\$ 721,158</u>	<u>\$ 259,640</u>	<u>\$ 1,446,931</u>

See accompanying notes.

CLEAN WISCONSIN, INC.
STATEMENTS OF CASH FLOWS
Years ended December 31, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 190,784	\$ (497,045)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	7,920	8,418
Change in assets and liabilities		
Accounts receivable	(106,503)	75,994
Unconditional promises to give	(645,858)	685,347
Due from Clean Wisconsin Action Fund	(2,676)	5,264
Prepaid expenses	(1,850)	(6,370)
Accounts payable	29,984	(46,721)
Accrued payroll and taxes	647	5,996
Deferred revenue	(1,667)	11,000
Due to other organizations	150,000	(150,000)
Liability under operating lease	(1,657)	1,060
Net cash flows from operating activities	(380,876)	92,943
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(8,800)	-
Investment return retained in agency endowment	(44,650)	(95,520)
Transfers to agency endowment	-	(58)
Distributions from agency endowment	64,711	66,148
Net cash flows from investing activities	11,261	(29,430)
Net change in cash	(369,615)	63,513
Cash - beginning of year	677,977	614,464
Cash - end of year	\$ 308,362	\$ 677,977

See accompanying notes.

CLEAN WISCONSIN, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

Clean Wisconsin, Inc. is engaged in advocacy, public education, and grassroots organizing around the issues of clean water, clean energy, and environmental stewardship. Clean Wisconsin is funded primarily by contributions from foundations and from the general public.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Clean Wisconsin is required to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted net assets – Net assets that are not restricted by donors. Designations are voluntary board-approved segregations of unrestricted net assets for specific purposes, projects, or investments.

Temporarily restricted net assets – Net assets whose use has been limited by donor-imposed time restrictions or purpose restrictions.

Permanently restricted net assets – Net assets that have been restricted by donors to be maintained by Clean Wisconsin in perpetuity.

Accounts Receivable

Clean Wisconsin considers all accounts receivable to be fully collectible. Accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

Promises to Give

Unconditional promises to give are recognized as revenue or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Uncollectible promises are stated at unpaid balances, less an allowance for doubtful accounts. Clean Wisconsin's policy is to charge off uncollectible unconditional promises to give when management has used reasonable collection efforts and determines the promises will not be collected.

Equipment

Purchases of equipment in excess of \$2,000 are recorded at cost or, if donated, at the asset's estimated fair value. Depreciation is recorded using the straight-line method over the assets' estimated useful lives. Depreciation expense was \$7,920 and \$8,418 for 2014 and 2013.

Contributions

All donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

See accompanying notes.

CLEAN WISCONSIN, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Expense Allocation

The costs of Clean Wisconsin's programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the following program services and their supporting activities.

Energy – Working to increase the state's investment in energy efficient and renewable energy sources, thus reducing global warming gas emissions, by moving Wisconsin forward with the clean energy jobs act, increasing energy efficiency in Wisconsin, reducing Wisconsin's contribution to global warming, protecting Wisconsin from unsafe nuclear power plants and toxic waste, increasing renewable energy in Wisconsin, and stopping Alliant Energy's proposed coal plant. Today's innovative technologies combined with abundant Wisconsin resources, like wind and agriculture byproducts, offer an opportunity to create new jobs and economic activity with clean, efficient and safe energy sources.

Water – Working to protect and improve Wisconsin's waters by passing and enforcing the Great Lakes Compact, restoring the Great Lakes, protecting Wisconsin's groundwater, reducing mercury pollution that is contaminating our lakes and fish and harming our citizens, and reducing the amount of animal waste, fertilizers and toxins polluting our lakes and rivers.

Outreach and Education – Provide press releases, mailings, and phone calls to membership and other interested parties on important environmental issues, and to ask for their support, involvement through contacts with legislators' writing letters to editors to advocate for important environmental changes.

Other Programs – Clean Wisconsin's other environmental programs.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income Tax Status

Clean Wisconsin is an exempt public charity under Section 501(c)(3) of the Internal Revenue Code. Clean Wisconsin's federal exempt organization returns are subject to examination by the Internal Revenue Service, generally for three years after they are filed. With few exceptions, Clean Wisconsin is no longer subject to such examinations for tax years before 2011.

Reclassifications

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

Date of Management's Review

Management has evaluated subsequent events through March 31, 2015, the date which the financial statements were available to be issued.

See accompanying notes.

CLEAN WISCONSIN, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

NOTE 2 – UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give at December 31, 2014 and 2013 consisted of the following:

	<u>2014</u>	<u>2013</u>
Alliance for the Great Lakes	\$ 20,000	\$ -
Joyce Foundation	450,000	25,000
Kailo Fund	30,000	-
McKnight Foundation	50,000	-
Mott Foundation	75,000	-
Michigan Environmental Council	-	15,563
Northwest	25,000	-
Wisconsin Coastal Management	48,750	-
Others	1,000	13,329
	<u> </u>	<u> </u>
Unconditional promises to give	<u>\$ 699,750</u>	<u>\$ 53,892</u>

All unconditional promises to give are due within one year.

NOTE 3 – NET ASSETS

Temporarily restricted net assets at December 31, 2014 and 2013 were subject to the following purpose or time restrictions:

	<u>2014</u>	<u>2013</u>
Litigation Fund	\$ 88,403	\$ 103,888
Legacy Fund	46,667	38,743
Speaker Fund	8,668	9,709
Water Program	434,724	179,307
Energy Program	337,000	327,281
Kailo	30,000	-
Subsequent year's activities	-	62,230
	<u> </u>	<u> </u>
Temporarily restricted net assets	<u>\$ 945,462</u>	<u>\$ 721,158</u>

Permanently restricted net assets consist of funds restricted in perpetuity to support Clean Wisconsin. Investment return generated by these assets can be used for operating expenses of Clean Wisconsin. The permanently restricted net assets are held at the Madison Community Foundation. Balances for the Legacy fund were \$159,640 at December 31, 2014 and 2013. Balances for the Speaker fund were \$100,000 at December 31, 2014 and 2013.

NOTE 4 – OPERATING LEASE

Clean Wisconsin entered into a lease agreement for office space in Madison, Wisconsin effective April 15, 2011. Monthly lease payments were \$7,850 until March 31, 2012 and then increase 2.75% per year. The lease also requires a security deposit of \$7,850. Future minimum lease payments are \$104,295 and \$34,999 for 2015 and 2016. Lease expense was \$106,273 and \$105,492 for 2014 and 2013.

See accompanying notes.

CLEAN WISCONSIN, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

NOTE 5 – INVESTMENT RETURN

Investment return for 2014 and 2013 consists of the following:

	2014	2013
Interest	\$ 368	\$ 454
Change in value of beneficial interest	44,650	95,520
Investment return	\$ 45,018	\$ 95,974

NOTE 7 – JOINT COSTS

Certain printing and postage costs that were incurred to communicate with Clean Wisconsin's members have been allocated between program services and fundraising expenses. The total amount incurred for printing and postage during 2014 and 2013 was \$20,943 and \$17,007.

NOTE 8 – RELATED PARTY TRANSACTIONS

Clean Wisconsin provides personnel, office equipment, and facilities to Clean Wisconsin Action Fund, Inc. (CWAFF) under the terms of an agreement executed on March 31, 2002. CWAFF is organized under Section 501(c)(4) of the Internal Revenue Code. Clean Wisconsin charged CWAFF \$13,422 and \$13,198 for these services in 2014 and 2013. CWAFF owed Clean Wisconsin \$5,403 and \$2,727 at December 31, 2014 and 2013.

NOTE 9 – RETIREMENT PLAN

Clean Wisconsin has a 403(b) retirement plan administered by TIAA-CREF, which employees are eligible to participate in. Clean Wisconsin matches up to 6% of employee's contributions. Retirement plan expense was \$55,956 and \$50,563 for 2014 and 2013.

NOTE 10 – BENEFICIAL INTEREST IN ASSETS HELD BY MCF

Clean Wisconsin's beneficial interest in assets held by Madison Community Foundation (Foundation) consists of the following at December 31, 2014 and 2013:

	2014	2013
Litigation Fund (Maximum Giving Fund)	\$ 198,003	\$ 232,686
Legacy Fund (Endowment)	407,822	392,159
Speaker's Fund (Endowment)	108,668	109,709
Beneficial interest in assets held by MCF	\$ 714,493	\$ 734,554

Clean Wisconsin's Litigation Fund is a maximum giving fund (MGF) that is an alternative type of investment at the Foundation that allows for distribution of principal, as well as income. The MGF is an option for those donors who desire greater spending flexibility while at the same time achieving a reasonable level of asset growth. The requirements of a MGF are as follows: a minimum initial gift of \$250,000, with additional gifts at any time; a maximum annual distribution of

See accompanying notes.

CLEAN WISCONSIN, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

NOTE 10 – BENEFICIAL INTEREST IN ASSETS HELD BY MCF (continued)

Clean Wisconsin's Litigation Fund is a maximum giving fund (MGF) that is an alternative type of investment at the Foundation that allows for distribution of principal, as well as income. The MGF is an option for those donors who desire greater spending flexibility while at the same time achieving a reasonable level of asset growth. The requirements of a MGF are as follows: a minimum initial gift of \$250,000, with additional gifts at any time; a maximum annual distribution of 20% of the January 1st fund balance; a minimum account balance of \$100,000; a minimum time horizon of 10 years. After 10 years, the fund may remain in perpetuity or convert to a pass-through fund and be spent down.

Clean Wisconsin's endowment consists of two individual funds held by the Foundation established for clean water, clean energy, and environmental stewardship, which includes donor-restricted endowment funds and investment return earned by those funds. As required by generally accepted accounting principles, net assets associated with endowment funds, including the investment return, are classified and reported based on the existence or absence of donor-imposed restrictions. The state of Wisconsin enacted UPMIFA effective July 20, 2009, the provisions of which apply to endowment funds existing on or established after that date. Clean Wisconsin had determined that its permanently restricted net assets meet the definition of endowment funds under UPMIFA. Clean Wisconsin has interpreted Wisconsin's enacted version of UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. However, Clean Wisconsin has notified its' donors that they reserve the right to make a distribution from their funds even if the value of the fund drops below the amount of the initial gift.

In accordance with Wisconsin's enacted version of UPMIFA, Clean Wisconsin expects it will need to consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of Clean Wisconsin, and (7) Clean Wisconsin's investment policies.

Clean Wisconsin has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the original investment of the endowment. Endowment assets include those assets of donor-restricted funds that Clean Wisconsin must hold in perpetuity. Under this policy, as approved by the board of directors, the endowment assets are invested in a manner that is intended to produce returns to fund the sustainability of Clean Wisconsin's work while assuming a moderate level of investment risk. To satisfy its long-term rate-of-return objectives, Clean Wisconsin relies on the Foundation's total return strategy in which investment returns are achieved through both realized and unrealized gains/loss and interest and dividends. Clean Wisconsin, through the Foundation, targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

See accompanying notes.

CLEAN WISCONSIN, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

NOTE 10 – BENEFICIAL INTEREST IN ASSETS HELD BY MCF (continued)

Endowment net asset composition by type of net assets as of December 31, 2014 and 2013:

	Unrestricted	Temporarily Restricted	Permanently Restricted	2014 Total
Board designated	\$ 201,515	\$ -	\$ -	\$ 201,515
Donor restricted	-	55,335	259,640	314,975
Total endowment net assets	<u>\$ 201,515</u>	<u>\$ 55,335</u>	<u>\$ 259,640</u>	<u>\$ 516,490</u>
	Unrestricted	Temporarily Restricted	Permanently Restricted	2013 Total
Board designated	\$ 193,776	\$ -	\$ -	\$ 193,776
Donor restricted	-	48,452	259,640	308,092
Total endowment net assets	<u>\$ 193,776</u>	<u>\$ 48,452</u>	<u>\$ 259,640</u>	<u>\$ 501,868</u>

Changes in endowment net assets for 2014 and 2013:

	Unrestricted	Temporarily Restricted	Permanently Restricted	2014 Total
Endowment net assets- beginning of year	\$ 193,776	\$ 48,452	\$ 259,640	\$ 501,868
Investment income	1,271	1,176	-	2,447
Net appreciation	13,178	17,171	-	30,349
Distributions	(6,710)	(11,464)	-	(18,174)
Endowment net assets- end of year	<u>\$ 201,515</u>	<u>\$ 55,335</u>	<u>\$ 259,640</u>	<u>\$ 516,490</u>
	Unrestricted	Temporarily Restricted	Permanently Restricted	2013 Total
Endowment net assets- beginning of year	\$ 166,779	\$ 11,704	\$ 259,640	\$ 438,123
Contributions	58	-	-	58
Investment income	187	998	-	1,185
Net appreciation	30,976	44,274	-	75,250
Distributions	(4,224)	(8,524)	-	(12,748)
Endowment net assets- end of year	<u>\$ 193,776</u>	<u>\$ 48,452</u>	<u>\$ 259,640</u>	<u>\$ 501,868</u>

See accompanying notes.

CLEAN WISCONSIN, INC.
NOTES TO FINANCIAL STATEMENTS
December 31, 2014 and 2013

NOTE 11 – FAIR VALUE MEASUREMENTS

Fair values of assets measured on a recurring basis at December 31, 2014 and 2013 are as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>2014</u>				
Beneficial interest in assets held by MCF	\$ 714,493	\$ -	\$ -	\$ 714,493
<u>2013</u>				
Beneficial interest in assets held by MCF	\$ 734,554	\$ -	\$ -	\$ 734,554

Clean Wisconsin's beneficial interest in assets held by the Foundation represents an agreement between Clean Wisconsin and the Foundation in which Clean Wisconsin transfers assets to the Foundation in exchange for future distributions. The beneficial interest is not actively traded and significant other observable inputs are not available. Thus, the fair value of the beneficial interest is measured at the proportional share of the underlying assets as reported to Clean Wisconsin by the Foundation. Little information about those assets is released publicly. The estimated value does not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined.

The following table presents additional information about assets measured at fair value on a recurring basis using significant unobservable inputs:

	Beneficial Interest in Assets Held by MCF	
	2014	2013
Beginning balance	\$ 734,554	\$ 705,124
Change in value of beneficial interest included in change in net assets	44,650	95,520
Purchases	-	58
Distributions	(64,711)	(66,148)
Ending balance	\$ 714,493	\$ 734,554

The change in value of beneficial interest included in change in net assets is reported as part of investment return on the statement of activities.

See accompanying notes.

CLEAN WISCONSIN, INC.
SCHEDULES OF FUNCTIONAL EXPENSES
Years ended December 31, 2014 and 2013

2014	<u>Energy</u>	<u>Water</u>	<u>Outreach and Education</u>	<u>Other Programs</u>
Personnel	\$ 657,662	\$ 298,173	\$ 16,506	\$ 111,930
Contract services	278,594	76,022	26,752	4,303
Events	9,893	4,481	3,385	1,683
Graphics and publication	25,338	11,509	713	4,294
Travel and training	18,963	8,597	476	3,227
Supplies	5,203	2,363	131	887
Phone	8,437	3,825	212	1,436
Postage	10,376	4,704	260	1,766
Rent	52,648	23,871	1,321	8,961
Depreciation	3,924	1,779	98	668
Accounting fees	-	-	-	-
Dues and subscriptions	11,277	5,113	283	1,919
Other	7,957	3,607	200	1,354
Total expenses	<u>\$ 1,090,272</u>	<u>\$ 444,044</u>	<u>\$ 50,337</u>	<u>\$ 142,428</u>

2013	<u>Energy</u>	<u>Water</u>	<u>Outreach and Education</u>	<u>Other Programs</u>
Personnel	\$ 521,995	\$ 300,070	\$ 99,769	\$ 9,764
Contract services	79,383	26,760	10,134	7,899
Events	4,974	2,859	951	3,981
Graphics and publication	22,982	13,310	4,114	1,478
Travel and training	12,128	6,972	2,318	227
Supplies	4,248	2,442	812	79
Phone	6,613	3,801	1,265	123
Postage	7,741	4,451	1,480	145
Rent	48,022	27,605	9,179	898
Depreciation	3,832	2,203	732	72
Accounting fees	-	-	-	-
Dues and subscriptions	8,978	5,161	1,716	168
Other	7,943	4,565	1,518	149
Total expenses	<u>\$ 728,839</u>	<u>\$ 400,199</u>	<u>\$ 133,988</u>	<u>\$ 24,983</u>

See accompanying notes.

Total Program	Supporting Activities		Total
	Management and General	Fundraising	
\$ 1,084,271	\$ 139,759	\$ 103,460	\$ 1,327,490
385,671	79,737	13,835	479,243
19,442	2,102	60,107	81,651
41,854	5,362	3,969	51,185
31,263	4,030	2,983	38,276
8,584	1,108	820	10,512
13,910	1,793	1,327	17,030
17,106	2,205	1,632	20,943
86,801	11,189	8,283	106,273
6,469	834	617	7,920
-	8,500	-	8,500
18,592	2,396	1,774	22,762
13,118	5,442	1,251	19,811
<u>\$ 1,727,081</u>	<u>\$ 264,457</u>	<u>\$ 200,058</u>	<u>\$ 2,191,596</u>

Total Program	Supporting Activities		Total
	Management and General	Fundraising	
\$ 931,598	\$ 129,741	\$ 85,354	\$ 1,146,693
124,176	10,527	22,009	156,712
12,765	1,236	813	14,814
41,884	5,350	3,520	50,754
21,645	3,014	1,983	26,642
7,581	1,059	694	9,334
11,802	1,644	1,081	14,527
13,817	1,923	1,266	17,006
85,704	11,936	7,852	105,492
6,839	952	627	8,418
-	9,400	-	9,400
16,023	2,231	1,468	19,722
14,175	1,975	1,298	17,448
<u>\$ 1,288,009</u>	<u>\$ 180,988</u>	<u>\$ 127,965</u>	<u>\$ 1,596,962</u>

See accompanying notes.