Form **990**

Department of the Treasury
Internal Revenue Service

# Return of Organization Exempt From Income Tax

**Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)**

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0047

**2009**

**Open to Public Inspection**

**A For the 2009 calendar year, or tax year beginning 07/01, 2009, and ending 06/30, 20 10**

B Check if applicable:
☐ Address change
☐ Name change
☐ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization **Woods Hole Research Center, Inc.**

Doing Business As

Number and street (or P O box if mail is not delivered to street address) **149 Woods Hole Road** Room/suite

City or town, state or country, and ZIP + 4 **Falmouth, MA 02540**

D Employer identification number **04 : 3005094**

E Telephone number **( 508 ) 540-9900**

G Gross receipts $ **14,457,651**

F Name and address of principal officer **Richard Houghton**
**149 Woods Hole Road Falmouth MA 02540**

H(a) Is this a group return for affiliates? ☐ Yes ☑ No
H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)
H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c) ( ) ◀ (insert no ) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ **whrc.org**

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶ L Year of formation **1988** M State of legal domicile **MA**

## Part I Summary

**Activities & Governance**

1 Briefly describe the organization's mission or most significant activities: **The Woods Hole Research Center addresses the great issues for a healthy planet through science, education and policy. We combine remote sensing with filed research to study, model, map and monitor Earth's ecology, and we advance this (Continued on Schedule O, Statement 1)**

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets.

| | | | |
|---|---|---|---|
| 3 | Number of voting members of the governing body (Part VI, line 1a) | 3 | 20 |
| 4 | Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 19 |
| 5 | Total number of employees (Part V, line 2a) | 5 | 57 |
| 6 | Total number of volunteers (estimate if necessary) | 6 | 0 |
| 7a | Total gross unrelated business revenue from Part VIII, column (C), line 12 | 7a | 0 |
| b | Net unrelated business taxable income from Form 990-T, line 34 | 7b | 0 |

| | | Prior Year | Current Year |
|---|---|---|---|
| **Revenue** | | | |
| 8 | Contributions and grants (Part VIII, line 1h) | 19,219,409 | 9,510,898 |
| 9 | Program service revenue (Part VIII, line 2g) | 0 | 0 |
| 10 | Investment income (Part VIII, column (A), lines 3, 4, and 7d) | 235,518 | 384,120 |
| 11 | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | 7.937 | 12,610 |
| 12 | Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12 ) | 19,462,864 | 9,907,628 |
| **Expenses** | | | |
| 13 | Grants and similar amounts paid (Part IX, column (A), lines 1–3) | 2,391,901 | 2,332,316 |
| 14 | Benefits paid to or for members (Part IX, column (A), line 4) | 0 | 0 |
| 15 | Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) | 4,564,494 | 5,609,639 |
| 16a | Professional fundraising fees (Part IX, column (A), line 11e) | 0 | 0 |
| b | Total fundraising expenses (Part IX, column (D), line 25) ▶ | | |
| 17 | Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f) | 2,701,184 | 3,404,872 |
| 18 | Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25) | 9,657,579 | 11,346,827 |
| 19 | Revenue less expenses. Subtract line 18 from line 12 | 9,805,285 | -1,439,199 |
| **Net Assets or Fund Balances** | | Beginning of Current Year | End of Year |
| 20 | Total assets (Part X, line 16) | 25,432,717 | 25,581,936 |
| 21 | Total liabilities (Part X, line 26) | 2,861,918 | 3,684,798 |
| 22 | Net assets or fund balances Subtract line 21 from line 20 | 22,570,799 | 21,897,138 |

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## Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

**Sign Here**

▶ Signature of officer — Date 5/13/11

▶ Director of Finance and Administration
Type or print name and title

**Paid Preparer's Use Only**

Preparer's signature ▶ | Date | Check if self-employed ▶ ☐ | Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ | EIN ▶ | Phone no ▶ ( )

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☐ No



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**Part III** **Statement of Program Service Accomplishments**

1 Briefly describe the organization's mission:
The Woods Hole Research Center addresses the great issues for a healthy planet through science, education, and policy.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☑ No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☑ No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses $ 3,237,992 including grants of $ 1,319,906 ) (Revenue $ 0 )
Projects at the Center are addressing key factors impacting tropical forests in South America and Africa, examining and comparing the range of factors influencing deforestation of those regions. Tropical forests capture large amounts of incoming sunlight for photosynthesis and, in the process, evaporate water. The large amount of water vapor that is pumped into the atmosphere provides 1/3 to ½ of the water that returns as rainfall. Replacing forests with grasses and crops greatly reduces the amount of water cycled between land and atmosphere and has complex impacts for regional climate and stream flow. Center projects address the complex ways in which deforestation affects the water balances, providing a more comprehensive understanding of how human activities alter these key ecosystems. In Central Africa, the second largest block of unfragmented tropical forests in the world is threatened by deforestation and degradation, due in large part to logging practices that are not well-managed or sustainable. Center scientists are using remote sensing technologies coupled with on-the-ground fieldwork to map and monitor habitat alteration, support biodiversity conservation, and promote better land-use planning and forest management in this crucial region.

4b (Code: ) (Expenses $ 2,340,397 including grants of $ 460,436 ) (Revenue $ 0 )
Center scientists are coupling innovative uses of remote sensing and satellite technologies with field studies to better understand carbon and biomass stocks at the global scale. They are producing the National Biomass and Carbon 2000, the first ever spatially explicit inventory at high-resolution scale. The dataset provides a year-2000 estimate of basal area-weighted canopy height, aboveground live dry biomass, and standing carbon stock for the conterminous United States. In addition the Center has initiated a three-year project on pan-tropical mapping of forest cover and associated carbon stocks stored in the above-ground biomass. This is being accomplished through the generation of pan-tropical consistent data sets of year 2007 high resolution, cloud-free radar imagery from the Japanese ALOS sensor. These maps are an invaluable reference against which changes in forest cover and carbon stock can be measured.

4c (Code: ) (Expenses $ 1,530,413 including grants of $ 512,658 ) (Revenue $ 0 )
An integral part of the work underway at the Woods Hole Research Center is the transfer of knowledge and skills to representatives of tropical nations, equipping them to engage more fully in international efforts to slow deforestation and enabling them to better evaluate alternative forest management options. Through capacity building initiatives as part of the pan tropical mapping project and through the Center's work with the Forum for Readiness for REDD, as series of workshops are being held in South America, Africa, and Asia to bring together stakeholders, in addition to workshops and seminars taking place at the Center to share information on both filed and remote sensing techniques.

4d Other program services. (Describe in Schedule O.) See Schedule O, Statement 2
(Expenses $ 1,651,116 including grants of $ 39,316 ) (Revenue $ 0 )

4e **Total program service expenses ▶** 8,759,918

## Part IV Checklist of Required Schedules

| | | | Yes | No |
|---|---|---|---|---|
| 1 | Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A* | 1 | ✓ | |
| 2 | Is the organization required to complete Schedule B, Schedule of Contributors? | 2 | ✓ | |
| 3 | Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I* | 3 | | ✓ |
| 4 | **Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II* | 4 | | ✓ |
| 5 | **Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *If "Yes," complete Schedule C, Part III* | 5 | | |
| 6 | Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I* | 6 | | ✓ |
| 7 | Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II* | 7 | | ✓ |
| 8 | Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III* | 8 | | ✓ |
| 9 | Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV* | 9 | | ✓ |
| 10 | Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? *If "Yes," complete Schedule D, Part V* | 10 | ✓ | |
| 11 | Is the organization's answer to any of the following questions "Yes"? *If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable* | 11 | ✓ | |
| | • Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.* | | | |
| | • Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.* | | | |
| | • Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.* | | | |
| | • Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.* | | | |
| | • Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X* | | | |
| | • Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? *If "Yes," complete Schedule D, Part X.* | | | |
| 12 | Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII* | 12 | ✓ | |
| 12A | Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional* — 12A Yes: ; No: ✓ | | | |
| 13 | Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E* | 13 | | ✓ |
| 14a | Did the organization maintain an office, employees, or agents outside of the United States? | 14a | ✓ | |
| b | Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, and program service activities outside the United States? *If "Yes," complete Schedule F, Part I* | 14b | ✓ | |
| 15 | Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Part II.* | 15 | ✓ | |
| 16 | Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Part III* | 16 | | ✓ |
| 17 | Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I* | 17 | | ✓ |
| 18 | Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II* | 18 | | ✓ |
| 19 | Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III.* | 19 | | ✓ |
| 20 | Did the organization operate one or more hospitals? *If "Yes," complete Schedule H* | 20 | | ✓ |

**Part IV Checklist of Required Schedules** *(continued)*

| | | | Yes | No |
|---|---|---|---|---|
| 21 | Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II* | 21 | ✓ | |
| 22 | Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III* | 22 | | ✓ |
| 23 | Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J* | 23 | ✓ | |
| 24a | Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25* | 24a | ✓ | |
| b | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | 24b | | ✓ |
| c | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | 24c | | ✓ |
| d | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | 24d | | ✓ |
| 25a | **Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I* | 25a | | ✓ |
| b | Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I* | 25b | | ✓ |
| 26 | Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II* | 26 | | ✓ |
| 27 | Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III* | 27 | | ✓ |
| 28 | Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions). | | | |
| a | A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV* | 28a | | ✓ |
| b | A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV* | 28b | | ✓ |
| c | An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV* | 28c | | ✓ |
| 29 | Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M* | 29 | ✓ | |
| 30 | Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M* | 30 | | ✓ |
| 31 | Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I* | 31 | | ✓ |
| 32 | Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II* | 32 | | ✓ |
| 33 | Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? *If "Yes," complete Schedule R, Part I* | 33 | | ✓ |
| 34 | Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1* | 34 | | ✓ |
| 35 | Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2* | 35 | | ✓ |
| 36 | **Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2* | 36 | | ✓ |
| 37 | Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI* | 37 | | ✓ |
| 38 | Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O. | 38 | ✓ | |

## Part V Statements Regarding Other IRS Filings and Tax Compliance

| | | | | Yes | No |
|---|---|---|---|---|---|
| 1a | Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable | 1a 36 | | | |
| b | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable | 1b 0 | | | |
| c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | | 1c | ✓ | |
| 2a | Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return | 2a 57 | | | |
| b | If at least one is reported on line 2a, did the organization file all required federal employment tax returns? | | 2b | ✓ | |
| | **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* this return. (see instructions) | | | | |
| 3a | Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return? | | 3a | | ✓ |
| b | If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O* | | 3b | | |
| 4a | At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? | | 4a | | ✓ |
| b | If "Yes," enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. | | | | |
| 5a | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | | 5a | | ✓ |
| b | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | | 5b | | ✓ |
| c | If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? | | 5c | | |
| 6a | Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible? | | 6a | | ✓ |
| b | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? | | 6b | | |
| 7 | **Organizations that may receive deductible contributions under section 170(c).** | | | | |
| a | Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor? | | 7a | | ✓ |
| b | If "Yes," did the organization notify the donor of the value of the goods or services provided? | | 7b | | |
| c | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | | 7c | | ✓ |
| d | If "Yes," indicate the number of Forms 8282 filed during the year | 7d | | | |
| e | Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | | 7e | | ✓ |
| f | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | | 7f | | ✓ |
| g | For all contributions of qualified intellectual property, did the organization file Form 8899 as required? | | 7g | ✓ | |
| h | For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? | | 7h | ✓ | |
| 8 | **Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? | | 8 | | |
| 9 | **Sponsoring organizations maintaining donor advised funds.** | | | | |
| a | Did the organization make any taxable distributions under section 4966? | | 9a | | |
| b | Did the organization make a distribution to a donor, donor advisor, or related person? | | 9b | | |
| 10 | **Section 501(c)(7) organizations.** Enter: | | | | |
| a | Initiation fees and capital contributions included on Part VIII, line 12 | 10a | | | |
| b | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | 10b | | | |
| 11 | **Section 501(c)(12) organizations.** Enter: | | | | |
| a | Gross income from members or shareholders | 11a | | | |
| b | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) | 11b | | | |
| 12a | **Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041? | | 12a | | |
| b | If "Yes," enter the amount of tax-exempt interest received or accrued during the year. | 12b | | | |

**Part VI** **Governance, Management, and Disclosure** *For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

## Section A. Governing Body and Management

| | | | Yes | No |
|---|---|---|---|---|
| 1a | Enter the number of voting members of the governing body — 1a: 20 | | | |
| b | Enter the number of voting members that are independent — 1b: 19 | | | |
| 2 | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | 2 | | ✓ |
| 3 | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? | 3 | | ✓ |
| 4 | Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? | 4 | | ✓ |
| 5 | Did the organization become aware during the year of a material diversion of the organization's assets? | 5 | | ✓ |
| 6 | Does the organization have members or stockholders? | 6 | | ✓ |
| 7a | Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? | 7a | | ✓ |
| b | Are any decisions of the governing body subject to approval by members, stockholders, or other persons? | 7b | | ✓ |
| 8 | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following | | | |
| a | The governing body? | 8a | ✓ | |
| b | Each committee with authority to act on behalf of the governing body? | 8b | ✓ | |
| 9 | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O* | 9a | ✓ | |

## Section B. Policies *(This Section B requests information about policies not required by the Internal Revenue Code.)*

| | | | Yes | No |
|---|---|---|---|---|
| 10a | Does the organization have local chapters, branches, or affiliates? | 10a | | ✓ |
| b | If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? | 10b | | |
| 11 | Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form? | 11 | ✓ | |
| 11A | Describe in Schedule O the process, if any, used by the organization to review this Form 990. | | | |
| 12a | Does the organization have a written conflict of interest policy? *If "No," go to line 13* | 12a | ✓ | |
| b | Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | 12b | ✓ | |
| c | Does the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this is done* | 12c | | ✓ |
| 13 | Does the organization have a written whistleblower policy? | 13 | ✓ | |
| 14 | Does the organization have a written document retention and destruction policy? | 14 | ✓ | |
| 15 | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? | | | |
| a | The organization's CEO, Executive Director, or top management official | 15a | ✓ | |
| b | Other officers or key employees of the organization | 15b | ✓ | |
| | If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions) | | | |
| 16a | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? | 16a | | ✓ |
| b | If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? | 16b | | |

## Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶ MA

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☑ Own website ☐ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶ Melanie Powers, (508)444-1511
149 Woods Hole Road, Falmouth, MA 02540

## Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

### Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees, officers, key employees; highest *compensated employees; and former such persons.*

☐ Check this box if the organization did not compensate any current officer, director, or trustee

| (A) Name and Title | (B) Average hours per week | (C) Position (check all that apply): Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| Joseph R Robinson<br>Treasurer | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Iris Fanger<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Lawrence S Huntington<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Joshua R Goldberg<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Merloyd Ludington<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Mary Louise Montgomery<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Amy Regan<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Lily Rice Hsia<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Thomas E Lovejoy<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Victoria Lowell<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Gordon Russell<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Helen Spaulding<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Karen Lambert<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| David Hawkins<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Constance R Roosevelt<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| George M Woodwell<br>Director | 40 | ✓ | | | | | | 107,560 | 0 | 34,896 |

**Part VII** **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

| (A) Name and title | (B) Average hours per week | (C) Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| Wilhelm Merck<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Tedd Saunders<br>Director | 0 | ✓ | | | | | | 0 | 0 | 0 |
| John H Adams<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Steve Curwood<br>Director | 2 | ✓ | | | | | | 0 | 0 | 0 |
| Neal Brown<br>Clerk | 2 | | | ✓ | | | | 0 | 0 | 0 |
| Robert M Barry<br>Assistant Clerk | 40 | | | ✓ | | | | 193,041 | 0 | 27,275 |
| Richard A Houghton<br>Acting Director | 40 | | | ✓ | | | | 204,060 | 0 | 45,788 |
| William Brown<br>President and Director | 0 | | | ✓ | | | | 0 | 0 | 0 |
| Josef Kellndorfer<br>Associate Scientist | 40 | | | | | ✓ | | 104,114 | 0 | 28,588 |
| Camille Romano<br>Controller | 40 | | | | | ✓ | | 102,108 | 0 | 37,124 |
| Eric Davidson<br>Senior Scientist | 40 | | | | | ✓ | | 141,477 | 0 | 26,700 |
| Scott Goetz<br>Senior Scientist | 40 | | | | | ✓ | | 133,913 | 0 | 22,210 |
| Continued On Schedule J2 | | | | | | | | | | |
| **1b Total** . . . ▶ | | | | | | | | 1,124,301 | 0 | 230,491 |

**2** Total number of individuals (including but not limited to those listed above) who received more than $100,000 in reportable compensation from the organization ▶ 8

| | | | Yes | No |
|---|---|---|---|---|
| **3** | Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual* | 3 | | ✓ |
| **4** | For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual.* | 4 | ✓ | |
| **5** | Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person* | 5 | | ✓ |

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization.

| (A) Name and business address | (B) Description of services | (C) Compensation |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |

**2** Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 in compensation from the organization ▶ 0

## Part VIII Statement of Revenue

| | | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512, 513, or 514 |
|---|---|---|---|---|---|---|---|
| Contributions, gifts, grants and other similar amounts | 1a Federated campaigns | 1a | 0 | | | | |
| | b Membership dues | 1b | 0 | | | | |
| | c Fundraising events | 1c | 0 | | | | |
| | d Related organizations | 1d | 0 | | | | |
| | e Government grants (contributions) | 1e | 3,846,682 | | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above | 1f | 5,664,216 | | | | |
| | g Noncash contributions included in lines 1a-1f: $ | | 54,148 | | | | |
| | h Total. Add lines 1a–1f ▶ | | | 9,510,898 | | | |
| Program Service Revenue | | | Business Code | | | | |
| | 2a | | | | | | |
| | b | | | | | | |
| | c | | | | | | |
| | d | | | | | | |
| | e | | | | | | |
| | f All other program service revenue | | | | | | |
| | g Total. Add lines 2a–2f ▶ | | | 0 | | | |
| Other Revenue | 3 Investment income (including dividends, interest, and other similar amounts) ▶ | | | 121,222 | 0 | 0 | 121,222 |
| | 4 Income from investment of tax-exempt bond proceeds ▶ | | | 0 | 0 | 0 | 0 |
| | 5 Royalties ▶ | | | 0 | 0 | 0 | 0 |
| | | (i) Real | (ii) Personal | | | | |
| | 6a Gross Rents | 6,121 | 0 | | | | |
| | b Less: rental expenses | 3,497 | 0 | | | | |
| | c Rental income or (loss) | 2,624 | 0 | | | | |
| | d Net rental income or (loss) ▶ | | | 2,624 | 0 | 0 | 2,624 |
| | | (i) Securities | (ii) Other | | | | |
| | 7a Gross amount from sales of assets other than inventory | 4,099,424 | 850,000 | | | | |
| | b Less: cost or other basis and sales expenses | 4,387,766 | 298,760 | | | | |
| | c Gain or (loss) | -288,342 | 551,240 | | | | |
| | d Net gain or (loss) ▶ | | | 262,898 | 0 | 0 | 262,898 |
| | 8a Gross income from fundraising events (not including $ 0 of contributions reported on line 1c). See Part IV, line 18 | a | | | | | |
| | b Less: direct expenses | b | | | | | |
| | c Net income or (loss) from fundraising events ▶ | | | | | | |
| | 9a Gross income from gaming activities. See Part IV, line 19 | a | | | | | |
| | b Less: direct expenses | b | | | | | |
| | c Net income or (loss) from gaming activities ▶ | | | | | | |
| | 10a Gross sales of inventory, less returns and allowances | a | | | | | |
| | b Less: cost of goods sold | b | | | | | |
| | c Net income or (loss) from sales of inventory ▶ | | | | | | |
| | Miscellaneous Revenue | | Business Code | | | | |
| | 11a miscellaneous | | 900099 | 9,986 | 0 | 0 | 9,986 |
| | b | | | | | | |
| | c | | | | | | |
| | d All other revenue | | | 0 | 0 | 0 | 0 |
| | e Total. Add lines 11a–11d ▶ | | | 9,986 | | | |
| | 12 Total revenue. See instructions. ▶ | | | 9,907,628 | 0 | 0 | 396,730 |

## Part IX Statement of Functional Expenses

**Section 501(c)(3) and 501(c)(4) organizations must complete all columns.**
**All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

| ***Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.*** | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|---|---|---|---|---|
| 1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 | 822,030 | 822,030 | | |
| 2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 | 0 | 0 | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 | 1,510,286 | 1,510,286 | | |
| 4 Benefits paid to or for members | 0 | 0 | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 725,600 | 247,342 | 439,142 | 39,116 |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 Other salaries and wages | 3,139,493 | 2,352,345 | 606,024 | 181,124 |
| 8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) | 325,197 | 218,730 | 87,937 | 18,530 |
| 9 Other employee benefits | 1,090,788 | 743,003 | 290,500 | 57,285 |
| 10 Payroll taxes | 328,561 | 220,992 | 88,847 | 18,722 |
| 11 Fees for services (non-employees): | | | | |
| a Management | | | | |
| b Legal | 57,177 | 0 | 57,177 | |
| c Accounting | 38,616 | 0 | 38,616 | 0 |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | 0 | | | 0 |
| f Investment management fees | 15,168 | 0 | 15,168 | |
| g Other | 546,971 | 430,958 | 107,463 | 8,550 |
| 12 Advertising and promotion | | | | |
| 13 Office expenses | 406,487 | 136,819 | 212,172 | 57,496 |
| 14 Information technology | 369,174 | 287,425 | 79,508 | 2,241 |
| 15 Royalties | | | | |
| 16 Occupancy | 175,564 | | 175,564 | |
| 17 Travel | 699,561 | 624,337 | 55,435 | 19,789 |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | 370,057 | 370,057 | 0 | |
| 20 Interest | 9,187 | 0 | 9,187 | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 555,956 | | 555,956 | |
| 23 Insurance | 14,012 | | 14,012 | |
| 24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.) | | | | |
| a miscellaneous | 146,942 | 94,948 | 51,994 | 0 |
| b allocation of common expenses | 0 | 700,646 | -735,669 | 35,023 |
| c | | | | |
| d | | | | |
| e | | | | |
| f All other expenses | 0 | | | |
| 25 **Total functional expenses.** Add lines 1 through 24f | 11,346,827 | 8,759,918 | 2,149,033 | 437,876 |
| 26 **Joint costs.** Check here ▶ ☐ if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation | | | | |

## Part X Balance Sheet

| | | | | | (A) Beginning of year | | (B) End of year |
|---|---|---|---|---|---|---|---|
| Assets | 1 | Cash—non-interest-bearing | | | 77 | 1 | 140 |
| | 2 | Savings and temporary cash investments | | | 5,769,143 | 2 | 5,849,185 |
| | 3 | Pledges and grants receivable, net | | | 7,355,487 | 3 | 5,822,481 |
| | 4 | Accounts receivable, net | | | | 4 | |
| | 5 | Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | | | 5 | |
| | 6 | Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L | | | | 6 | |
| | 7 | Notes and loans receivable, net | | | | 7 | |
| | 8 | Inventories for sale or use | | | | 8 | |
| | 9 | Prepaid expenses and deferred charges | | | 292,528 | 9 | 422,761 |
| | 10a | Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a | 12,624,963 | | | |
| | b | Less: accumulated depreciation | 10b | 4,003,909 | 7,765,384 | 10c | 8,621,054 |
| | 11 | Investments—publicly traded securities | | | 3,992,987 | 11 | 4,629,428 |
| | 12 | Investments—other securities See Part IV, line 11 | | | | 12 | |
| | 13 | Investments—program-related. See Part IV, line 11 | | | | 13 | |
| | 14 | Intangible assets | | | | 14 | |
| | 15 | Other assets. See Part IV, line 11 | | | 257,111 | 15 | 236,887 |
| | 16 | **Total assets.** Add lines 1 through 15 (must equal line 34) | | | 25,432,717 | 16 | 25,581,936 |
| Liabilities | 17 | Accounts payable and accrued expenses | | | 825,811 | 17 | 965,268 |
| | 18 | Grants payable | | | | 18 | |
| | 19 | Deferred revenue | | | 25,717 | 19 | 220,936 |
| | 20 | Tax-exempt bond liabilities | | | 1,927,584 | 20 | 2,419,221 |
| | 21 | Escrow or custodial account liability. Complete Part IV of Schedule D | | | | 21 | |
| | 22 | Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | | | | 22 | |
| | 23 | Secured mortgages and notes payable to unrelated third parties | | | | 23 | |
| | 24 | Unsecured notes and loans payable to unrelated third parties | | | | 24 | |
| | 25 | Other liabilities. Complete Part X of Schedule D | | | 82,806 | 25 | 79,373 |
| | 26 | **Total liabilities.** Add lines 17 through 25 | | | 2,861,918 | 26 | 3,684,798 |
| Net Assets or Fund Balances | | **Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.** | | | | | |
| | 27 | Unrestricted net assets | | | 7,215,209 | 27 | 8,948,746 |
| | 28 | Temporarily restricted net assets | | | 11,721,058 | 28 | 9,259,283 |
| | 29 | Permanently restricted net assets | | | 3,634,532 | 29 | 3,689,109 |
| | | **Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.** | | | | | |
| | 30 | Capital stock or trust principal, or current funds | | | | 30 | |
| | 31 | Paid-in or capital surplus, or land, building, or equipment fund | | | | 31 | |
| | 32 | Retained earnings, endowment, accumulated income, or other funds | | | | 32 | |
| | 33 | Total net assets or fund balances | | | 22,570,799 | 33 | 21,897,138 |
| | 34 | Total liabilities and net assets/fund balances | | | 25,432,717 | 34 | 25,581,936 |

**Part XI Financial Statements and Reporting**

| | | | Yes | No |
|---|---|---|---|---|
| 1 | Accounting method used to prepare the Form 990: ☐ Cash ☑ Accrual ☐ Other ___________ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O. | | | |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant? | 2a | | ✓ |
| b | Were the organization's financial statements audited by an independent accountant? | 2b | ✓ | |
| c | If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? | 2c | ✓ | |
| | If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O. | | | |
| d | If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both. ☑ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis | | | |
| 3a | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? | 3a | ✓ | |
| b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits. | 3b | ✓ | |

**SCHEDULE A**
**(Form 990 or 990-EZ)**

Department of the Treasury
Internal Revenue Service

# Public Charity Status and Public Support

**Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.**

**▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No 1545-0047

**2009**

**Open to Public Inspection**

**Name of the organization**
WOODS HOLE RESEARCH CENTER INC

**Employer identification number**
04 3005094

## Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: ____________

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II )

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☑ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives: (1) more than 33⅓ % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33⅓ % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

**a** ☐ Type I  **b** ☐ Type II  **c** ☐ Type III–Functionally integrated  **d** ☐ Type III–Other

**e** ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

**f** If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box . . . ☐

**g** Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

| | | Yes | No |
|---|---|---|---|
| **(i)** A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? | 11g(i) | | |
| **(ii)** A family member of a person described in (i) above? | 11g(ii) | | |
| **(iii)** A 35% controlled entity of a person described in (i) or (ii) above? | 11g(iii) | | |

**h** Provide the following information about the supported organization(s).

| (i) Name of supported organization | (ii) EIN | (iii) Type of organization (described on lines 1–9 above or IRC section (see instructions)) | (iv) Is the organization in col (i) listed in your governing document? | | (v) Did you notify the organization in col (i) of your support? | | (vi) Is the organization in col (i) organized in the U S ? | | (vii) Amount of support |
|---|---|---|---|---|---|---|---|---|---|
| | | | Yes | No | Yes | No | Yes | No | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| **Total** | | | | | | | | | |

**Part II** **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

## Section A. Public Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (f) Total |
|---|---|---|---|---|---|---|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | 8,092,324 | 7,844,425 | 7,789,733 | 19,219,409 | 9,510,898 | 52,456,789 |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 4 **Total.** Add lines 1 through 3 | 8,092,324 | 7,844,425 | 7,789,733 | 19,219,409 | 9,510,898 | 52,456,789 |
| 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) | | | | | | 15,882,091 |
| 6 **Public support.** Subtract line 5 from line 4. | | | | | | 36,574,698 |

## Section B. Total Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (f) Total |
|---|---|---|---|---|---|---|
| 7 Amounts from line 4 | 8,092,324 | 7,844,425 | 7,789,733 | 19,219,409 | 9,510,898 | 52,456,789 |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | 260,272 | 365,775 | 495,170 | 276,174 | 127,343 | 1,524,734 |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV) | 44,625 | 51,078 | 35,644 | 33,836 | 9,986 | 175,169 |
| 11 **Total support.** Add lines 7 through 10 | | | | | | 54,156,692 |

12 Gross receipts from related activities, etc. (see instructions) | 12 |

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

## Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) | 14 | 67.54 %

15 Public support percentage from 2008 Schedule A, Part II, line 14 | 15 | 61.41 %

16a **33⅓% support test—2009.** If the organization did not check the box on line 13, and line 14 is 33⅓% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☑

b **33⅓% support test—2008.** If the organization did not check a box on line 13 or 16a, and line 15 is 33⅓% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10%-facts-and-circumstances test—2009.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10%-facts-and-circumstances test—2008.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I.)

**Section A. Public Support**

| Calendar year (or fiscal year beginning in) ▶ | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (f) Total |
|---|---|---|---|---|---|---|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | | | | | | |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose | | | | | | |
| 3 Gross receipts from activities that are not an unrelated trade or business under section 513 | | | | | | |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf | | | | | | |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge | | | | | | |
| 6 **Total.** Add lines 1 through 5 | | | | | | |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons | | | | | | |
| b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year | | | | | | |
| c Add lines 7a and 7b | | | | | | |
| 8 **Public support** (Subtract line 7c from line 6.) | | | | | | |

**Section B. Total Support**

| Calendar year (or fiscal year beginning in) ▶ | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (f) Total |
|---|---|---|---|---|---|---|
| 9 Amounts from line 6 | | | | | | |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 | | | | | | |
| c Add lines 10a and 10b | | | | | | |
| 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on | | | | | | |
| 12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV ) | | | | | | |
| 13 **Total support.** (Add lines 9, 10c, 11, and 12 ) | | | | | | |

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

**Section C. Computation of Public Support Percentage**

| | | | |
|---|---|---|---|
| 15 | Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f)) | 15 | % |
| 16 | Public support percentage from 2008 Schedule A, Part III, line 15 | 16 | % |

**Section D. Computation of Investment Income Percentage**

| | | | |
|---|---|---|---|
| 17 | Investment income percentage for **2009** (line 10c, column (f) divided by line 13, column (f)) | 17 | % |
| 18 | Investment income percentage from **2008** Schedule A, Part III, line 17 | 18 | % |

19a **33⅓ % support tests—2009.** If the organization did not check the box on line 14, and line 15 is more than 33⅓ %, and line 17 is not more than 33⅓ %, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33⅓ % support tests—2008.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33⅓ %, and line 18 is not more than 33⅓ %, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

**Part IV** **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Provide any other additional information. See instructions.

**General Explanation - miscellaneous income from royalties, refunds, close-outs, etc**

**SCHEDULE D (Form 990)**

Department of the Treasury
Internal Revenue Service

# Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

**2009**

**Open to Public Inspection**

Name of the organization: WOODS HOLE RESEARCH CENTER INC

Employer identification number: 04 : 3005094

**Part I** **Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

| | (a) Donor advised funds | (b) Funds and other accounts |
|---|---|---|
| 1 Total number at end of year | | |
| 2 Aggregate contributions to (during year) | | |
| 3 Aggregate grants from (during year) | | |
| 4 Aggregate value at end of year | | |

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

**Part II** **Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e g , recreation or pleasure) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

| | | Held at the End of the Tax Year |
|---|---|---|
| a Total number of conservation easements | 2a | |
| b Total acreage restricted by conservation easements | 2b | |
| c Number of conservation easements on a certified historic structure included in (a) | 2c | |
| d Number of conservation easements included in (c) acquired after 8/17/06 | 2d | |

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ ................

4 Number of states where property subject to conservation easement is located ▶ ................

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ ................

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ ................

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**Part III** **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ ....................

(ii) Assets included in Form 990, Part X ▶ $ ....................

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ $ ....................

b Assets included in Form 990, Part X ▶ $ ....................

**Part III** **Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)·

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

**Part IV** **Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

| | | Amount |
|---|---|---|
| c Beginning balance | 1c | |
| d Additions during the year | 1d | |
| e Distributions during the year | 1e | |
| f Ending balance | 1f | |

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

**Part V** **Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

| | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|---|---|---|---|---|---|
| 1a Beginning of year balance | 3,994,532 | 4,008,001 | | | |
| b Contributions | 536,100 | 21,400 | | | |
| c Net investment earnings, gains, and losses | 82,991 | -34,869 | | | |
| d Grants or scholarships | 0 | 0 | | | |
| e Other expenditures for facilities and programs | 64,514 | 0 | | | |
| f Administrative expenses | 0 | 0 | | | |
| g End of year balance | 4,549,109 | 3,994,532 | | | |

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ► 19 %

b Permanent endowment ► 81 %

c Term endowment ► 0 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

| | | Yes | No |
|---|---|---|---|
| (i) unrelated organizations | 3a(i) | | ✓ |
| (ii) related organizations | 3a(ii) | | ✓ |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b | | |

4 Describe in Part XIV the intended uses of the organization's endowment funds.

**Part VI** **Investments—Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

| Description of investment | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|---|---|---|---|---|
| 1a Land | 0 | 236,571 | | 236,571 |
| b Buildings | 0 | 10,975,517 | 2,970,889 | 8,004,628 |
| c Leasehold improvements | 0 | 31,605 | 10,454 | 21,151 |
| d Equipment | 0 | 1,381,270 | 1,022,566 | 358,704 |
| e Other | 0 | 0 | 0 | 0 |
| **Total.** Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ► | | | | 8,621,054 |

**Part VII Investments—Other Securities.** See Form 990, Part X, line 12.

| (a) Description of security or category (including name of security) | (b) Book value | (c) Method of valuation Cost or end-of-year market value |
|---|---|---|
| Financial derivatives | | |
| Closely-held equity interests | | |
| Other | | |
| | | |
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| | | |
| **Total.** *(Column (b) must equal Form 990, Part X, col (B) line 12 )* ▶ | | |

**Part VIII Investments—Program Related.** See Form 990, Part X, line 13.

| (a) Description of investment type | (b) Book value | (c) Method of valuation. Cost or end-of-year market value |
|---|---|---|
| | | |
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| **Total.** *(Column (b) must equal Form 990, Part X, col (B) line 13 )* ▶ | | |

**Part IX Other Assets.** See Form 990, Part X, line 15.

| (a) Description | (b) Book value |
|---|---|
| Beneficial interest in real estate trust asset | 212,651 |
| Bond proceeds held in trust - debt service reserve | 24,236 |
| | |
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| | |
| **Total.** *(Column (b) must equal Form 990, Part X, col. (B) line 15 )* ▶ | 236,887 |

**Part X Other Liabilities.** See Form 990, Part X, line 25.

| 1. (a) Description of liability | (b) Amount |
|---|---|
| Federal income taxes | |
| Liability under charitable gift annuity | 79,373 |
| | |
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| **Total.** *(Column (b) must equal Form 990, Part X, col (B) line 25 )* ▶ | 79,373 |

**2.** FIN 48 Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

**Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements**

| | | | |
|---|---|---|---|
| 1 | Total revenue (Form 990, Part VIII, column (A), line 12) | 1 | 9,907,628 |
| 2 | Total expenses (Form 990, Part IX, column (A), line 25) | 2 | 11,346,827 |
| 3 | Excess or (deficit) for the year. Subtract line 2 from line 1 | 3 | -1,439,199 |
| 4 | Net unrealized gains (losses) on investments | 4 | 788,980 |
| 5 | Donated services and use of facilities | 5 | 0 |
| 6 | Investment expenses | 6 | 0 |
| 7 | Prior period adjustments | 7 | 0 |
| 8 | Other (Describe in Part XIV.) | 8 | -23,442 |
| 9 | Total adjustments (net) Add lines 4 through 8 | 9 | 765,538 |
| 10 | Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9 | 10 | -673,661 |

**Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

| | | | | | |
|---|---|---|---|---|---|
| 1 | Total revenue, gains, and other support per audited financial statements | | | 1 | 10,676,663 |
| 2 | Amounts included on line 1 but not on Form 990, Part VIII, line 12: | | | | |
| a | Net unrealized gains on investments | 2a | 788,980 | | |
| b | Donated services and use of facilities | 2b | 0 | | |
| c | Recoveries of prior year grants | 2c | 0 | | |
| d | Other (Describe in Part XIV ) | 2d | -19,945 | | |
| e | Add lines **2a** through **2d** | | | 2e | 769,035 |
| 3 | Subtract line **2e** from line **1** | | | 3 | 9,907,628 |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line **1**: | | | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | 0 | | |
| b | Other (Describe in Part XIV.) | 4b | 0 | | |
| c | Add lines **4a** and **4b** | | | 4c | 0 |
| 5 | Total revenue Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 12.)* | | | 5 | 9,907,628 |

**Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

| | | | | | |
|---|---|---|---|---|---|
| 1 | Total expenses and losses per audited financial statements | | | 1 | 11,350,324 |
| 2 | Amounts included on line 1 but not on Form 990, Part IX, line 25: | | | | |
| a | Donated services and use of facilities | 2a | 0 | | |
| b | Prior year adjustments | 2b | 0 | | |
| c | Other losses | 2c | 0 | | |
| d | Other (Describe in Part XIV.) | 2d | 3,497 | | |
| e | Add lines **2a** through **2d** | | | 2e | 3,497 |
| 3 | Subtract line **2e** from line **1** | | | 3 | 11,346,827 |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line **1**: | | | | |
| a | Investment expenses not included on Form 990, Part VIII, line 7b | 4a | 0 | | |
| b | Other (Describe in Part XIV.) | 4b | 0 | | |
| c | Add lines **4a** and **4b** | | | 4c | 0 |
| 5 | Total expenses. Add lines **3** and **4c.** *(This must equal Form 990, Part I, line 18.)* | | | 5 | 11,346,827 |

**Part XIV Supplemental Information**

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information

**Schedule D, Part V, Line 4 - up to 5% of the total earned income of the Endowment Fund is appropriated annually to support the operations of the Center**

**Schedule D, Part X - this amount represents the liability under two charitable gift annuities**

**Schedule D, Part XI, Line 8 - the amount represents the change in value of the two charitable gift annuities**

**Schedule D, Part XII, Line 2d - amounts represents $23442 loss on the change in value of the two charitable gift annuities and $3497 of gross rental income**

## Part XIV - Supplemental Information (Continued)

Schedule D, Part XIII, Line 2d - expenses relating to rental property

Schedule F (Form 990)

Department of the Treasury
Internal Revenue Service

# Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

**Open to Public Inspection**

Name of the organization
WOODS HOLE RESEARCH CENTER INC

Employer identification number
04 3005094

**Part I** **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . . ☑ Yes ☐ No

2 **For grantmakers.** Describe in Part IV the organization's procedures for monitoring the use of grant funds outside the United States.

3 Activities per Region. (Use Schedule F-1 (Form 990) if additional space is needed.)

| (a) Region | (b) Number of offices in the region | (c) Number of employees or agents in region | (d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region) | (e) If activity listed in (d) is a program service, describe specific type of service(s) in region | (f) Total expenditures for region |
|---|---|---|---|---|---|
| Sch F, Stmt 1 | | | | | |
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| **Totals** . . . ▶ | 0 | 1 | | | 1,510,285 |

**Part II** **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Check this box if no one recipient received more than $5,000 . . . . . . ▶ ☐
Use Schedule F-1 (Form 990) if additional space is needed.

| 1 (a) Name of organization | (b) IRS code section and EIN (if applicable) | (c) Region | (d) Purpose of grant | (e) Amount of cash grant | (f) Manner of cash disbursement | (g) Amount of non-cash assistance | (h) Description of non-cash assistance | (i) Method of valuation (book, FMV, appraisal, other) |
|---|---|---|---|---|---|---|---|---|
| | | Sch F, Stmt 2 | | | | | | |
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2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . . . . . . . ▶ 8

3 Enter total number of other organizations or entities . . . . . . . . . . . . . . . . . . . . . . . ▶ 1

**Part III** **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Use Schedule F-1 (Form 990) if additional space is needed.

| **(a)** Type of grant or assistance | **(b)** Region | **(c)** Number of recipients | **(d)** Amount of cash grant | **(e)** Manner of cash disbursement | **(f)** Amount of non-cash assistance | **(g)** Description of non-cash assistance | **(h)** Method of valuation (book, FMV, appraisal, other) |
|---|---|---|---|---|---|---|---|
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## Part IV Supplemental Information

Complete this part to provide the information required in Part I, line 2, and any additional information.

Schedule F, Part I, Line 2 - The Chief Financial Officer and Director of Administration (CFO) prepares all subcontracts with foreign entities. These subcontracts contain a scope of work and a detailed budget plan. Sub-recipients prepare and submit invoices to the CFO. The invoices are reviewed for appropriateness and compliance for allowable/unallowable expenses. Supporting documents may include copies of receipts or copies of the sub-recipient accounting records. These invoices are then reviewed by the Controller and traced to the general ledger to determine eligibility for payment. The Controller also reviews invoices for compliance to line item budgets as applicable. Significant variances to budget are reviewed by the CFO and Principal Investigators, and if determined necessary, reported to the prime funder in the form of a re-budget request. The Center's accounting system tracks revenues an expenditures on a project or "award" basis.

**SCHEDULE I**
**(Form 990)**

Department of the Treasury
Internal Revenue Service

# Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

**Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.**
**▶ Attach to Form 990.**

OMB No 1545-0047
**2009**
**Open to Public Inspection**

Name of the organization
WOODS HOLE RESEARCH CENTER INC

Employer identification number
04 3005094

## Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . ☑ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

## Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . ▶ ☐

| 1 (a) Name and address of organization or government | (b) EIN | (c) IRC section if applicable | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of non-cash assistance | (h) Purpose of grant or assistance |
|---|---|---|---|---|---|---|---|
| Sch I, Stmt 1 | | | | | | | |
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2 Enter total number of section 501(c)(3) and government organizations . . . ▶ 11

3 Enter total number of other organizations . . . ▶ 1

**Part III** **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Use Part IV and Schedule I-1 (Form 990) if additional space is needed.

| (a) Type of grant or assistance | (b) Number of recipients | (c) Amount of cash grant | (d) Amount of non-cash assistance | (e) Method of valuation (book, FMV, appraisal, other) | (f) Description of non-cash assistance |
|---|---|---|---|---|---|
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**Part IV** **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

**Schedule I, Part I, Line 2 - Monitoring: The Chief Financial Officer and Director of Administration (CFO) prepares all consulting agreements and subcontracts for individuals and organizations with the US. These documents contain a scope of work and a detailed budget plan. The Individuals/organizations prepare and submit invoices to the CFO. These invoices are reviewed for appropriateness and compliance for allowable/unallowable expenses. The Controller reviews the invoices for compliance to budget line items. Significant variances to budget are reviewed by the CFO and Principal Investigator, and if determined necessary, reported to the prime funder in the form of a re-budget request. The Center's accounting system tracks expenditures on a project or "award" basis. Annually, applicable subcontract organizations are requested to submit their A-133 reports, which are reviewed by the CFO.**

**SCHEDULE J**
**(Form 990)**

Department of the Treasury
Internal Revenue Service

# Compensation Information

**For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**
**▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**
**▶ Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047
**2009**
**Open to Public Inspection**

| Name of the organization | Employer identification number |
|---|---|
| WOODS HOLE RESEARCH CENTER INC | 04 3005094 |

## Part I Questions Regarding Compensation

| | | | Yes | No |
|---|---|---|---|---|
| 1a | Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.<br>☐ First-class or charter travel ☐ Housing allowance or residence for personal use<br>☐ Travel for companions ☐ Payments for business use of personal residence<br>☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees<br>☐ Discretionary spending account ☐ Personal services (e.g., maid, chauffeur, chef) | | | |
| b | If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain | 1b | | |
| 2 | Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a? | 2 | | |
| 3 | Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.<br>☐ Compensation committee ☑ Written employment contract<br>☐ Independent compensation consultant ☐ Compensation survey or study<br>☐ Form 990 of other organizations ☑ Approval by the board or compensation committee | | | |
| 4 | During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization: | | | |
| a | Receive a severance payment or change-of-control payment? | 4a | | ✓ |
| b | Participate in, or receive payment from, a supplemental nonqualified retirement plan? | 4b | | ✓ |
| c | Participate in, or receive payment from, an equity-based compensation arrangement? | 4c | | ✓ |
| | If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III. | | | |
| | **Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.** | | | |
| 5 | For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of: | | | |
| a | The organization? | 5a | | ✓ |
| b | Any related organization? | 5b | | ✓ |
| | If "Yes" to line 5a or 5b, describe in Part III. | | | |
| 6 | For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of: | | | |
| a | The organization? | 6a | | ✓ |
| b | Any related organization? | 6b | | ✓ |
| | If "Yes" to line 6a or 6b, describe in Part III. | | | |
| 7 | For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III | 7 | | ✓ |
| 8 | Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53.4958-4(a)(3)? If "Yes," describe in Part III | 8 | | ✓ |
| 9 | If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? | 9 | | |

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)–(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

| (A) Name | | (B) Breakdown of W-2 and/or 1099-MISC compensation | | | (C) Retirement and other deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)–(D) | (F) Compensation reported in prior Form 990 or Form 990-EZ |
|---|---|---|---|---|---|---|---|---|
| | | (i) Base compensation | (ii) Bonus & incentive compensation | (iii) Other reportable compensation | | | | |
| Richard A Houghton | (i) | 204,060 | 0 | 0 | 21,500 | 24,288 | 249,848 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Robert M Barry | (i) | 193,041 | 0 | 0 | 19,437 | 7,838 | 220,316 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Eric Davidson | (i) | 141,477 | 0 | 0 | 14,565 | 12,135 | 168,177 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Scott Goetz | (i) | 133,913 | 0 | 0 | 13,531 | 8,679 | 156,123 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |
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| | (ii) | | | | | | | |
| | (i) | | | | | | | |
| | (ii) | | | | | | | |

## Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

SCHEDULE J-2 (Form 990)

Department of the Treasury Internal Revenue Service

# Continuation Sheet for Form 990

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

▶ See the Instructions for Form 990.

OMB No 1545-0047

2009

**Open to Public Inspection**

Name of the Organization: WOODS HOLE RESEARCH CENTER INC

Employer identification number: 04 3005094

## Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

| (A) Name and title | (B) Average hours per week | (C) Position (check all that apply): Individual trustee or director | Institutional trustee | Officer | Key employee | Highest compensated employee | Former | (D) Reportable compensation from the organization (W-2/1099-MISC) | (E) Reportable compensation from related organizations (W-2/1099-MISC) | (F) Estimated amount of other compensation from the organization and related organizations |
|---|---|---|---|---|---|---|---|---|---|---|
| Andrea Cattaneo<br>Senior Scientist | 40 | | | | | ✓ | | 138,028 | 0 | 7,910 |
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**SCHEDULE K**
**(Form 990)**

Department of the Treasury
Internal Revenue Service

# Supplemental Information on Tax-Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information on Schedule O (Form 990).

▶ Attach to Form 990. See separate instructions.

OMB No. 1545-0047

2009

**Open to Public Inspection**

Name of the organization: WOODS HOLE RESEARCH CENTER INC

Employer identification number: 04 3005094

## Part I Bond Issues

| | (a) Issuer name | (b) Issuer EIN | (c) CUSIP # | (d) Date issued | (e) Issue price | (f) Description of purpose | (g) Defeased Yes | (g) Defeased No | (h) On behalf of issuer Yes | (h) On behalf of issuer No |
|---|---|---|---|---|---|---|---|---|---|---|
| A | Massachusetts Health & Education Facilities Auth | | | 06/29/2002 | 2,795,000 | construction | | ✓ | | ✓ |
| B | | | | | | | | | | |
| C | | | | | | | | | | |
| D | | | | | | | | | | |
| E | | | | | | | | | | |

## Part II Proceeds

| | | A | B | C | D | E |
|---|---|---|---|---|---|---|
| 1 | Total proceeds of issue | 2,795,000 | | | | |
| 2 | Gross proceeds in reserve funds | 24,236 | | | | |
| 3 | Proceeds in refunding or defeasance escrows | 0 | | | | |
| 4 | Other unspent proceeds | 0 | | | | |
| 5 | Issuance costs from proceeds | 0 | | | | |
| 6 | Working capital expenditures from proceeds | 0 | | | | |
| 7 | Capital expenditures from proceeds | 2,770,764 | | | | |
| 8 | Year of substantial completion | 2003 | | | | |

| | | A Yes | A No | B Yes | B No | C Yes | C No | D Yes | D No | E Yes | E No |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 9 | Were the bonds issued as part of a current refunding issue? | | ✓ | | | | | | | | |
| 10 | Were the bonds issued as part of an advance refunding issue? | | ✓ | | | | | | | | |
| 11 | Has the final allocation of proceeds been made? | ✓ | | | | | | | | | |
| 12 | Does the organization maintain adequate books and records to support the final allocation of proceeds? | ✓ | | | | | | | | | |

## Part III Private Business Use

| | | A Yes | A No | B Yes | B No | C Yes | C No | D Yes | D No | E Yes | E No |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds? | | ✓ | | | | | | | | |
| 2 | Are there any lease arrangements with respect to the financed property which may result in private business use? | | ✓ | | | | | | | | |

## Part III Private Business Use *(Continued)*

| | A | | B | | C | | D | | E | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Yes | No | Yes | No | Yes | No | Yes | No | Yes | No |
| **3a** Are there any management or service contracts with respect to the financed property which may result in private business use? | | ✓ | | | | | | | | |
| **b** Are there any research agreements with respect to the financed property which may result in private business use? | | ✓ | | | | | | | | |
| **c** Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property? | | | | | | | | | | |
| **4** Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶ | % | | % | | % | | % | | % | |
| **5** Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶ | % | | % | | % | | % | | % | |
| **6** Total of lines 4 and 5 | 0 % | | % | | % | | % | | % | |
| **7** Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities? | ✓ | | | | | | | | | |

## Part IV Arbitrage

| | A | | B | | C | | D | | E | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Yes | No | Yes | No | Yes | No | Yes | No | Yes | No |
| **1** Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue? | | ✓ | | | | | | | | |
| **2** Is the bond issue a variable rate issue? | ✓ | | | | | | | | | |
| **3a** Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records? | | ✓ | | | | | | | | |
| **b** Name of provider | | | | | | | | | | |
| **c** Term of hedge | | | | | | | | | | |
| **4a** Were gross proceeds invested in a GIC? | | ✓ | | | | | | | | |
| **b** Name of provider | | | | | | | | | | |
| **c** Term of GIC | | | | | | | | | | |
| **d** Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? | | | | | | | | | | |
| **5** Were any gross proceeds invested beyond an available temporary period? | | ✓ | | | | | | | | |
| **6** Did the bond issue qualify for an exception to rebate? | | ✓ | | | | | | | | |

**SCHEDULE M (Form 990)**

Department of the Treasury
Internal Revenue Service

# Noncash Contributions

▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.

OMB No 1545-0047

**2009**

**Open To Public Inspection**

Name of the organization: WOODS HOLE RESEARCH CENTER INC

Employer identification number: 04 3005094

## Part I Types of Property

| | | (a) Check if applicable | (b) Number of contributions | (c) Revenues reported on Form 990, Part VIII, line 1g | (d) Method of determining revenues |
|---|---|---|---|---|---|
| 1 | Art—Works of art | | | | |
| 2 | Art—Historical treasures | | | | |
| 3 | Art—Fractional interests | | | | |
| 4 | Books and publications | | | | |
| 5 | Clothing and household goods | | | | |
| 6 | Cars and other vehicles | | | | |
| 7 | Boats and planes | | | | |
| 8 | Intellectual property | | | | |
| 9 | Securities—Publicly traded | | | | |
| 10 | Securities—Closely held stock | | | | |
| 11 | Securities—Partnership, LLC, or trust interests | | | | |
| 12 | Securities—Miscellaneous | | | | |
| 13 | Qualified conservation contribution—Historic structures | | | | |
| 14 | Qualified conservation contribution—Other | | | | |
| 15 | Real estate—Residential | | | | |
| 16 | Real estate—Commercial | | | | |
| 17 | Real estate—Other | | | | |
| 18 | Collectibles | | | | |
| 19 | Food inventory | | | | |
| 20 | Drugs and medical supplies | | | | |
| 21 | Taxidermy | | | | |
| 22 | Historical artifacts | | | | |
| 23 | Scientific specimens | | | | |
| 24 | Archeological artifacts | | | | |
| 25 | Other ▶ ( Equipment ) | ✓ | 5 | 54,148 | fair value |
| 26 | Other ▶ ( ) | | | | |
| 27 | Other ▶ ( ) | | | | |
| 28 | Other ▶ ( ) | | | | |

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . . 29 | 0

| | | | Yes | No |
|---|---|---|---|---|
| 30a | During the year, did the organization receive by contribution any property reported in Part I, lines 1–28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? | 30a | | ✓ |
| b | If "Yes," describe the arrangement in Part II. | | | |
| 31 | Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? | 31 | | ✓ |
| 32a | Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? | 32a | | ✓ |
| b | If "Yes," describe in Part II. | | | |
| 33 | If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II. | | | |

**Part II** **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

**SCHEDULE O (Form 990)**

Department of the Treasury
Internal Revenue Service

# Supplemental Information to Form 990

**Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.**

▶ **Attach to Form 990.**

OMB No 1545-0047

**2009**

**Open to Public Inspection**

| Name of the organization | Employer identification number |
|---|---|
| WOODS HOLE RESEARCH CENTER INC | 04 3005094 |

Form 990, Part VI, Section A, Line 9 - Robert M. Barry 35 Shaume Road North Falmouth MA 02556

Form 990, Part VI, Section B, Line 11 - The Form 990 is prepared by the Controller and submitted to the Director of Finance and Administration for general review. It is then sent to the Center's independent accountants and to the Board for review before filed with the appropriate agency. In the future, the Board Finance Committee will review the Form 990 prior to submission. The Form 990 will continue to be submitted to the full Board prior to filing.

Form 990, Part VI, Section B, Line 15 - The CEO/Director's compensation package is determined and approved by the Compensation Committee of the Board of Directors. Employee compensation is determined institutionally by establishing an average annual salary increase guideline each year. Any increase above the institutional guideline must have further justification from the supervisor. The CEO may also make equity recommendations based upon internal or external salary and wage inequities.

Form 990, Part VI, Section C, Line 19 - The Center's Financial Statements are available by request, on our website (whrc.org). The Center does not generally make available its governance documents or its Conflict of Interest policy.

**Activity Or Mission Description**

**Description**

knowledge through education and policy to address the great issues for a healthy planet Climate change, biodiversity and water are current, core areas for WHRC, and, primarily through the lens of these, we address and take into account other fundamental issues such as population, poverty, peace, disease, food, and energy We work around the Earth, from local to global scales, including the Amazon and Cerrado of South America, the Congo Basin and East Africa, the high latitudes of North America and Eurasia, and across the United States We are unique in the depth of our science capability in combination with our commitment to the environment

WOODS HOLE RESEARCH CENTER INC
04-3005094

Line Number Part III Line 4d

Other Program Services Accomplishments

| Activity Code | Description | Expense | Grants | Revenue |
|---|---|---|---|---|
| | Hydrology | 654,993 | 11,211 | 0 |
| | Carbon | 519,109 | 16,141 | 0 |
| | Soils | 404,105 | 11,964 | 0 |
| | Global Forests | 72,517 | 0 | 0 |
| | Education | 392 | 0 | 0 |
| **Total:** | | **1,651,116** | **39,316** | **0** |

| | | |
|---|---|---|
| cash assistance | | |
| Purpose of grant | Scientific Research | |
| Name and address | Meridian<br>PO Box 1829<br>Dillon, CO 80435 | 243,173 |
| EIN | 84-1435420 | |
| IRC code section | 501(c)(3) | |
| Method of valuation | cash | |
| Description of non-cash assistance | | |
| Purpose of grant | Scientific Research | |
| Name and address | Montana State University<br>309 Montana Hall<br>Bozeman, MT 59717 | 16,986 |
| EIN | 81-0302402 | |
| IRC code section | 501(c)(3) | |
| Method of valuation | cash | |
| Description of non-cash assistance | | |
| Purpose of grant | Scientific Research | |
| Name and address | Shippensburg University<br>1871 Old Main Drive<br>Shippensburg, PA 17257 | 27,271 |
| EIN | 23-1352685 | |
| IRC code section | 501(c)(3) | |
| Method of valuation | cash | |
| Description of non-cash assistance | | |
| Purpose of grant | Scientific Research | |
| Name and address | Univ of Maryland<br>3112 Lee Building<br>College Park, MD 20742 | 31,638 |
| EIN | 52-6002033 | |
| IRC code section | 501(c)(3) | |
| Method of valuation | cash | |
| Description of non-cash assistance | | |
| Purpose of grant | Scientific Research | |
| Name and address | Wildlife Conservation Society<br>2300 Southern Boulevard<br>Bronx, NY 10460 | 19,555 |
| EIN | 13-1740011 | |
| IRC code section | 501(c)(3) | |
| Method of valuation | cash | |
| Description of non-cash assistance | | |
| Purpose of grant | Scientific Research | |
| Name and address | University of Florida<br>PO Box 113001<br>Gainesville, FL 32611 | 103,874 |
| EIN | 59-6002052 | |
| IRC code section | 501(c)(3) | |
| Method of valuation | cash | |
| Description of non-cash assistance | | |
| Purpose of grant | Scientific Research | |
| Name and address | UC Irvine | 102,377 |

| | | |
|---|---|---|
| | Biological Sciences Suite 1400 | |
| | Irvine, CA 92697 | |
| **EIN** | 95-2226406 | |
| **IRC code section** | 501(c)(3) | |
| **Method of valuation** | cash | |
| **Description of non-cash assistance** | | |
| **Purpose of grant** | Scientific Research | |
| **Name and address** | Trop Forest Group<br>1125 Fort Stockton Dr<br>San Diego, CA 92103 | 59,189 |
| **EIN** | 20-4433111 | |
| **IRC code section** | 501(c)(3) | |
| **Method of valuation** | cash | |
| **Description of non-cash assistance** | | |
| **Purpose of grant** | Scientific Research | |

# The Woods Hole Research Center, Inc.

Financial Statements

Years Ended June 30, 2010 and 2009

# THE WOODS HOLE RESEARCH CENTER, INC.

## FINANCIAL STATEMENTS

## YEARS ENDED JUNE 30, 2010 AND 2009

### CONTENTS

CALIBRE
CPA GROUP
PLLC

CERTIFIED PUBLIC ACCOUNTANTS
AND BUSINESS ADVISORS

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A member of
KS International

## REPORT OF INDEPENDENT AUDITORS

Board of Directors
The Woods Hole Research Center, Inc.

We have audited the accompanying statements of financial position of The Woods Hole Research Center, Inc. as of June 30, 2010 and 2009, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the Center's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Center's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide 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 The Woods Hole Research Center, Inc. as of June 30, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The schedules of functional expenses and research program expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules are the responsibility of the Center's management. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Calibre CPA Group, PLLC

Washington, DC
September 14, 2010

## The Woods Hole Research Center, Inc.

## Statements of Financial Position

## June 30, 2010 and 2009

| | 2010 | 2009 |
|---|---|---|
| **Assets** | | |
| **Current assets** | | |
| Cash and cash equivalents | $ 5,849,325 | $ 5,794,403 |
| U.S. Government contributions receivable | 759,279 | 690,567 |
| Other contributions receivable, net | 4,766,376 | 4,899,199 |
| Prepaid expenses and other receivables | 422,761 | 292,529 |
| Total current assets | 11,797,741 | 11,676,698 |
| **Investments** | | |
| Endowment and quasi-endowment investments | 4,549,109 | 3,992,987 |
| Other investments | 80,319 | - |
| Total investments | 4,629,428 | 3,992,987 |
| **Net property and equipment** | 8,621,054 | 7,765,383 |
| **Other assets** | | |
| Other contributions receivable, net of current portion | 296,826 | 1,765,721 |
| Beneficial interest in real estate trust assets | 212,651 | 212,651 |
| Bond proceeds held in trust for debt retirement | 24,236 | 19,277 |
| Total other assets | 533,713 | 1,997,649 |
| Total assets | $ 25,581,936 | $ 25,432,717 |
| **Liabilities and Net Assets** | | |
| **Current liabilities** | | |
| Accounts payable | $ 314,243 | $ 276,326 |
| Accrued expenses | 651,025 | 546,783 |
| Liability under charitable gift annuities | 8,984 | 8,830 |
| Refundable advances | 220,936 | 25,717 |
| Loan payable | 114,192 | 86,741 |
| Tenant security deposits | - | 2,700 |
| Total current liabilities | 1,309,380 | 947,097 |
| **Long-term liabilities** | | |
| Liability under charitable gift annuites, net of current portion | 70,389 | 73,976 |
| Loan payable, net of current portion | 2,305,029 | 1,840,845 |
| Total liabilities | 3,684,798 | 2,861,918 |
| **Net assets** | | |
| Unrestricted | | |
| Operating | 1,862,677 | 998,135 |
| Board designated for quasi-endowment | 860,000 | 360,000 |
| Net investment in property and equipment | 6,226,069 | 5,857,074 |
| Total unrestricted | 8,948,746 | 7,215,209 |
| Temporarily restricted | 9,259,283 | 11,721,058 |
| Permanently restricted | 3,689,109 | 3,634,532 |
| Total net assets | 21,897,138 | 22,570,799 |
| Total liabilities and net assets | $ 25,581,936 | $ 25,432,717 |

See accompanying notes to financial statements.

## The Woods Hole Research Center, Inc.

### Statements of Activities

### Years Ended June 30, 2010 and 2009

| | 2010 | | | | 2009 | | | |
|---|---|---|---|---|---|---|---|---|
| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
| **Support and revenue** | | | | | | | | |
| Contributions | | | | | | | | |
| U.S. Government | $ - | $ 3,846,682 | $ - | $ 3,846,682 | $ - | $ 4,077,719 | $ - | $ 4,077,719 |
| Foundations and other | 996,541 | 4,577,427 | 36,100 | 5,610,068 | 848,336 | 14,007,838 | 21,400 | 14,877,574 |
| Investment income (loss) | 599,794 | 3,589 | 18,477 | 621,860 | (609,336) | (388,820) | (34,869) | (1,033,025) |
| Donated equipment | 54,148 | - | - | 54,148 | 260,746 | - | - | 260,746 |
| Change in value of split-interest agreements | (8,741) | (14,701) | - | (23,442) | (5,274) | 3,370 | - | (1,904) |
| Gain on sale of property and equipment | 551,240 | - | - | 551,240 | - | - | - | - |
| Other income | 16,107 | - | - | 16,107 | 39,110 | - | - | 39,110 |
| Net assets released from restrictions | 10,874,772 | (10,874,772) | - | - | 8,557,627 | (8,557,627) | - | - |
| Total support and revenue | 13,083,861 | (2,461,775) | 54,577 | 10,676,663 | 9,091,209 | 9,142,480 | (13,469) | 18,220,220 |
| **Expenses** | | | | | | | | |
| Research programs | 8,759,918 | - | - | 8,759,918 | 7,575,613 | - | - | 7,575,613 |
| General and administrative | 2,152,530 | - | - | 2,152,530 | 1,696,593 | - | - | 1,696,593 |
| Development and fund raising | 437,876 | - | - | 437,876 | 420,337 | - | - | 420,337 |
| Total expenses | 11,350,324 | - | - | 11,350,324 | 9,692,543 | - | - | 9,692,543 |
| **Change in net assets** | 1,733,537 | (2,461,775) | 54,577 | (673,661) | (601,334) | 9,142,480 | (13,469) | 8,527,677 |
| **Net assets** | | | | | | | | |
| Beginning of year | 7,215,209 | 11,721,058 | 3,634,532 | 22,570,799 | 7,816,543 | 2,578,578 | 3,648,001 | 14,043,122 |
| End of year | $ 8,948,746 | $ 9,259,283 | $ 3,689,109 | $ 21,897,138 | $ 7,215,209 | $ 11,721,058 | $ 3,634,532 | $ 22,570,799 |

See accompanying notes to financial statements.

## The Woods Hole Research Center, Inc.

### Statements of Cash Flows

### Years Ended June 30 2010 and 2009

| | 2010 | 2009 |
|---|---|---|
| **Cash flows from operating activities** | | |
| Contributions received | | |
| U.S. Government | $ 3,778,965 | $ 4,097,653 |
| Foundations and other | 7,369,910 | 8,797,351 |
| Investment income received | 121,222 | 235,512 |
| Other operating receipts | (1,294) | 33,836 |
| Payments to vendors, suppliers, employees and annuitants | (10,836,799) | (8,913,638) |
| Interest payments | (9,187) | (46,008) |
| Net cash provided by operating activities | 422,817 | 4,204,706 |
| **Cash flows from investing activities** | | |
| Purchases of investments | (4,235,227) | (1,367,216) |
| Proceeds from sales of investments | 4,099,424 | 1,176,121 |
| Proceeds from sale of property and equipment | 850,000 | - |
| Purchases of property and equipment | (1,604,868) | (1,124,735) |
| Net cash used for investing activities | (890,671) | (1,315,830) |
| **Cash flows from financing activities** | | |
| Use of bond proceeds held in trust | (4,959) | 875 |
| Bond proceeds received | 603,900 | - |
| Repayments of loans payable | (112,265) | (87,616) |
| Endowment contributions and related investment income received | 36,100 | 21,400 |
| Net cash provided by (used for) financing activities | 522,776 | (65,341) |
| **Net increase in cash and cash equivalents** | 54,922 | 2,823,535 |
| **Cash and cash equivalents** | | |
| Beginning of year | 5,794,403 | 2,970,868 |
| End of year | $ 5,849,325 | $ 5,794,403 |
| **Reconciliation of change in net assets to net cash provided by operating activities** | | |
| Change in net assets | $ (673,661) | $ 8,527,677 |
| Adjustments | | |
| Endowment contributions | (36,100) | (21,400) |
| Donated equipment | (54,148) | (260,746) |
| Depreciation and amortization | 560,870 | 546,236 |
| Gain on sale of property and equipment | (551,240) | - |
| Net realized and unrealized (gains) losses on investments | (500,638) | 1,268,537 |
| Change in assets and liabilities | | |
| U.S. Government contributions receivable | (68,712) | 19,934 |
| Other contributions receivable, net of endowment contributions | 1,601,718 | (6,062,201) |
| Prepaid expenses and other receivables | (130,232) | (102,181) |
| Accounts payable | (18,368) | 55,639 |
| Accrued expenses | 104,242 | 245,376 |
| Liability under charitable gift annuities | (3,433) | (3,128) |
| Refundable advances | 195,219 | (9,037) |
| Tenant security deposits | (2,700) | - |
| Net cash provided by operating activities | $ 422,817 | $ 4,204,706 |

See accompanying notes to financial statements.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Financial Statement Presentation** - Financial statement presentation follows the recommendations of U.S. generally accepted accounting principles related to *Financial Statements of Not-for-Profit Organization*, formerly Statement of Financial Accounting Standards (SFAS) No. 117. Under those principles, the Center is required to report information regarding its financial position and activities according to three classes of net assets - unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

**Cash and Cash Equivalents** - Cash consists of monies held in demand deposit and money market accounts, unless designated for long-term purposes. Cash equivalents are all highly liquid, short-term investments with initial maturities of three months or less when purchased, which are stated at cost which approximates market value.

**Investments** - Investments consist of amounts held in money market accounts and invested in mutual funds and are carried at fair value, as determined by published market prices. Income earned on mutual funds is derived from both dividends and changes in fair value. Unrealized gains (losses) resulting from increases (decreases) in fair value of shares held as well as the net realized gains (losses) arising from sales of mutual fund shares are included in investment income. The Center's investments are pooled and allocation of income is tracked on a unitized basis. The Center distributes a proportional amount of investment income based on a total return policy.

**Property and Equipment** - Property and equipment are recorded at cost. Property and equipment with a cost of $3,000 or greater and having an expected useful life of two years or longer are capitalized. Depreciation and amortization are provided on a straight-line basis over the estimated useful lives of the assets or, where applicable, the terms of the respective capitalized lease agreements, whichever are shorter. The cost of property and equipment retired or disposed of is removed from the accounts along with the related accumulated depreciation or amortization, and any gain or loss is reflected in income.

**Revenue and Support** - Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a 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 statement of activities as net assets released from restrictions. Federal grant awards are classified as refundable advances until expended for the purposes of the grants since they are considered to be conditional promises to give.

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Functional Allocation of Expenses** - The costs of providing the various programs and other activities of the Center have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Use of Estimates** - The preparation of financial statements in conformity with U.S. generally accepted accounting principles 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.

**Subsequent Events Review** - Subsequent events have been evaluated through September 14, 2010, which is the date the financial statements were available to be issued. This review and evaluation revealed no new material event or transaction which would require an additional adjustment to or disclosure in the accompanying financial statements.

## NOTE 2. ORGANIZATION AND TAX STATUS

Founded in 1985, The Woods Hole Research Center addresses global environmental problems generated by the expansion of human enterprise over a finite earth. Both privately and publicly financed, the Center offers independent scientific and policy analyses of this new realm of global environmental issues.

The Center (a Massachusetts nonprofit corporation) is exempt from federal and Massachusetts income taxes under Section 501(c)(3) of the Internal Revenue Code and Chapter 180 of the Code of the Commonwealth of Massachusetts, respectively, as a publicly supported organization. The organization is, however, subject to tax on net profits generated by activities defined as unrelated business activities under applicable tax law. To date, the Center has not engaged in such activities.

## NOTE 3. INVESTMENTS

Investments as of June 30, 2010 and 2009, consist of amounts held in a money market account and invested in mutual funds. The original cost and fair values of investments are as follows:

| | 2010 | 2009 |
|---|---|---|
| Cost | $4,798,229 | $4,950,769 |
| Accumulated unrealized gain (loss) | (168,801) | (957,782) |
| Total fair value | $4,629,428 | $3,992,987 |
| Board-designated quasi-endowment | $ 860,000 | $ 360,000 |
| Donor-restricted permanent endowment | 3,689,109 | 3,632,987 |
| | 4,549,109 | 3,992,987 |
| Net other investments | 80,319 | - |
| Total investments | $4,629,428 | $3,992,987 |

## NOTE 3. INVESTMENTS (CONTINUED)

Included in investment income for the years ended June 30, 2010 and 2009 is net appreciation (depreciation) in the fair value of investments of $500,638 and $(1,268,537), respectively.

## NOTE 4. FAIR VALUE

Generally accepted accounting principles related to Fair Value Measurements establish a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that inputs that are most observable be used when available. Observable inputs are inputs that market participants operating within the same marketplace as the Center would use in pricing the Center's assets or liabilities based on independently derived and observable market data. Unobservable inputs are inputs that cannot be sourced from a broad active market in which assets or liabilities identical or similar to those of the Center are traded.

Level 1 – Valuation based on quoted market prices in active markets for identical assets or liabilities.

Level 2 – Valuation based on quoted prices for similar assets or liabilities, or inputs that are observable, either directly or indirectly, for substantially the full term through corroboration with observable market data.

Level 3 – Valuation based on inputs that are unobservable and reflect management's best estimate of what market participants would use in estimating fair value.

All of the Center's financial investments were measured at fair value on a recurring basis as of June 30, 2010 and 2009 using level 1 inputs. The Center's liability under charitable gift annuities were measured at fair value on a recurring basis as of June 30, 2010 and 2009 using level 2 inputs. The Center's remainder interest in split-interest agreements under which the Center has been designated the sole remainder man were measured at fair value on a recurring basis as of June 30, 2010 and 2009 using level 2 inputs.

## NOTE 5. CONTRIBUTIONS RECEIVABLE

Unconditional promises receivable as of June 30, 2010 and 2009, are as follows:

| | 2010 | 2009 |
|---|---|---|
| Due in less than one year | $5,525,655 | $5,589,766 |
| Due in one to five years | 250,000 | 1,754,718 |
| Due in more than five years | 65,000 | 85,378 |
| | 5,840,655 | 7,429,862 |
| Less: Unamortized discount | (18,174) | (74,375) |
| Total unconditional receivable | $ 5,822,481 | $7,355,487 |

## NOTE 5. CONTRIBUTIONS RECEIVABLE (CONTINUED)

Amounts due in more than five years consist of the Center's remainder interests in split-interest agreements under which the Center has been designated the sole remainder man. The carrying value has been actuarially determined based on the age and life expectancy of the donors and an assumed interest rate of 5.6%, in accordance with guidelines published by the Internal Revenue Service.

Conditional promises receivable as of June 30, 2010 total $5,194,655, consisting of unexpended U.S. Government grant awards.

## NOTE 6. PROPERTY AND EQUIPMENT

Property and equipment as of June 30, 2010 and 2009, consists of the following:

| | 2010 | 2009 |
|---|---|---|
| Placed in service | | |
| Land | $ 236,571 | $ 486,288 |
| Building and improvements | 8,821,309 | 9,264,289 |
| Furniture and equipment | 1,381,270 | 1,296,411 |
| Automobiles | - | 19,900 |
| | 10,439,150 | 11,066,888 |
| Less accumulated depreciation and amortization | (4,003,908) | (3,972,030) |
| Net property and equipment in service | 6,435,242 | 7,094,858 |
| Land, building and construction in progress | 2,185,812 | 670,525 |
| Net property and equipment | $ 8,621,054 | $ 7,765,383 |

On July 23, 2009, the Center sold its property at 565 Woods Hole Road for $850,000 in cash to the Penikese Island School, which had been leasing the space for several years. The property along with its improvements had a net book value of $298,758 at date of sale. The gain on this sale was recognized in full during the year ended June 30, 2010. Certain expenses associated with the operation of this property were previously recovered as indirect costs in connection with the Center's federal award programs. Federal cost principles therefore require that a portion of the gain on sale be credited against otherwise allowable indirect costs charged to current federal award program. As part of its annual indirect cost rate negotiation process, the Center has been allowed to take the gain on sale into account over a period of years rather than in full during the year ended June 30, 2010.

## NOTE 7. CONSTRUCTION AND FINANCING OF HEADQUARTERS BUILDING

During the year ended June 30, 2003, the Center completed construction of and placed into service a new headquarters building (the Ordway Campus) in Woods Hole, Massachusetts. To finance the construction, the Center raised restricted contributions from the general public, designated a portion of unrestricted net assets to be used for the campaign, and entered into a loan agreement with the Massachusetts Health and Educational Facilities Authority (MHEFA) for a total loan amount of $2,795,000. That loan agreement was amended during the year ended June 30, 2010, and the Center borrowed an additional $603,900 from MHEFA to help finance improvements made to an adjacent building (the Carriage House).

The Center obtained a $2.6 million direct pay letter of credit to provide security for the MHEFA loans, for which it pays an annual fee equal to 1.25% of the total amounts outstanding on the MHEFA loans. The loans require level annual principal payments and interest on the unpaid principal accrues and is payable monthly at a variable rate, 0.304% and 4.34% as of June 30, 2010 and 2009, respectively. The intention is to keep the fair market value of the loan equal to its outstanding principal balance. Substantially all business assets of the Center have been pledged as collateral in connection with the loan agreements. The Center is scheduled to make total remaining principal payments of $2,398,015 in annual installments of $114,192 through June 2031. The remaining outstanding principal of $21,206 will be retired through annual draws against the debt service reserve funds held in trust. Interest expense totaled $9,187 and $46,008 for the years ended June 30, 2010 and 2009, respectively.

## NOTE 8. OPERATING LEASE

During the years ended June 30, 2010 and 2009, the Center leased space to a tenant, the Penikese Island School, under a month to month lease. The rental income for the years ended June 30, 2010 and 2009 totaled $6,121 and $40,676, respectively. On July 23, 2009, this property was sold to the tenant as disclosed in Note 6.

The Center leases office equipment under two five-year operating leases that commence July 1, 2010. Future minimum rental payments associated with these leases are due as follows:

| | | |
|---|---|---|
| Year ending June 30, | 2011 | $11,359 |
| | 2012 | 11,359 |
| | 2013 | 11,359 |
| | 2014 | 11,359 |
| | 2015 | 11,359 |
| Total | | $56,795 |

Rental expense for office equipment for the years ended June 30, 2010 and 2009 totaled $5,348 and $4,902, respectively.

## NOTE 9. BENEFICIAL INTEREST IN REAL ESTATE TRUST ASSETS

The Center entered into a joint venture agreement with an unrelated third party through which a small portion of land acquired in connection with the Ordway Campus was contributed by the Center and a similar parcel of land was contributed by the joint venturer. The property was placed in trust, after which the joint venturer gifted his entire interest in the property to the Center. The carrying value of the Center's interest in the Trust was $212,651 at both June 30, 2010 and 2009.

## NOTE 10. NET ASSETS

**Unrestricted Net Assets** - Unrestricted net assets are not subject to donor restrictions. Revenues are reported as unrestricted net assets unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets.

Board Designated Fund

The Board has designated $860,000 as a quasi-endowment fund for future use as the Board deems appropriate.

Net investment in property and equipment

The Center has unrestricted net assets which are invested in property and equipment owned by the Center. The net investment in property and equipment consists of:

| | 2010 | 2009 |
|---|---|---|
| Net property and equipment | $ 8,621,054 | $7,765,383 |
| Bond proceeds held in trust for debt retirement | 24,236 | 19,277 |
| Loan payable – current portion | (114,192) | (86,741) |
| Loan payable – long-term portion | (2,305,029) | (1,840,845) |
| | $ 6,226,069 | $5,857,074 |

**Temporary Restrictions** - Temporarily restricted net assets as of June 30, 2010 and 2009, consist principally of research grants from private foundations and contributions for long-term purposes. Temporarily restricted net assets result from gifts of cash or other assets with donor imposed restrictions that require that such resources be used in a later period or after a specified date or that the resources be used for a specified purpose. The net assets will be released when spent for the appropriate purpose or upon expiration of time restriction, in compliance with donor restrictions. Temporarily restricted net assets as of June 30, 2010 and 2009 were subject to restriction as follows.

| | 2010 | 2009 |
|---|---|---|
| Research grants from foundations and others | $ 9,204,003 | $11,150,717 |
| Time restrictions only | 55,280 | 570,341 |
| | $ 9,259,283 | $11,721,058 |

## NOTE 10. NET ASSETS (CONTINUED)

The following are the net assets released from donor-imposed restrictions during the years ended June 30, 2010 and 2009.

| | 2010 | 2009 |
|---|---|---|
| Research grants | | |
| U.S. Government | $ 3,846,682 | $ 4,077,719 |
| Foundations and International | 6,528,090 | 4,479,908 |
| General support | 500,000 | - |
| | $ 10,874,772 | $ 8,557,627 |

During the year ended June 30, 2009, the Center received several large restricted but unconditional grants from foundations. The Center recognized the entire grant amounts awarded as temporarily restricted revenue during the year ended June 30, 2009; however, expenses relating to these grants will be incurred in future years as incurred over the periods of the grants. These grants resulted in a large increase in temporarily restricted net assets for the year ended June 30, 2009. These temporarily restricted net assets will decrease over time as the related expenses are incurred.

**Permanent Restrictions** - The Center has received several contributions establishing permanent endowments. During 2002, the Center received a total of $2.5 million from a single contributor that provides for a $2 million endowment to fund the Sara Shallenberger Brown Chair of Environmental Policy. The primary focus of the Chair is to connect science, conservation, and human affairs nationally and internationally and to incorporate the findings of science into the decisions of governments. The remaining $500,000 is to support the Center's general endowment, the earnings on which are available for general support. The Center received contributions totaling $36,100 and $21,300 during the years ended June 30, 2010 and 2009, respectively, to fund the George Woodwell Chair of Conservation and other smaller endowments. The Center may appropriate annually for operating purposes earnings on general endowment investments related to these gifts. The total net assets that are considered permanently restricted at June 30, 2010 and 2009 amount to $3,689,109 and $3,634,532, respectively, and are broken down as follows:

| | 2010 | 2009 |
|---|---|---|
| Sara Shallenberger Brown Chair and Endowment | $ 2,500,000 | $ 2,500,000 |
| George Woodwell Chair of Conservation | 1,019,325 | 1,008,325 |
| General support | 169,784 | 126,207 |
| | $ 3,689,109 | $ 3,634,532 |

## NOTE 10. NET ASSETS (CONTINUED)

### *Interpretation of Relevant Law*

In accordance with U. S. Generally Accepted Accounting Principles, formerly Financial Accounting Standards Board (FASB) Staff Position (FSP) 117-1, *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) and Enhanced Disclosures for All Endowment Funds,* the Center treats all donor restricted endowment funds as permanently restricted net assets. These endowment funds are invested in a pool with all other investments of the Center. The returns on the endowment funds invested have been included in temporarily restricted investment income on the statement of activities.

### *Change in Endowment Net Assets*

The following table represents the changes in endowment net assets at June 30, 2010 and 2009:

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
|---|---|---|---|---|
| Endowment net assets, June 30, 2008 | $ - | $ 399,047 | $ 3,648,001 | $ 4,047,048 |
| Contributions | - | - | 21,400 | 21,400 |
| Investment loss | - | (399,047) | (34,869) | (433,916) |
| Endowment net assets, June 30, 2009 | - | - | 3,634,532 | 3,634,532 |
| Contributions | - | - | 36,100 | 36,100 |
| Investment gain | - | - | 18,477 | 18,477 |
| Endowment net assets, June 30, 2010 | $ - | $ - | $ 3,689,109 | $ 3,689,109 |

### *Return Objectives and Risk Parameters*

The Center has invested its endowment assets in a manner that attempt to earn a return which will place the portfolio's performance in the top half of the respective fixed income style sample from the database used in conjunction with the portfolio, over a market cycle of 3-5 years. Under this policy, the endowment assets are invested in a manner that is intended to achieve a nominal rate of return which equals or surpasses the appropriate benchmark – (Lehman Brothers Intermediate Government/Credit Bond Index or the Lehman Brothers Aggregate Bond Index for the Intermediate Term Portfolio and Lehman Brothers 1-3 Year Aggregate Bond Index for Short-Term Portfolio). Actual returns in a given year may vary from this amount.

## NOTE 10. NET ASSETS (CONTINUED)

*Spending Policies of the Endowments*

**Sara Shallenberger Brown Chair and Endowment** - The donor requested that the investment income generated by the Chair and the endowment each year be used for general operations. During March of 2003, the Organization's Board of Directors approved a motion to appropriate, annually for operating purposes, total earned income up to 5% of the principal balance for the Sara Shallenberger Brown Chair and Endowment. The investments generated significant losses for the year ended June 30, 2009, and eliminated the accumulated investment income balance remaining in temporarily restricted net assets. Investment earnings for the year ended June 30, 2010 were not sufficient to totally offset the accumulated net losses, so all earnings for that year have been reported as increases in unrestricted net assets.

**George Woodwell Chair of Conservation** - The donors requested that the investment income generated by the Chair each year be used for general operations once the Chair reached a certain monetary level. As of June 30, 2010, the Board has not made an appropriation of the investment income generated by this Chair. The investments generated significant losses for the year ended June 30, 2009, and eliminated the accumulated investment income balance remaining in temporarily restricted net assets. Investment earnings for the year ended June 30, 2010 were not sufficient to totally offset the accumulated net losses, so all earnings for that year have been reported as increases in unrestricted net assets.

**General Support Endowments** - The donors requested that the investment income or losses remain with the endowment.

## NOTE 11. PENSION PLAN

The Center has a contributory defined contribution pension plan covering substantially all full-time employees. Plan contributions are made on behalf of eligible employees through individual annuities with the Teachers Insurance and Annuity Association and College Retirement Equities Fund. The contributions are made on a semi-monthly basis at 10% of eligible compensation. Pension expense for the years ended June 30, 2010 and 2009 was $325,199 and $270,030, respectively.

## NOTE 12. SIGNIFICANT CONCENTRATIONS

**Cash Balances** - The Center maintains its operating cash at one financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to $250,000 per institution. As of June 30, 2010, the Center's total cash in excess of FDIC insurance coverage totaled approximately $583,000. In addition, approximately $5.1 million at June 30, 2010 invested in money market mutual fund accounts is uninsured.

## NOTE 12. SIGNIFICANT CONCENTRATIONS (CONTINUED)

**Major Contributors** - The Center receives revenue from U.S. Government funded grants and cooperative agreements, all of which are subject to audit by government agencies. The ultimate determination of amounts received is based upon allowable costs reported to and audited by the government. Until such audits have been completed and final settlement reached, there exists a contingency to refund any amounts received in excess of allowed costs.

During the years ended June 30, 2010 and 2009, the Center received approximately 36% and 23% of its total support and revenue from the U.S. Government.

**Foreign Operations** - The Center conducts substantial research activities in foreign countries. During the years ended June 30, 2010 and 2009, 15% and 19%, respectively, of the Center's total expenses were incurred in support of foreign activities and, as of June 30, 2010 and 2009, the Center has assets in foreign countries totaling $174,792 and $126,766, respectively.

# ADDITIONAL INFORMATION

## The Woods Hole Research Center, Inc.

## Schedules of Functional Expenses

## Years Ended June 30, 2010 and 2009

| | 2010 | | | |
|---|---|---|---|---|
| | Research Programs | General and Administrative | Development and Fundraising | Total |
| Salaries, wages and benefits | $ 3,782,411 | $ 1,512,452 | $ 314,778 | $ 5,609,641 |
| Professional fees and other wages | 435,535 | 245,110 | 47,127 | 727,772 |
| Travel | 610,126 | 53,642 | 18,822 | 682,590 |
| Materials and supplies | 239,071 | 247,452 | 13,850 | 500,373 |
| Equipment | 221,997 | 16,014 | - | 238,011 |
| Communication | 436,866 | 67,439 | 8,276 | 512,581 |
| Facilities | 950 | 185,220 | - | 186,170 |
| Depreciation and amortization | - | 560,870 | - | 560,870 |
| Subcontracts | 2,332,316 | - | - | 2,332,316 |
| | 8,059,272 | 2,888,199 | 402,853 | 11,350,324 |
| Allocation of common costs | 700,646 | (735,669) | 35,023 | - |
| Total expenses | $ 8,759,918 | $ 2,152,530 | $ 437,876 | $11,350,324 |

| | 2009 | | | |
|---|---|---|---|---|
| | Research Programs | General and Administrative | Development and Fundraising | Total |
| Salaries, wages and benefits | $ 3,079,952 | $ 1,167,552 | $ 316,995 | $ 4,564,499 |
| Professional fees and other wages | 254,960 | 197,334 | 44,262 | 496,556 |
| Travel | 436,065 | 42,035 | 4,292 | 482,392 |
| Materials and supplies | 262,464 | 226,074 | 8,073 | 496,611 |
| Equipment | 292,895 | 14,440 | - | 307,335 |
| Communication | 399,090 | 43,569 | 7,536 | 450,195 |
| Facilities | - | 204,651 | - | 204,651 |
| Depreciation and amortization | - | 546,236 | - | 546,236 |
| Subcontracts | 2,144,068 | - | - | 2,144,068 |
| | 6,869,494 | 2,441,891 | 381,158 | 9,692,543 |
| Allocation of common costs | 706,119 | (745,298) | 39,179 | - |
| Total expenses | $ 7,575,613 | $ 1,696,593 | $ 420,337 | $ 9,692,543 |

## THE WOODS HOLE RESEARCH CENTER, INC.

## SCHEDULES OF RESEARCH PROGRAM EXPENSES

### YEARS ENDED JUNE 30, 2010 AND 2009

**2010**

| | Science & Public Policy | Tropical Forests | Carbon | Soils | Global Forest | Education | Remote Sensing Applications | Hydrology | Total |
|---|---|---|---|---|---|---|---|---|---|
| Salaries, wages and benefits | $ 416,113 | $ 1,138,578 | $ 454,652 | $ 308,645 | $ 57,778 | $ - | $ 1,169,690 | $ 236,955 | $ 3,782,411 |
| Professional fees and other wages | 125,344 | 188,246 | - | 1,318 | 2,500 | - | 85,382 | 32,745 | 435,535 |
| Travel | 122,458 | 219,696 | 3,059 | 11,850 | 314 | - | 209,909 | 42,840 | 610,126 |
| Materials and supplies | 61,346 | 48,046 | 1,548 | 5,602 | 1,040 | 361 | 62,105 | 59,023 | 239,071 |
| Equipment | 9,981 | 3,449 | - | - | 4,968 | - | 67,711 | 135,888 | 221,997 |
| Communication | 160,106 | 61,085 | 2,189 | 32,404 | 117 | - | 97,972 | 82,993 | 436,866 |
| Facilities | - | - | - | - | - | - | - | 950 | 950 |
| Depreciation and amortization | - | - | - | - | - | - | - | - | - |
| Subcontracts | 512,658 | 1,319,906 | 16,141 | 11,964 | - | - | 460,436 | 11,211 | 2,332,316 |
| | 1,408,006 | 2,979,006 | 477,589 | 371,783 | 66,717 | 361 | 2,153,205 | 602,605 | 8,059,272 |
| Allocation of common costs | 122,407 | 258,985 | 41,520 | 32,322 | 5,800 | 31 | 187,192 | 52,388 | 700,646 |
| | $ 1,530,413 | $ 3,237,991 | $ 519,109 | $ 404,105 | $ 72,517 | $ 392 | $ 2,340,397 | $ 654,993 | $ 8,759,918 |

**2009**

| | Science & Public Policy | Tropical Forests | Carbon | Soils | Global Forest | Education | Remote Sensing Applications | Hydrology | Total |
|---|---|---|---|---|---|---|---|---|---|
| Salaries, wages and benefits | $ 488,264 | $ 907,073 | $ 414,266 | $ 316,850 | $ 30,385 | $ - | $ 794,479 | $ 128,635 | $ 3,079,952 |
| Professional fees and other wages | 31,182 | 178,526 | 200 | 2,279 | 1,330 | - | 14,008 | 27,435 | 254,960 |
| Travel | 100,192 | 154,734 | 8,514 | 37,943 | 8,179 | - | 93,042 | 33,461 | 436,065 |
| Materials and supplies | 14,454 | 80,858 | 4,999 | 10,374 | 491 | 1,562 | 89,627 | 60,099 | 262,464 |
| Equipment | - | 22,977 | - | - | 4,189 | - | 237,074 | 28,655 | 292,895 |
| Communication | 6,484 | 303,944 | 3,628 | 5,728 | 234 | - | 35,053 | 44,019 | 399,090 |
| Facilities | - | - | - | - | - | - | - | - | - |
| Depreciation and amortization | - | - | - | - | - | - | - | - | - |
| Subcontracts | 150,782 | 1,647,120 | 46,679 | 162,069 | - | - | 136,530 | 888 | 2,144,068 |
| | 791,358 | 3,295,232 | 478,286 | 535,243 | 44,808 | 1,562 | 1,399,813 | 323,192 | 6,869,494 |
| Allocation of common costs | 81,344 | 338,719 | 49,163 | 55,018 | 4,606 | 161 | 143,888 | 33,221 | 706,119 |
| | $ 872,702 | $ 3,633,951 | $ 527,449 | $ 590,261 | $ 49,414 | $ 1,723 | $ 1,543,701 | $ 356,413 | $ 7,575,613 |

Line Number Part I Line 3

**WOODS HOLE RESEARCH CENTER INC**
**04-3005094**

**Accounts and Activities Outside the United States**

| | | Offices | Employees | Total |
|---|---|---|---|---|
| **Region** | South America | 0 | 1 | 130,200 |
| **Activities** | Grantmaking | | | |
| **Services** | integrates research, policy analysis, natural resource mgt systems and education | | | |
| **Region** | South America | 0 | 0 | 934,463 |
| **Activities** | Grantmaking | | | |
| **Services** | integrates research, policy analysis, natural resource mgt systems and education | | | |
| **Region** | South America | 0 | 0 | 294,057 |
| **Activities** | Grantmaking | | | |
| **Services** | integrates research, policy analysis, natural resource mgt systems and education | | | |
| **Region** | South America | 0 | 0 | 30,000 |
| **Activities** | Grantmaking | | | |
| **Services** | integrates research, policy analysis, natural resource mgt systems and education | | | |
| **Region** | Europe (including Iceland and Greenland) | 0 | 0 | 27,215 |
| **Activities** | Grantmaking | | | |
| **Services** | organizing workshops on South-South collaboration for REDD implementation | | | |
| **Region** | Europe (including Iceland and Greenland) | 0 | 0 | 43,338 |
| **Activities** | Grantmaking | | | |
| **Services** | organizing workshops on South-South collaboration for REDD implementation | | | |
| **Region** | Europe (including Iceland and Greenland) | 0 | 0 | 10,000 |
| **Activities** | Grantmaking | | | |
| **Services** | organizing workshops on South-South collaboration for REDD implementation | | | |
| **Region** | Europe (including Iceland and Greenland) | 0 | 0 | 25,000 |
| **Activities** | Grantmaking | | | |
| **Services** | GIS mapping data/technology integration | | | |
| **Region** | Central America and the Caribbean | 0 | 0 | 16,012 |
| **Activities** | Grantmaking | | | |
| **Services** | organizing workshops on South-South collaboration for REDD implementation | | | |
| | **Total:** | **0** | **1** | **1,510,285** |

Schedule F, Part IV, Statement 2
Form Schedule F
Page. 2
Line Number Part II Line 1

WOODS HOLE RESEARCH CENTER INC
04-3005094

Grants To Organization Outside US

| | | Cash Grant | Non-Cash Assistance |
|---|---|---|---|
| **Region** | South America | 1,388,720 | |
| **Grant** | research | | |
| **Cash Disbursement** | wire transfer | | |
| **Non-Cash Assistance** | | | |
| **Valuation** | | | |
| **Region** | Europe (including Iceland and Greenland) | 105,554 | |
| **Grant** | research | | |
| **Cash Disbursement** | wire transfer | | |
| **Non-Cash Assistance** | | | |
| **Valuation** | | | |
| **Region** | Central America and the Caribbean | 16,012 | |
| **Grant** | research | | |
| **Cash Disbursement** | wire transfer | | |
| **Non-Cash Assistance** | | | |
| **Valuation** | | | |

**WOODS HOLE RESEARCH CENTER INC**
**04-3005094**

**Description of Grants and Other Assistance to Governments and Organizations in the United States**

| | | Amount of cash grant | Amount of non-cash assistance |
|---|---|---|---|
| **Name and address** | Bridger Capital Group LLC<br>3732 Purdue Avenue<br>Dallas, TX 75225 | 12,863 | |
| **EIN** | 75-3007994 | | |
| **IRC code section** | | | |
| **Method of valuation** | cash | | |
| **Description of non-cash assistance** | | | |
| **Purpose of grant** | Scientific Research | | |
| **Name and address** | American Museum Natural History<br>Central park West at 79th Street<br>New York, NY 10024 | 41,090 | |
| **EIN** | 13-6162659 | | |
| **IRC code section** | 501(c)(3) | | |
| **Method of valuation** | cash | | |
| **Description of non-cash assistance** | | | |
| **Purpose of grant** | Scientific Research | | |
| **Name and address** | Univ of New Hampshire<br>211 Morse Hall<br>Durham, NH 03824 | 11,211 | |
| **EIN** | 02-6000937 | | |
| **IRC code section** | 501(c)(3) | | |
| **Method of valuation** | cash | | |
| **Description of non-cash assistance** | | | |
| **Purpose of grant** | Scientific Research | | |
| **Name and address** | Colorado State Univ<br>6015 Campus Delivery<br>Fort Collins, CO 80523 | 10,575 | |
| **EIN** | 84-6000545 | | |
| **IRC code section** | 501(c)(3) | | |
| **Method of valuation** | cash | | |
| **Description of non-cash assistance** | | | |
| **Purpose of grant** | Scientific Research | | |
| **Name and address** | Boston University<br>One Sherborn Street<br>Boston, MA 02215 | 94,751 | |
| **EIN** | 04-2103547 | | |
| **IRC code section** | 501(c)(3) | | |
| **Method of valuation** | cash | | |
| **Description of non-cash assistance** | | | |
| **Purpose of grant** | Scientific Research | | |
| **Name and address** | INCEF<br>236 11th Street SE<br>Washington, DC 20003 | 44,769 | |
| **EIN** | 80-0109071 | | |
| **IRC code section** | 501(c)(3) | | |
| **Method of valuation** | cash | | |
| **Description of non-** | | | |