

The International Council on Clean Transportation, Inc.

Audited Consolidated Financial Statements
and Other Financial Information

*Years ended December 31, 2014 and 2013
with Report of Independent Auditors*

The International Council on Clean Transportation, Inc.

Audited Consolidated Financial Statements
and Other Financial Information

Years ended December 31, 2014 and 2013

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Report of Independent Auditors

Audit Committee of the Board of Directors
The International Council on Clean Transportation, Inc.
Washington, D.C.

We have audited the accompanying consolidated financial statements of the International Council on Clean Transportation, Inc. (the Council), which comprise the consolidated statements of financial position as of December 31, 2014 and 2013, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 the consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the International Council on Clean Transportation, Inc. as of December 31, 2014 and 2013 and the changes in its consolidated net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The Consolidated Statements of Functional Expenses for the years ended December 31, 2014 and 2013 are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

A handwritten signature in black ink that reads "Johnson Lambert LLP". The signature is written in a cursive, flowing style.

Falls Church, Virginia
March 30, 2016

The International Council on Clean Transportation, Inc.

Consolidated Statements of Financial Position

	December 31,	
	2014	2013
Assets		
Cash and cash equivalents	\$ 4,099,497	\$ 2,479,928
Grants receivable, net	5,057,156	2,495,000
Accounts receivable	187,771	123,282
Prepaid expenses	70,065	64,194
Deposit	23,383	23,383
Property and equipment, net	<u>420,841</u>	<u>564,647</u>
Total assets	<u>\$ 9,858,713</u>	<u>\$ 5,750,434</u>
Liabilities and net assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 809,962	\$ 675,857
Employee benefit plan obligations	100,000	-
Deferred rent	84,280	61,784
Deferred revenue	<u>40,747</u>	<u>-</u>
Total liabilities	1,034,989	737,641
Net assets:		
Unrestricted	2,119,260	2,643,659
Temporarily restricted	<u>6,704,464</u>	<u>2,369,134</u>
Total net assets	<u>8,823,724</u>	<u>5,012,793</u>
Total liabilities and net assets	<u>\$ 9,858,713</u>	<u>\$ 5,750,434</u>

See accompanying notes to the consolidated financial statements.

The International Council on Clean Transportation, Inc.

Consolidated Statements of Activities

For the years ended December 31, 2014 and 2013

	2014			2013		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue and support						
Grants and contributions	\$ 4,280,120	\$ 6,139,232	\$ 10,419,352	\$ 8,897,164	\$ 2,369,134	\$ 11,266,298
Contract income	573,074	-	573,074	344,058	-	344,058
Interest income	6,590	-	6,590	6,592	-	6,592
Other income	1,190	-	1,190	5,796	-	5,796
	<u>4,860,974</u>	<u>6,139,232</u>	<u>11,000,206</u>	<u>9,253,610</u>	<u>2,369,134</u>	<u>11,622,744</u>
Net assets released from restriction	<u>1,803,902</u>	<u>(1,803,902)</u>	<u>-</u>	<u>1,299,019</u>	<u>(1,299,019)</u>	<u>-</u>
Total revenue and support	<u>6,664,876</u>	<u>4,335,330</u>	<u>11,000,206</u>	<u>10,552,629</u>	<u>1,070,115</u>	<u>11,622,744</u>
Expenses						
Program services	5,855,705	-	5,855,705	8,422,362	-	8,422,362
Supporting services:						
Management and general	479,240	-	479,240	653,880	-	653,880
Communications	280,338	-	280,338	409,270	-	409,270
Development	<u>573,992</u>	<u>-</u>	<u>573,992</u>	<u>551,555</u>	<u>-</u>	<u>551,555</u>
Total expenses	<u>7,189,275</u>	<u>-</u>	<u>7,189,275</u>	<u>10,037,067</u>	<u>-</u>	<u>10,037,067</u>
Change in net assets	(524,399)	4,335,330	3,810,931	515,562	1,070,115	1,585,677
Net assets, beginning of year	<u>2,643,659</u>	<u>2,369,134</u>	<u>5,012,793</u>	<u>2,128,097</u>	<u>1,299,019</u>	<u>3,427,116</u>
Net assets, end of year	<u>\$ 2,119,260</u>	<u>\$ 6,704,464</u>	<u>\$ 8,823,724</u>	<u>\$ 2,643,659</u>	<u>\$ 2,369,134</u>	<u>\$ 5,012,793</u>

See accompanying notes to the consolidated financial statements.

The International Council on Clean Transportation, Inc.

Consolidated Statements of Cash Flows

	Years ended December 31,	
	2014	2013
Cash flows from operating activities		
Change in net assets	\$ 3,810,931	\$ 1,585,677
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by/(used in) by operating activities:		
Depreciation and amortization	143,806	141,736
Discount on long-term receivables	18,600	-
Loss on disposal of computer equipment	-	4,207
Changes in operating assets and liabilities:		
Grants receivable	(2,580,756)	(2,465,000)
Accounts receivable	(64,489)	(118,506)
Prepaid expenses	(5,871)	768
Accounts payable and accrued expenses	134,105	67,584
Deferred rent	22,496	4,025
Deposit	-	(1,029)
Deferred revenue	40,747	-
Employee benefit plan obligations	100,000	-
Net cash provided by/(used in) operating activities	1,619,569	(780,538)
Cash flows from investing activities		
Maturity of certificate of deposit	-	253,758
Purchases of property and equipment	-	(26,069)
Net cash provided by investing activities	-	227,689
Net change in cash and cash equivalents	1,619,569	(552,849)
Cash and cash equivalents, beginning of year	2,479,928	3,032,777
Cash and cash equivalents, end of year	<u>\$ 4,099,497</u>	<u>\$ 2,479,928</u>

See accompanying notes to the consolidated financial statements.

The International Council on Clean Transportation, Inc.

Notes to Consolidated Financial Statements

Years ended December 31, 2014 and 2013

Note 1 - Organization

The International Council on Clean Transportation, Inc. (ICCT) was incorporated on May 18, 2005, under the laws of the State of Delaware. ICCT has offices in the District of Columbia, California, Berlin, Brussels, London and Beijing. ICCT was formed to improve the environmental performance and efficiency of cars, trucks, buses and transportation systems in order to protect and improve public health, the environment and quality of life. These activities are funded primarily from grants and contributions from foundations.

ICCT is the sole shareholder of International Council On Clean Transportation Europe (ICCT Europe). During the years ended December 31, 2014 and 2013, ICCT transferred approximately \$241,000 and \$263,000, respectively, to ICCT Europe to support the operations. During the years ended December 31, 2014 and 2013, ICCT Europe incurred expenses of approximately \$325,000 and \$254,000, respectively, that are reported within the consolidated statement of activities.

ICCT and ICCT Europe will be collectively referred to herein as the Council.

The Council operates the following programs:

Regulatory Agency Programs

Government agencies typically draft regulations for a particular mode of transportation (e.g., passenger vehicles) or transportation fuels. The Council's mission is to provide technical support to those agencies in major vehicle and fuels markets around the world. The Council has established the following programs to match the typical scope of government regulations: Passenger Vehicles, Heavy-Duty Vehicles, Commercial Aviation, International Marine, Vehicle Conventional Pollutants and Fuels. Another program, Clean Air, builds on the Council's intellectual knowledge in climate and health related issues.

Other Programs

The Council programs include the Council Summit and Roadmap/Policy Tracking. The Council Summit is held approximately every 18 months and physically brings together senior regulatory officials from the world's leading vehicle and fuels countries to identify best practices, emerging issues, technological advancements and opportunities to guide policy developments around the world.

Reclassifications

Certain 2013 amounts have been reclassified to conform with the 2014 presentation.

The International Council on Clean Transportation, Inc.

Notes to Consolidated Financial Statements (Continued)

Note 2 - Summary of Significant Accounting Policies

Basis of Accounting

The accompanying consolidated financial statements have been prepared under the accrual method of accounting in accordance with the accounting principles generally accepted in the United States of America (GAAP). Consequently, revenue is recognized when earned, and expenses are recognized when an obligation is incurred.

Principles of Consolidation

The consolidated financial statements include the accounts of ICCT and ICCT Europe. Significant inter-company accounts and transactions have been eliminated in consolidation.

Use of Estimates

GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Council has performed an evaluation of subsequent events through March 30, 2016, which is the date the consolidated financial statements were available to be issued, and has considered any relevant matters in the preparation of the consolidated financial statements and notes. See Note 8 - Defined Contribution Plan regarding the identification of noncompliance of the retirement plan.

Cash and Cash Equivalents

The Council considers cash on hand, deposits in banks, and money market accounts to be cash and cash equivalents. The Federal Deposit Insurance Corporation (FDIC) insures amounts on deposit with each financial institution up to limits as prescribed by law. The Council may hold funds with financial institutions in excess of the FDIC insures amounts; however, management monitors these balances and believes they do not represent a significant credit risk to the Council.

Accounts and Grants Receivable

Accounts and grants receivable are recorded at their net realizable value. Accounts and grants receivable expected to be collected beyond one year are reported net of any estimated uncollectible amounts and are discounted to present value using the United States Treasury obligations risk-adjusted rates according to their corresponding terms. Accounts past due are individually analyzed for collectibility. When all collection efforts have been exhausted, the account is written off against the allowance for doubtful accounts. The Council will establish an allowance for uncollectible contributions that is based on management's judgment of past collection experience, and other relevant factors. There was no allowance recorded as of December 31, 2014 and 2013, respectively.

The International Council on Clean Transportation, Inc.

Notes to Consolidated Financial Statements (Continued)

Note 2 - Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are recorded at cost. The Council capitalizes all property and equipment with a cost of \$2,500 or more. Costs of major additions, replacements and improvements are capitalized, and maintenance and repairs which do not improve or extend the life of the respective assets are charged to expense as incurred. Depreciation and amortization are computed on the straight-line method over the estimated useful lives of the related assets. The estimated useful lives for computing depreciation and amortization are as follows:

Furniture and equipment	3 - 7 years
Computer software	3 years
Leasehold improvement	Shorter of the lease term or useful life

Net Assets

Unrestricted net assets are the portion of net assets that are neither temporarily nor permanently restricted by donor stipulations on their use. Net assets arising from contributions are reported as unrestricted, temporarily or permanently restricted based on stipulations of the donor. Temporarily restricted net assets are the portion of net assets resulting from contributions or other inflows of assets whose use is limited by donor-imposed stipulations that can be removed by the passage of time or action of the Council pursuant to those stipulations. When temporarily restricted contributions are received and the related stipulation is fulfilled in the same year, contributions are reported as unrestricted activity. Permanently restricted net assets are the portion of net assets whose use is limited by donor-imposed stipulations that cannot be removed by the passage of time or action of the Council. There are no permanently restricted net assets as of December 31, 2014 and 2013.

Revenue Recognition

Grants and contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted support. When a donor restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the accompanying consolidated statements of activities as net assets released from restrictions. Any grant that is not expended during the grant period is due back to the grantor and is reported in the accompanying consolidated statements of financial position as a liability due to grantor. Contract revenue represents services the Council will provide to various vendors and is recognized when the services have been performed. Amounts received for contracts in advance are deferred until earned.

The International Council on Clean Transportation, Inc.

Notes to Consolidated Financial Statements (Continued)

Note 2 - Summary of Significant Accounting Policies (Continued)

Income Taxes

The Internal Revenue Service (IRS) has determined that the Council is exempt from federal income tax under Internal Revenue Code (IRC) Section 501(c)(3). The Council has received an advanced ruling for treatment as a public charity for a period of 60 months, which ended December 31, 2015. Federal and state income taxes are imposed on income unrelated to the Council's exemption. The Council did not have any net unrelated business income for the years ended December 31, 2014 and 2013. Management has concluded that the Council has maintained its exempt federal status, and there are no uncertain tax positions as of December 31, 2014.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the accompanying consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services to which they relate on the basis of direct labor hours.

Note 3 - Grants Receivable

Grants receivable represent grants due primarily from Foundations. As of December 31, 2013, all grants receivable are due within one year. As of December 31, 2014, grants receivable include amounts due in:

	<u>2014</u>
Less than one year	\$ 4,075,756
One to five years	1,000,000
Less: Discount on long-term portion	<u>(18,600)</u>
Total grants receivable	<u>\$ 5,057,156</u>

All grants receivable are considered fully collectible, and no amounts were written off during the years ended December 31, 2014 and 2013. As of December 31, 2014, 97% of the grants receivable balance consisted of amounts due from five Foundations. As of December 31, 2013, 95% of the grants receivable balance consisted of amounts due from two Foundations.

The International Council on Clean Transportation, Inc.

Notes to Consolidated Financial Statements (Continued)

Note 4 - Property and Equipment

The Council held the following property and equipment as of December 31:

	2014	2013
Leasehold improvements	\$ 681,521	\$ 681,521
Furniture and equipment	449,135	449,135
Computer equipment	26,302	26,302
Computer software	13,845	13,845
	<u>1,170,803</u>	<u>1,170,803</u>
Less: Accumulated depreciation and amortization	<u>(749,962)</u>	<u>(606,156)</u>
Property and equipment, net	<u>\$ 420,841</u>	<u>\$ 564,647</u>

Note 5 - Concentration of Support

During the years ended December 31, 2014 and 2013, the Council received grants totaling \$8,978,307 and \$9,705,000, respectively, from a limited number of foundations, which represents approximately 86% of the Council's total revenue and support for the years ended December 31, 2014 and 2013, respectively. If a significant reduction in funding from these foundations were to occur, it may adversely impact the Council's consolidated financial position and ability to carry out its program activities. For the years ended December 31, 2014 and 2013, the Council recognized the following grants and contributions revenue:

	2014	2013
ClimateWorks Foundation	\$ 8,978,307	\$ 8,205,000
The William and Flora Hewlett Foundation	-	1,500,000
Other	1,459,645	1,561,298
Less: Discount on long-term portion	<u>(18,600)</u>	<u>-</u>
Total grants and contributions	<u>\$ 10,419,352</u>	<u>\$ 11,266,298</u>

Note 6 - Commitments

Operating Leases

The Council entered into a noncancelable sublease operating agreement for office space in Washington, D.C. which expires on February 28, 2019. The sublease, through direct reference, incorporates the basic lease terms of the assigned lease in regard to the base rent, annual rent escalations, and the payment of increases in real estate taxes and operating expenses. Under the terms of the lease, the base rent is subject to annual increases of 2.50%, and the Council is required to pay its proportionate share of any increases in the building's real estate taxes and operating expenses.

The Council leased office space in San Francisco, California, under a five-year, non-cancelable operating lease agreement, which expires on October 31, 2018. The lease required a security deposit of \$22,354 and has an annual rent escalation of \$1 per square foot.

The International Council on Clean Transportation, Inc.

Notes to Consolidated Financial Statements (Continued)

Note 6 - Commitments (Continued)

Operating Leases (Continued)

The Council entered into a four-year, cancelable operating lease for office space in Berlin, Germany, which expires on June 30, 2016. The Council has the option to terminate the lease with a written notice of three months.

The Council entered into a nine-year, cancelable operating lease for office space in Brussels, which expires on September 30, 2021. The Council has the option to cancel the lease with a written notice of three months.

The Council entered into a one-year, cancelable operating lease for office space in London, which expired on May 31, 2015. This lease required a security deposit of \$1,029. The Council has the option to cancel the lease with a written notice of one month. Subsequent to year-end, the Council extended the lease through May 31, 2016.

The Council signed a one-year, non-cancelable operating lease for office space in Beijing, commencing on January 1, 2015 and expiring on December 31, 2015.

Rent expense, rent abatements, and other concessions are recognized on a straight-line basis over the term of the lease, with the difference between the straight-line rent and the actual rent payments being recorded as deferred rent in the accompanying statements of financial position. The deferred rent liability on the Council's leases for the office space totaled \$84,280 and \$61,784 as of December 31, 2014 and 2013, respectively.

Total future minimum lease payments under these leases is as follows:

For the Year Ending December 31,	
2015	\$ 672,278
2016	648,960
2017	648,107
2018	613,900
2019	93,934
Thereafter	<u>7,488</u>
Total	<u>\$ 2,684,667</u>

Occupancy expense totaled \$669,734 and \$629,353 for the years ended December 31, 2014 and 2013, respectively.

The International Council on Clean Transportation, Inc.

Notes to Consolidated Financial Statements (Continued)

Note 6 - Commitments (Continued)

Line of Credit

The Council holds a line of credit agreement with a lending institution in the amount of \$500,000, which expires on October 31, 2016, with an interest rate equal to the lending institution's prime rate. The interest rate was 4.25% as of December 31, 2014 and 2013. The line of credit had no outstanding balance or drawdowns as of and for the years ending December 31, 2014 or 2013.

Note 7 - Temporarily Restricted Net Assets

Net assets were released from restrictions when grant use or time restrictions were satisfied. Net assets were released during the years ended December 31 for the following purposes:

	<u>2014</u>	<u>2013</u>
Program restricted:		
Passenger vehicles	\$ 227,437	\$ 398,165
Heavy-duty vehicles	180,203	191,239
Commercial aviation	-	401,686
Clean air	406,320	44,778
Fuels	107,401	106,936
Roadmap	-	73,714
International marine	367	51,782
Climate and health	-	14,167
Other	-	16,552
Total program restricted	<u>921,728</u>	<u>1,299,019</u>
Time restricted	<u>882,174</u>	<u>-</u>
Net assets released from restriction	<u>\$ 1,803,902</u>	<u>\$ 1,299,019</u>

The International Council on Clean Transportation, Inc.

Notes to Consolidated Financial Statements (Continued)

Note 7 - Temporarily Restricted Net Assets (Continued)

Temporarily restricted net assets were available for the following purposes as of December 31:

	<u>2014</u>	<u>2013</u>
Program restricted:		
Passenger vehicles	\$ 936,189	\$ 496,469
Heavy-duty vehicles	714,177	327,965
Commercial aviation	666,205	131,317
Clean air	614,347	-
Fuels	453,188	74,400
Roadmap	220,358	78,816
International marine	100,000	74,287
Climate and health	-	53,746
Other	-	249,960
Total program restricted	<u>3,704,464</u>	<u>1,486,960</u>
Time restricted	<u>3,000,000</u>	<u>882,174</u>
Total temporarily restricted net assets	<u><u>\$ 6,704,464</u></u>	<u><u>\$ 2,369,134</u></u>

Note 8 - Defined Contribution Plan

The Council offers an IRC Section 403(b) defined-contribution retirement savings plan (the Plan) to employees. Employees may elect to contribute up to 100% of their compensation to the Plan, limited to a maximum annual amount as set by the IRS. The Council makes contributions to the Plan equivalent to 5% of each employee's salary. The Council's contributions to the Plan totaled \$154,657 and \$175,952 for the years ended December 31, 2014 and 2013, respectively.

During 2015, the Council identified that the Plan was not in compliance with the plan document and certain limitations of Department of Labor's Employee Retirement Income Security Act of 1974 (ERISA) and IRC provisions. Management believes the Plan's tax qualified status has been maintained despite these events and will make any corrections deemed necessary under the IRS's Voluntary Compliance Program (VCP). Management has recorded \$100,000 for the year ended December 31, 2014 as the estimated potential impact for the necessary corrections and filing fees associated with the VCP. The liability is reflected in the consolidated statements of financial position and consolidated statements of activities within the functional expense category of management and general.

The International Council on Clean Transportation, Inc.

Notes to Consolidated Financial Statements (Continued)

Note 9 - Related Party Transactions

A board member of the Council serves as President and Chief Executive Officer of the ClimateWorks Foundation, which provided the Council with approximately \$8,980,000 and \$8,205,000 in funding in 2014 and 2013, respectively. A board member of the Council is also a board member of a grantor that provides funding to the Council. This grantor provided \$160,000 and \$130,000 in funds to the Council in 2014 and 2013, respectively. The Council hired the former President of the Council as a consultant in 2014 paying the individual approximately \$25,000 in 2014.

The International Council on Clean Transportation, Inc.

Consolidated Statement of Functional Expenses

Year ended December 31, 2014

	Program Services								Supporting Services			
	Passenger Vehicles	Heavy-Duty Vehicles	Fuels	Roadmap	Commercial Aviation	International Marine	Clean Air	Total Program Services	Management and General	Communications	Development	Total
Salaries and employee benefits	\$ 998,232	\$ 618,233	\$ 316,013	\$ 215,016	\$ 311,784	\$ 319,485	\$ 684,854	\$ 3,463,617	\$ 192,152	\$ 173,548	\$ 415,305	\$ 4,244,622
Consultants	435,418	212,446	228,791	5,548	146,852	22,819	43,721	1,095,595	18,483	54,362	36,769	1,205,209
Travel and meetings	131,744	61,411	28,114	10,007	24,190	48,957	75,499	379,922	9,368	2,231	31,050	422,571
Occupancy	136,864	86,432	44,238	30,116	43,668	44,923	96,469	482,710	103,481	24,646	58,897	669,734
Data sets	98,366	26	4,076	9	12,813	613	564	116,467	31	7	17	116,522
Office supplies	7,044	5,160	1,992	1,706	1,966	2,023	4,452	24,343	4,660	11,018	2,750	42,771
Depreciation and amortization	29,389	18,559	9,499	6,466	9,376	9,646	20,714	103,649	22,219	5,292	12,646	143,806
Telecommunications	12,724	8,632	4,099	2,791	4,046	4,163	8,967	45,422	9,589	2,344	5,458	62,813
Report production	27,561	18,193	10,384	3,993	4,512	2,480	8,550	75,673	4,146	987	2,360	83,166
Dues and subscriptions	3,216	2,762	941	635	(3,795)	1,153	2,620	7,532	2,180	2,823	1,381	13,916
Miscellaneous	5,983	3,767	1,928	1,312	1,904	1,958	4,205	21,057	4,511	1,075	2,567	29,210
Insurance	8,509	5,142	2,632	1,792	2,598	2,673	5,739	29,085	6,156	1,466	3,504	40,211
Board compensation	2,554	1,613	826	562	815	838	1,801	9,009	1,931	460	1,099	12,499
Postage and shipping	440	285	142	97	140	210	310	1,624	333	79	189	2,225
Employee benefit plan obligation	-	-	-	-	-	-	-	-	100,000	-	-	100,000
Total expenses	\$ 1,898,044	\$ 1,042,661	\$ 653,675	\$ 280,050	\$ 560,869	\$ 461,941	\$ 958,465	\$ 5,855,705	\$ 479,240	\$ 280,338	\$ 573,992	\$ 7,189,275

The International Council on Clean Transportation, Inc.

Consolidated Statement of Functional Expenses

Year ended December 31, 2013

	Program Services							Supporting Services				Total
	Passenger Vehicles	Heavy-Duty Vehicles	Fuels	Roadmap	Commercial Aviation	International Marine	Clean Air	Total Program Services	Management and General	Communications	Development	
Salaries and employee benefits	\$ 1,065,761	\$ 732,959	\$ 417,033	\$ 369,325	\$ 437,110	\$ 281,853	\$ 829,901	\$ 4,133,942	\$ 325,073	\$ 168,508	\$ 382,810	\$ 5,010,333
Consultants	1,147,509	425,318	247,671	61,697	554,977	89,308	229,702	2,756,182	96,493	190,367	48,795	3,091,837
Travel and meetings	147,518	62,579	28,954	11,887	51,438	25,045	103,918	431,339	19,492	2,908	42,708	496,447
Data sets	43,748	56,386	195	-	31,275	3,353	628	135,585	-	211	-	135,796
Workshops	-	34,695	-	-	6,917	2,331	151	44,094	-	-	-	44,094
Report production	70,406	8,045	8,720	12,099	3,588	6,391	10,808	120,057	-	63	-	120,120
Staff development	5,925	4,038	2,282	2,013	2,379	1,540	4,597	22,774	6,305	1,722	4,459	35,260
Rent and insurance	131,761	76,785	43,392	38,275	45,236	29,292	86,539	451,280	119,898	17,736	40,438	629,352
Telecommunications	13,876	9,980	5,404	4,768	5,631	3,626	10,771	54,056	14,841	7,036	5,005	80,938
Office supplies	14,511	7,320	4,364	3,646	4,309	2,790	8,543	45,483	11,421	1,932	7,177	66,013
Board compensation	3,326	2,379	1,344	1,186	1,402	908	2,681	13,226	3,715	550	1,253	18,744
Dues and subscriptions	2,626	2,364	772	681	5,704	1,685	2,720	16,552	2,132	7,740	2,014	28,438
Meals	3,509	3,066	1,461	1,460	1,466	950	2,810	14,722	3,887	888	1,717	21,214
Postage and shipping	697	499	282	249	322	213	562	2,824	779	115	263	3,981
Printing and copying	382	274	174	136	686	104	526	2,282	427	63	144	2,916
Software	4,400	2,627	1,236	1,469	3,570	834	2,485	16,621	3,415	3,185	1,152	24,373
Computer equipment	8,267	3,427	1,937	1,708	3,851	1,349	3,862	24,401	5,351	1,062	1,805	32,619
Insurance	4,618	2,295	1,297	1,144	1,352	875	2,586	14,167	3,583	530	1,208	19,488
Bank fees	1,718	1,054	596	525	621	402	1,188	6,104	(1,127)	243	555	5,775
Excise tax	4	3	1	1	2	1	3	15	4	1	1	21
Gain/loss on disposal of assets	-	-	-	-	-	-	-	-	4,207	-	-	4,207
Miscellaneous	-	-	-	-	-	-	11,090	11,090	-	-	-	11,090
Depreciation and amortization	25,149	17,991	10,167	8,968	10,599	6,863	20,276	100,013	28,092	4,156	9,475	141,736
Gain/loss on foreign exchange	979	1,085	613	541	639	414	1,223	5,494	1,694	251	571	8,010
Write offs	15	11	6	5	6	4	12	59	4,198	3	5	4,265
Total expenses	<u>\$ 2,696,705</u>	<u>\$ 1,455,180</u>	<u>\$ 777,901</u>	<u>\$ 521,783</u>	<u>\$ 1,173,080</u>	<u>\$ 460,131</u>	<u>\$ 1,337,582</u>	<u>\$ 8,422,362</u>	<u>\$ 653,880</u>	<u>\$ 409,270</u>	<u>\$ 551,555</u>	<u>\$ 10,037,067</u>