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Part III

Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1

Briefly describe the organization's mission

CONDUCT ART SCHOOL AND ARTISTS IN RESIDENCY PROGRAM

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

YesNo

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?

YesNo

If "Yes," describe these changes on Schedule O

4

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations 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 \$ 1,640,880 including grants of \$ 399,967 ) (Revenue \$ )

OX-BOW IS A SCHOOL OF ART AND ARTISTS' RESIDENCY FOR EXPERIENCED AND ASPIRING ARTISTS. EACH YEAR OVER 500 ARTISTS MAKE THEIR WAY TO OUR 115 ACRE CAMPUS TO DELVE INTO THE ARTISTIC PROCESS. AT OX-BOW, ARTISTS ENJOY EXTREME FOCUS, A COMMITTED COMMUNITY OF PEERS, INNOVATIVE AND RIGOROUS INTENSIVES AND AN UNPARALLELED NATURAL ENVIRONMENT. OX-BOW'S ART ON THE MEADOW PROGRAM OFFERS 4 DAY WORKSHOPS THROUGHOUT THE SUMMER FOR CHILDREN, TEENS AND ADULTS. THE PROGRAM IS A WAY FOR LOCAL RESIDENTS AND SHORT TERM VISITORS TO ENGAGE IN LIFE AND ARTMAKING AT OX-BOW.

4b

(Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4c

(Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d

Other program services (Describe in Schedule O )

(Expenses \$ including grants of \$ ) (Revenue \$ )




















4e

Total program service expenses

1,640,880

Form 990 (2013)

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 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	2 Yes	
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	No
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	No
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which 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	No
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	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, 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	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10 Yes	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI 	11a Yes	
b 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 	11b	No
c 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 	11c	No
d 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 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e Yes	
f 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 (ASC 740)? If "Yes," complete Schedule D, Part X 	11f	No
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII 	12a Yes	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional 	12b	No
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E 	13 Yes	
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
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 (see instructions) 	17	No
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 Yes	
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	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	21		No
22	Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .	22	Yes	
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? <i>If "Yes," complete Schedule J</i> . . . . .	23		No
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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> . . . . .	24a		No
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	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25a		No
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? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i> . . . . .	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> . . . . .	27		No
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? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> . . . .	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . .	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	30	Yes	
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .	32		No
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? <i>If "Yes," complete Schedule R, Part I</i> . . . . .	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> . . . . .	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		No
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . .	35b		
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	36		No
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? <i>If "Yes," complete Schedule R, Part VI</i> . . .	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	74	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c	Yes
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	42
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).		2b	Yes
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?		3a	Yes
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.		3b	Yes
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	No
b If "Yes," enter the name of the foreign country: See instructions for 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	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b	No
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		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 as charitable contributions?		6a	No
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	Yes
b If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b	Yes
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year.		7d	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f	No
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g	No
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h	No
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	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.		13a	
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.		13b	
c Enter the amount of reserves on hand.		13c	
14a Did the organization receive any payments for indoor tanning services during the tax year?		14a	No
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		14b	

Part VI

Governance, Management, and Disclosure

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

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year . . . . .	16	
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent . . . . .	16	
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	No
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	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .	5	No
6	Did the organization have members or stockholders? . . . . .	6	No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? . . . . .	7a	No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? . . . . .	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	The governing body? . . . . .	8a	Yes
b	Each committee with authority to act on behalf of the governing body? . . . . .	8b	Yes
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 . . . . .	9	No

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

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates? . . . . .	10a	No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? . . . . .	10b	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? . . . . .	11a	No
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990 . . . . .		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	12a	Yes
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	12b	Yes
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done . . . . .	12c	Yes
13	Did the organization have a written whistleblower policy? . . . . .	13	Yes
14	Did the organization have a written document retention and destruction policy? . . . . .	14	Yes
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	Yes
b	Other officers or key employees of the organization . . . . .	15b	Yes
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	No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take 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 MI , IL
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input checked="" type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O)
19	Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ELIZABETH CHODOS 3435 RUPPRECHT WAY SAUGATUCK,MI 49453 (269) 857-5811

Part VII

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

Check if Schedule O contains a response or note to any line in this Part VII

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
- 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, if any 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, or 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 neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) TODD WARNOCK PRES EMERTUS	3 00	X						0	0	0
(2) HON PATRICIA BIRKHOLZ DIRECTOR	1 00	X						0	0	0
(3) JANET CUNNINGHAM SECRETARY	5 00	X		X				0	0	0
(4) BARBARA CARR DIRECTOR	1 00	X						0	0	0
(5) DAVID BALAS DIRECTOR	1 00	X						0	0	0
(6) DAVID GEERTS PRESIDENT	5 00	X		X				0	0	0
(7) MARYJO LEMANSKI DIRECTOR	1 00	X						0	0	0
(8) MARGARET LADD DIRECTOR	1 00	X						0	0	0
(9) PETER KRUPP VICE PRESIDE	5 00	X		X				0	0	0
(10) STEVEN MEIER DIRECTOR	1 00	X						0	0	0
(11) CAROL SAROSIK DIRECTOR	1 00	X						0	0	0
(12) PETE HOULIHAN TREASURER	5 00	X		X				0	0	0
(13) HARRY ARADER DIRECTOR	1 00	X						0	0	0
(14) LOUISE SILBERMANN DIRECTOR	1 00	X						0	0	0
(15) ELISSA TENNY DIRECTOR	1 00	X						0	0	0
(16) BEN WATSON DIRECTOR	1 00	X						0	0	0
(17) KEITH WALKER DIRECTOR	1 00	X						0	0	0



## Part VII

[illegible]

<b>1b</b>	<b>Sub-Total . . . . .</b>	<b>▼</b>			
<b>c</b>	<b>Total from continuation sheets to Part VII, Section A . . . . .</b>	<b>▼</b>			
<b>d</b>	<b>Total (add lines 1b and 1c) . . . . .</b>	<b>▼</b>	95,430		10,984

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization: **1**

		Yes	No
<b>3</b>	Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	<b>3</b>	No
<b>4</b>	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? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	<b>4</b>	No
<b>5</b>	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> . . . . .	<b>5</b>	No

## **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. Report compensation for the calendar year ending with or within the organization's tax year.

(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 of compensation from the organization ►

Part VIII

Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . . . .	1a			
	b	Membership dues . . . . .	1b			
	c	Fundraising events . . . . .	1c			
	d	Related organizations . . . . .	1d	100,000		
	e	Government grants (contributions)	1e			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	209,834		
	g	Noncash contributions included in lines 1a-1f \$				
	h	Total. Add lines 1a-1f . . . . .	309,834			
Program Service Revenue	Business Code					
	2a	NET TUITION & LAB FEES	921,396	921,396		
	b	ROOM & BOARD	317,429	317,429		
	c	WORKSHOP HOSTING	68,480	68,480		
	d	RESIDENCY	35,825	35,825		
	e	ART ON THE MEADOW	23,828	23,828		
	f	All other program service revenue				
	g	Total. Add lines 2a-2f . . . . .	1,366,958			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . .	34,943			34,943
	4	Income from investment of tax-exempt bond proceeds . . . . .				
	5	Royalties . . . . .				
	6a	(i) Real	(ii) Personal			
		1,140				
		1,140				
		Net rental income or (loss) . . . . .	1,140			1,140
	7a	(i) Securities	(ii) Other			
		711,275	17,044			
		643,491				
		67,784	17,044			
		Net gain or (loss) . . . . .	84,828	84,828		
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .	a	199,530		
			b	66,282		
		Net income or (loss) from fundraising events . . . . .	133,248			133,248
	9a	Gross income from gaming activities See Part IV, line 19 . . . . .	a			
			b			
		Net income or (loss) from gaming activities . . . . .				
	10a	Gross sales of inventory, less returns and allowances . . . . .	a	3,729		
			b	2,623		
		Net income or (loss) from sales of inventory . . . . .	1,106			1,106
	Miscellaneous Revenue		Business Code			
	11a	UNRELATED FACILITY RENTAL	531120	1,550	1,550	
	b	MISCELLANEOUS	524	524		
	c					
	d	All other revenue . . . . .				
	e	Total. Add lines 11a-11d . . . . .	2,074			
	12	Total revenue. See Instructions . . . . .	1,934,131	1,452,310	1,550	170,437

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).

Check if Schedule O contains a response or note to any line in this Part IX

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 United States. See Part IV, line 21.				
2	Grants and other assistance to individuals in the United States. See Part IV, line 22.	399,967	399,967		
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.				
4	Benefits paid to or for members.				
5	Compensation of current officers, directors, trustees, and key employees.				
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.	548,170	357,142	104,223	86,805
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	13,057	7,728	3,475	1,854
9	Other employee benefits.	59,874	33,829	17,084	8,961
10	Payroll taxes.	47,273	30,190	9,865	7,218
11	Fees for services (non-employees):				
a	Management.				
b	Legal.	122		122	
c	Accounting.	26,725	50	26,675	
d	Lobbying.				
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.	19,492		19,492	
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).				
12	Advertising and promotion.	61,673	61,651		22
13	Office expenses.	13,579	7,331	4,671	1,577
14	Information technology.	6,315	1,085	149	5,081
15	Royalties.				
16	Occupancy.	80,530	80,530		
17	Travel.	39,945	32,093	4,383	3,469
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.				
20	Interest.	22,080	21,713	367	
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	218,179	218,179		
23	Insurance.	41,390	36,097	5,293	
24	Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O):				
a	CONTRACTED FACULTY	137,700	137,700		
b	CAMPUS FOOD & SUPPLY	103,708	102,364	1,344	
c	REPAIR & MAINTENANCE OTHE	42,514	42,514		
d	INSTRUCTIONAL SUPPLIES	42,179	42,179		
e	All other expenses	90,602	28,538	51,475	10,589
25	Total functional expenses. Add lines 1 through 24e.	2,015,074	1,640,880	248,618	125,576
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X

Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

				(A)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		298,026	1	523,068
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net		188,976	3	95,171
	4	Accounts receivable, net			4	2,565
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		5,085	8	5,205
	9	Prepaid expenses and deferred charges		17,154	9	21,719
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a6,649,891			
	b	Less accumulated depreciation	10b1,774,357	5,053,712	10c	4,875,534
	11	Investments—publicly traded securities		1,712,787	11	1,983,476
	12	Investments—other securities See Part IV, line 11		188,399	12	49,169
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		306,494	15	251,494
	16	Total assets. Add lines 1 through 15 (must equal line 34)		7,770,633	16	7,807,401
Liabilities	17	Accounts payable and accrued expenses		41,040	17	53,549
	18	Grants payable			18	
	19	Deferred revenue		400	19	150,550
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other 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		538,022	23	506,627
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		150,872	25	41,122
	26	Total liabilities. Add lines 17 through 25		730,334	26	751,848
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		597,970	27	602,926
	28	Temporarily restricted net assets		5,798,101	28	5,808,399
	29	Permanently restricted net assets		644,228	29	644,228
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> 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		7,040,299	33	7,055,553
	34	Total liabilities and net assets/fund balances		7,770,633	34	7,807,401

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI . . . . .

1	Total revenue (must equal Part VIII, column (A), line 12) . . . . .	1	1,934,131
2	Total expenses (must equal Part IX, column (A), line 25) . . . . .	2	2,015,074
3	Revenue less expenses Subtract line 2 from line 1 . . . . .	3	-80,943
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . . . . .	4	7,040,299
5	Net unrealized gains (losses) on investments . . . . .	5	151,197
6	Donated services and use of facilities . . . . .	6	
7	Investment expenses . . . . .	7	
8	Prior period adjustments . . . . .	8	
9	Other changes in net assets or fund balances (explain in Schedule O) . . . . .	9	-55,000
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	7,055,553

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . .

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
2b	Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	Yes	
2c	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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
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?		No
3b	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		

SCHEDULE A

(Form 990 or 990EZ)

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.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization OX-BOW 3435 RUPPRECHT WAY	Employer identification number  38-1081760
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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 33<sup>1</sup>/<sub>3</sub>% 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 33<sup>1</sup>/<sub>3</sub>% 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 - Non-functionally integrated

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?  

(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?

(ii)

A family member of a person described in (i) above?

(iii)

A 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(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 monetary 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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
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						
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)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
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 )						
11 Total support (Add lines 7 through 10)						
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 501(c)(3) organization, check this box and stop here . . . . . ▶						

Section C. Computation of Public Support Percentage						
14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))		14				
15 Public support percentage for 2012 Schedule A, Part II, line 14		15				
16a 33 1/3% support test—2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization						▶
b 33 1/3% support test—2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization						▶
17a 10%-facts-and-circumstances test—2013. 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—2012. 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 IIISupport Schedule for Organizations Described in Section 509(a)(2)  
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage		
15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage		
17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2013. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
b 33 1/3% support tests—2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, 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.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Return Reference	Explanation	
------------------	-------------	--

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, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b**  
▶ **Attach to Form 990.** ▶ **See separate instructions.** ▶ **Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

OMB No 1545-0047

2013

Open to Public Inspection

<b>Name of the organization</b> OX-BOW 3435 RUPPRECHT WAY	<b>Employer identification number</b>  38-1081760
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**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.

	<b>(a)</b> Donor advised funds	<b>(b)</b> Funds and other accounts
<b>1</b>	Total number at end of year	
<b>2</b>	Aggregate contributions to (during year)	
<b>3</b>	Aggregate grants from (during year)	
<b>4</b>	Aggregate value at end of year	
<b>5</b>	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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
<b>6</b>	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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

**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 education) ☐ 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

	<b>Held at the End of the Year</b>
<b>a</b>	Total number of conservation easements
<b>b</b>	Total acreage restricted by conservation easements
<b>c</b>	Number of conservation easements on a certified historic structure included in (a)
<b>d</b>	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

**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 XIII, 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 (ASC 958), 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 XIII, the text of the footnote to its financial statements that describes these items

**b**

If the organization elected, as permitted under SFAS 116 (ASC 958), 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 (ASC 958) 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 XIII
- 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 XIII and complete the following table

	Amount
1c	
1d	
1e	
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 XIII Check here if the explanation has been provided in Part XIII

☐

Part V

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

	(a)Current year	(b)Prior year	b (c)Two years back	(d)Three years back	(e)Four years back
1a Beginning of year balance . . . . .	1,896,441	1,802,000	1,382,511	715,255	1,150,277
b Contributions . . . . .	5,000		500,000	555,050	75
c Net investment earnings, gains, and losses	250,134	133,550	-36,039	117,291	-31,334
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .	124,515	-39,110	-44,472	-5,085	-403,763
f Administrative expenses . . . . .					
g End of year balance . . . . .	2,027,060	1,896,441	1,802,000	1,382,511	715,255

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶ 31 700 %

c

Temporarily restricted endowment ▶ 68 300 %

The percentages in lines 2a, 2b, and 2c should equal 100%

3a

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

(i) unrelated organizations . . . . .

3a(i)

Yes

No

(ii) related organizations . . . . .

3a(ii)

Yes

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b

Yes

4

Describe in Part XIII the intended uses of the organization's endowment funds

Part VI

Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land . . . . .		26,800		26,800
b Buildings . . . . .		6,149,590	1,412,121	4,737,469
c Leasehold improvements . . . . .				
d Equipment . . . . .		473,501	362,236	111,265
e Other . . . . .				
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) . . . . . ▶				4,875,534

Schedule D (Form 990) 2013



**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

<b>1</b>	Total revenue, gains, and other support per audited financial statements . . . . .	<b>1</b>	2,010,836
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
<b>a</b>	Net unrealized gains on investments . . . . .	<b>2a</b>	151,197
<b>b</b>	Donated services and use of facilities . . . . .	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII ) . . . . .	<b>2d</b>	-55,000
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	96,197
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	1,914,639
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line <b>1</b>		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	19,492
<b>b</b>	Other (Describe in Part XIII ) . . . . .	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	19,492
<b>5</b>	Total revenue Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12 ) . . . . .	<b>5</b>	1,934,131

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

<b>1</b>	Total expenses and losses per audited financial statements . . . . .	<b>1</b>	1,995,582
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25		
<b>a</b>	Donated services and use of facilities . . . . .	<b>2a</b>	
<b>b</b>	Prior year adjustments . . . . .	<b>2b</b>	
<b>c</b>	Other losses . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII ) . . . . .	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	1,995,582
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line <b>1</b> :		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	19,492
<b>b</b>	Other (Describe in Part XIII ) . . . . .	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	19,492
<b>5</b>	Total expenses Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18 ) . . . . .	<b>5</b>	2,015,074

**Part XIII Supplemental Information**

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, lines 2d and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Return Reference	Explanation
SCHEDULE D, PAGE 4, PART XI, LINE 2D	UNREALIZED LOSS OF LAND HELD -55,000

[illegible]

SCHEDULE E  
(Form 990 or 990-EZ)

OMB No 1545-0047

Schools

►Complete if the organization answered "Yes" to Form 990, Part IV, line 13, or Form 990-EZ, Part VI, line 48.  
► Attach to Form 990 or Form 990-EZ.

► Information about Schedule E (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

2013

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

Name of the organization  
OX-BOW  
3435 RUPPRECHT WAY

Employer identification number  
  
38-1081760

Part I		YES	NO
<div>1</div> <div>Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?</div>	1	Yes	
	2	Yes	
	3	Yes	
	4a	Yes	
	4b	Yes	
<div>4</div> <div>Does the organization maintain the following?</div> <div>a Records indicating the racial composition of the student body, faculty, and administrative staff?</div> <div>b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?</div> <div>c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?</div> <div>d Copies of all material used by the organization or on its behalf to solicit contributions?</div> <div>If you answered "No" to any of the above, please explain If you need more space, use Part II</div>	4c	Yes	
	4d	Yes	
	5a		No
	5b		No
	5c		No
	5d		No
	5e		No
	5f		No
	5g		No
	5h		No
<div>6a</div> <div>Does the organization receive any financial aid or assistance from a governmental agency?</div> <div>b Has the organization's right to such aid ever been revoked or suspended?</div> <div>If you answered "Yes" to either line 6a or line 6b, explain on Part II</div>	6a		No
	6b		No
	7	Yes	

**Part III Supplemental Information.** Provide the explanations required by Part I, lines 3, 4d, 5h, 6b, and 7, as applicable. Also complete this part to provide any other additional information (see instructions)

Return Reference	Explanation
SCHEDULE E, LINE 3	NONDISCRIMINATION POLICY APPEARS IN SCHOOL CATALOG AND IT APPEARS ON REGISTRATION FORM AS WELL





Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		BENEFITS & AUCTION (event type)	(event type)	(total number)	(add col (a) through col (c))
Revenue	1	Gross receipts . . . .	199,530		199,530
	2	Less Contributions . . .			
	3	Gross income (line 1 minus line 2) . . . .	199,530		199,530
Direct Expenses	4	Cash prizes . . . .			
	5	Noncash prizes . . .			
	6	Rent/facility costs . . .			
	7	Food and beverages .			
	8	Entertainment . . . .			
	9	Other direct expenses .	66,282		66,282
	10	Direct expense summary Add lines 4 through 9 in column (d) . . . . . ▶			
	11	Net income summary Subtract line 10 from line 3, column (d) . . . . . ▶			
					133,248

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1	Gross revenue . . . . .			
	2	Cash prizes . . . . .			
Direct Expenses	3	Non-cash prizes . . . .			
	4	Rent/facility costs . . . .			
	5	Other direct expenses . . .			
	6	Volunteer labor . . . .	Yes % No	Yes % No	Yes % No
	7	Direct expense summary Add lines 2 through 5 in column (d) . . . . . ▶			
	8	Net gaming income summary Subtract line 7 from line 1, column (d) . . . . . ▶			

9 Enter the state(s) in which the organization operates gaming activities \_\_\_\_\_

a Is the organization licensed to operate gaming activities in each of these states? . . . . . ☐ Yes ☐ No

b If "No," explain \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? . . . . . ☐ Yes ☐ No

b If "Yes," explain \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Does the organization operate gaming activities with nonmembers? ☐ Yes ☐ No

**12**

Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

☐ Yes ☐ No


**13**


Indicate the percentage of gaming activity operated in

<b>a</b>	The organization's facility	<b>13a</b>	%
<b>b</b>	An outside facility	<b>13b</b>	%

**14**

Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name 



Address 

**15a**

Does the organization have a contract with a third party from whom the organization receives gaming revenue?


☐ Yes ☐ No


**b**

If "Yes," enter the amount of gaming revenue received by the organization  \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party  \$ \_\_\_\_\_

**c**

If "Yes," enter name and address of the third party


Name 


Address 

**16**

Gaming manager information

Name 

Gaming manager compensation  \$ \_\_\_\_\_

Description of services provided 

☐ Director/officer

☐ Employee

☐ Independent contractor

**17**


Mandatory distributions

**a**

Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?

☐ Yes ☐ No

**b**

Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year  \$ \_\_\_\_\_

**Part IV**

**Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Return Reference	Explanation
------------------	-------------

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  
▶ Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public  
Inspection

Name of the organization  
OX-BOW  
3435 RUPPRECHT WAY

Employer identification number  
38-1081760

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. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code 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

2

Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . .

▶

3

Enter total number of other organizations listed in the line 1 table . . . . .

▶

**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.  
Part III can be duplicated 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
(1) WORK STUDY SCHOLARSHIPS	67	75,865			
(2) ARTISTS IN RESIDENCY	18	25,460			
(3) TUITION SCHOLARSHIPS	188	241,494			
(4) SIX CREDIT HR SCHOLARSHIP	44	48,400			
(5) OTHER SCHOLARSHIPS		8,748			

Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.	
Return Reference	Explanation
SCHEDULE I, PAGE 1, PART I, LINE 2	SCHOLARSHIP AWARDS ARE NOT PAID DIRECTLY TO THE STUDENTS AMOUNT AWARDED REDUCES THE TOTAL AMOUNT OF TUITION, FEES, ROOM OR BOARD INVOICED THEREFORE OX-BOW KNOWS THAT THE FUNDS ARE BEING UTILIZED AS INTENDED
SCHEDULE I, PAGE 4, PART IV	WORK SCHOLARSHIPS ARE AWARDED ON A FIRST COME FIRST SERVE BASIS NEED BASED SCHOLARSHIPS ARE EVALUATED BASED ON STUDENTS FINANCIAL SITUATION REMAINING SCHOLARSHIPS AWARDED BY JURY OF 5 TO 6 PEOPLE BASED ON MERIT

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.

►Information about Schedule M (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization  
OX-BOW  
3435 RUPPRECHT WAY

Employer identification number  
  
38-1081760

Part I

Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
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 ► ( _____ )				
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

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 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? . . . . .30aYesNo

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?31YesNo

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? . . . . .32aYesNo

b If "Yes," describe in Part II

33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II

**Part III**

**Supplemental Information.** Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Return Reference	Explanation
------------------	-------------

**SCHEDULE O**  
(Form 990 or 990-EZ)Department of the Treasury  
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ****Complete to provide information for responses to specific questions on  
Form 990 or to provide any additional information.****▶ Attach to Form 990 or 990-EZ.****▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at  
[www.irs.gov/form990](http://www.irs.gov/form990).**

OMB No 1545-0047

**2013****Open to Public  
Inspection**Name of the organization  
OX-BOW  
3435 RUPPRECHT WAY**Employer identification number**

38-1081760

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
FORM 990, PAGE 6, PART VI, LINE 11B	RETURN REVIEWED BY TREASURER AND EXECUTIVE DIRECTOR PRIOR TO SUBMISSION
FORM 990, PAGE 6, PART VI, LINE 12C	COMPLIANCE WITH POLICY IS MONITORED ANNUALLY AND WILL BE ENFORCED
FORM 990, PAGE 6, PART VI, LINE 15A	THE BOARD REVIEWS AND APPROVES COMPENSATION OF THE EXECUTIVE DIRECTOR AS PART OF THE REVIEW PROCESS, SALARY DATA FROM COMPARABLE ORGANIZATIONS IS CONSIDERED A FORMAL POLICY EXISTS WITH REGARDS TO THE DETERMINATION OF COMPENSATION THE DECISION MAKING PROCESS WAS NOT CONTEMPORANEOUSLY SUBSTANTIATED, HOWEVER THE BOARD APPROVED THE WAGES
FORM 990, PAGE 6, PART VI, LINE 15B	THERE ARE NO OTHER OFFICERS OR KEY EMPLOYEES THAT ARE COMPENSATED NO BOARD MEMBERS ARE COMPENSATED
FORM 990, PAGE 6, PART VI, LINE 19	INTERESTED PARTIES MAY OBTAIN A COPY OF THE FORM 990 AND 1023 BY CONTACTING THE OFFICES OF OX-BOW THE FORM 990 IS ALSO AVAILABLE ON GUIDESTAR
FORM 990, PART XI, LINE 9	UNREALIZED LOSS OF LAND HELD -55,000



SCHEDULE R  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.  
▶ Attach to Form 990. ▶ See separate instructions.  
▶ Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization  
OX-BOW  
3435 RUPPRECHT WAY

Employer identification number  
  
38-1081760

Part I Identification of Disregarded Entities

Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations

Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) ART INSTITUTE OF CHICAGO  37 S WABASH  CHICAGO, IL 60603 36-2167725	SEE NOTES	IL	501C3	2	N/A		No

Part III

Identification of Related Organizations Taxable as a Partnership

Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end- of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No

Part V

Transactions With Related Organizations

Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity

b Gift, grant, or capital contribution to related organization(s)

c Gift, grant, or capital contribution from related organization(s)

d Loans or loan guarantees to or for related organization(s)

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

j Lease of facilities, equipment, or other assets to related organization(s)

k Lease of facilities, equipment, or other assets from related organization(s)

l Performance of services or membership or fundraising solicitations for related organization(s)

m Performance of services or membership or fundraising solicitations by related organization(s)

n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

r Other transfer of cash or property to related organization(s)

s Other transfer of cash or property from related organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

1s

No

No

Yes

No

No

No

No

No

No

No

No

Yes

Yes

Yes

No

Yes

No

No

Yes

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) ART INSTITUTE OF CHICAGO	M	143,462	CASH
(2) ART INSTITUTE OF CHICAGO 100000	C	100,000	CASH
(3) ART INSTITUTE OF CHICAGO	N	40,000	CASH
(4) ART INSTITUTE OF CHICAGO	S	10,223	CASH

Schedule R (Form 990) 2013

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Part VII

Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation
SCHEDULE R	THE SCHOOL OF THE ART INSTITUTE OF CHICAGO RECEIVES ENDOWED DONATIONS THAT HAVE BEEN RESTRICTED FOR OX-BOW'S USE EARNINGS ON THE ENDOWED FUNDS AND OTHER AMOUNTS INTENDED FOR CURRENT USE, ARE PASSED THROUGH TO OX-BOW IN COMPLIANCE WITH THE DONOR WISHES THE SCHOOL OF THE ART INSTITUTE OF CHICAGO DONATED 100,000 TO OX-BOW DURING 2013 IT ALSO PROVIDED FACILITIES AND SERVICES TO OX-BOW FOR WHICH IT WAS REIMBURSED 143,462 AND ANOTHER 40,000

Form **4562**

Department of the Treasury  
Internal Revenue Service (99)

Depreciation and Amortization  
(Including Information on Listed Property)

▶ See separate instructions.    ▶ Attach to your tax return.

OMB No 1545-0172

**2013**

Attachment  
Sequence No **179**

Name(s) shown on return  
OX-BOW  
3435 RUPPRECHT WAY

Business or activity to which this form relates  
INDIRECT DEPRECIATION

**Identifying number**  
  
38-1081760

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost	
7	Listed property Enter the amount from line 29	7		
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8		
9	Tentative deduction Enter the smaller of line 5 or line 8	9		
10	Carryover of disallowed deduction from line 13 of your 2012 Form 4562	10		
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11		
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12		
13	Carryover of disallowed deduction to 2014 Add lines 9 and 10, less line 12	13		

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property ) (See instructions )

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	203,402

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2013	17	14,769
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B—Assets Placed in Service During 2013 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
i Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

Section C—Assets Placed in Service During 2013 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs		S/L	
c 40-year			40 yrs	MM	S/L	

Part IV Summary (see instructions.)

21	Listed property Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions	22	218,171
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V

Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)  
**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No						24b If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No			
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation/ deduction	(i) Elected section 179 cost	
25Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)							25		
26 Property used more than 50% in a qualified business use									
		%							
		%							
		%							
27 Property used 50% or less in a qualified business use									
		%				S/L -			
		%				S/L -			
		%				S/L -			
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1						28			
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1							29		

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person  
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

30 Total business/investment miles driven during the year (do not include commuting miles)	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
31 Total commuting miles driven during the year												
32 Total other personal(noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions)

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions )		
<b>Note:</b> If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2013 tax year (see instructions)					
43 Amortization of costs that began before your 2013 tax year				43	
44 Total. Add amounts in column (f) See the instructions for where to report				44	

BY-LAWS  
OF  
OX-BOW

ARTICLE I  
NAME OF CORPORATION

The name of the corporation shall be Ox-Bow. The name Ox-Bow shall not be amended, modified, or otherwise changed without the prior unanimous approval of the Board of Directors.

ARTICLE II  
PURPOSES OF CORPORATION

The corporation is irrevocably dedicated to and operated for charitable, educational and scientific purposes which are tax exempt within the meaning of Section 501(c)(3) of the Internal Revenue code of 1986, as amended from time to time, or corresponding provisions of subsequent federal tax law.

Without limiting the generality of the foregoing, the corporation shall.

A. conduct an art school, which may include an artists in residency program, and own the necessary property to conduct the same; and

B. carry on any business in connection therewith and incident thereto not forbidden by the laws of the state of Michigan and with all the powers conferred upon corporations by the laws of the state of Michigan.

ARTICLE III  
DIRECTORS and MEETINGS

Section 1. Powers. The Board of Directors shall manage the property and affairs of Ox-Bow in such manner as may be prescribed from time to time by law, by the Ox-Bow bylaws, and Governance Policies.

Section 2. Classification and Election of Directors. The Board of Directors shall consist of not fewer than sixteen (16) nor more than twenty-six (26) members as shall be fixed from time to time by resolution of the Board of Directors. The Directors ( other than the two Representative Directors selected by the School Of The Art Institute and the two Representative Directors chosen by the Stewardship Committee pursuant to Section 3 of this Article) shall be divided into three classes with not more than nine (9) Directors in any one class, each class to hold office for a period of three years or until their respective successors shall have been elected and qualified. Directors can serve up to three consecutive three year terms. (Representative Directors are not subject to these term limits. )The President of the Board has the authority to recommend extension of this period to the Board when loss of a Board Member's skills would adversely affect Ox-Bow. One class of Directors shall be elected by the Board of Directors at its Annual



Meeting each year and shall assume office at the conclusion of such Annual Meeting at which they are elected.

Section 3. Representative Directors. The Board will include two Representatives selected by the School of the Art Institute of Chicago and two Representatives selected by Stewardship Committee. These Representatives will be put forth by the respective entity and for review by Ox-Bow's Governance Committee and approved by the Board at their Annual Meeting. These Representative Directors will be full Board Members with all authority that conveys and are subject to the same terms of directorship as described in the preceding Section 2 except term limits. Representative Directors' terms continue at the discretion of their nominating School or Committee.

Section 4. Meetings. The Board of Directors shall hold its Annual Meeting for the election of Directors and Officers during the third quarter of each fiscal year as set forth in Section 10 of this Article, (unless another date is determined by resolution of the Board of Directors), and shall hold regular meetings quarterly during the year, at such times and places as may be fixed by the Board of Directors or by the Executive Committee. Special meetings of the Board of Directors may be called at any time by the Chairman, the Executive Committee or any four Directors. Directors may participate in any meeting through the use of a conference telephone, video/audio conferencing system or similar communications equipment or through the use of another electronic medium by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at the meeting.

Section 5 Notice of Meetings. The Secretary shall mail, email, deliver personally, or by telephone facsimile transmission to each Director a written notice of all regular and special meetings at least five days before the time set for such meeting, and, in the case of a special meeting, the purpose or purposes for which it is called. If mailed, such notice shall be deemed to be delivered when deposited, postage prepaid, in the United States mail, addressed to the Director at his or her address as it appears on the Board contact roster.

Section 6. Quorum. Not less than one-third of the whole Board of Directors, shall constitute a quorum for the transaction of business. Whenever a quorum is not present at any duly called meeting, the Directors present may adjourn the meeting from time to time and reconvene without further notice other than that contained in the motion for adjournment. Any business which could have been transacted at the time for which the meeting was called may be transacted at the adjourned meeting if a quorum is present.

Section 7 Action. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except as otherwise provided below in Article IX with respect to the amendment of the Articles of Incorporation of the organization and the amendment of these bylaws. Proxy voting is not permitted. Any action which may lawfully be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, ( including email

communications), setting forth the action so taken shall be signed by a majority of the Directors entitled to vote in respect of the subject matters thereof.

Section 8. Waiver of Notice Any Director may in writing before or after the time stated therein waive notice of the time, place or purpose of holding any meeting. Attendance by a Director at any meeting shall constitute a waiver of notice of such a meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 9 Vacancies. Any vacancy in the Board of Directors by reason of death, disability, resignation, or Board removal of any Director, or by reason of an increase in the number of Directors, may be filled by the remaining Directors at any duly convened meeting. Any Director so elected to fill a vacancy shall hold office until the expiration of the term of his or her predecessor in office. Directors elected to fill vacancies owing to an increase in the number of Directors, shall be appropriately classified in accordance with Section 2 of this Article.

Section 10. Annual Meetings. An Annual Meeting of the Board of Directors shall be held during the third quarter of each fiscal year of the corporation at such time and place as the Board of Directors may designate or, in the absence of designation by the Board, as the President of the Board of Directors may designate.

Section 11. Removal of Directors Any Director may be removed by a 2/3 majority of all Board Members eligible to vote. Grounds for removal shall include but are not limited to, failure to attend meetings, failure to fulfill committee responsibilities, or for conduct deemed detrimental to Ox-Bow. Any Director may also resign from the Board by submitting a written resignation

Section 12 Compensation. The Board of Directors shall not be compensated for their services as Board Members or Officers, except that they may be reimbursed for reasonable expenses incurred in pursuit of the corporations's affairs.

Section 13 Director Emeritus. The position of Director Emeritus is created to record and reward for esteemed service those long-term members of the Board of Directors whose past contributions have been of great importance to Ox-Bow. Election of a Director Emeritus is by a majority of Directors. Attendance and participation at Board meetings is encouraged but not required. This is a non-voting member. The term is for life except for instances of conduct deemed detrimental to Ox-Bow. A Director Emeritus may be removed by a 2/3 majority of all Board Members eligible to vote.

#### ARTICLE IV OFFICERS

Section 1. Officers. The Officers of the corporation shall be a President, one or more Vice Presidents, a Secretary, and a Treasurer, each of whom shall be elected from among the members of the Board. Officers shall be elected for the terms specified below in this Article IV or, in the absence of such specification, for a one-year term, and

any limit on the number of terms specified below in this Article IV shall be measured beginning with the term commencing after the adoption of these amended and restated bylaws. Election of officers, for those offices as to which terms are then expiring, shall be held at the Annual Meeting of the Board of Directors. Vacancies may be filled at any meeting of the Board of Directors. Each Officer shall hold office until his or her successor shall have been duly elected and qualified or until death or until removal in the manner hereafter provided.

Section 2. President. The President shall preside at all meetings of the Board of Directors. The President shall be an ex officio member of all committees of the Board of Directors and shall preside at all meetings of the Executive Committee. The President may sign all contracts and other documents on behalf of the Ox-Bow corporation. The President shall be elected to serve a three-year term and shall be eligible for election for one additional three-year term (whether or not consecutive). The Board may authorize an extension of the President's term.

Section 3. Vice President. In the absence of the President, a Vice President shall preside at all meetings of the Board of Directors and the Executive Committee. In such instance, if more than one Vice President is present, the Senior Vice President shall assume such powers as determined by, first, election to such office, and second, by the date of election to the Board of Directors. Each Vice President shall be elected to serve a two-year term and shall be eligible for election for up to two additional two-year terms (whether or not consecutive).

Section 4. Executive Director. The Executive Director shall be the Chief Executive Officer of the Ox-Bow and shall be responsible to the Board of Directors for the day-to-day management of the organization's affairs and properties. Compensation shall be fixed by the Board of Directors. The Executive Director receives direction only from the President. The Executive Director shall have the power to appoint such personnel and agents as may be necessary or proper for the transaction of the business of Ox-Bow, and in general shall perform all duties incident to the office of Executive Director and such other duties as may be prescribed by the Board of Directors. Such personnel or agents shall not be, or be considered to be, Officers of the organization within the meaning of these bylaws. The Executive Director may sign all contracts and other documents on behalf of Ox-Bow for contracts valued under \$10,000. Contracts valued at \$10,000 and over must be specifically authorized by the Board of Directors, Executive Committee, or President. The Executive Director is a non-voting ex officio member of all Committees of the Board of Directors. The Executive Director may attend Executive Sessions only when invited by the Board to do so.

Section 5. Secretary. The Secretary shall keep a record of all proceedings of the Board of Directors. The Secretary will publish and distribute minutes for all regular and special meetings. The Secretary will take minutes during Executive sessions of regular and special meetings but will not publish for distribution. The Secretary shall attend to the correspondence and shall serve all notices in accordance with the provisions of these bylaws and as required by law. The Secretary is the custodian of the corporate books and

shall perform such other duties as may, from time to time, be assigned by the Board of Directors, the Executive Committee or the President. The Secretary shall be elected to serve a two-year term and shall be eligible for election for up to two additional two-year terms (whether or not consecutive)

Section 6 Treasurer. The Treasurer is responsible for the oversight of Ox-Bow's financial management and properties. The Treasurer shall have access to all of the organizations financial documents and receive ongoing reports from the President and their staff regarding the financial position of the organization. The Treasurer or any other person duly authorized by the Board of Directors is empowered to execute proxies in connection with any stocks or securities owned by Ox-Bow and to endorse and to sell any stocks or other registered securities owned by Ox-Bow. The Treasurer works with management to ensure that an annual audit is completed efficiently and successfully.

Section 7. Removal. Any Officer may be removed by a majority vote of the Board of Directors whenever, in its judgment, the best interests of the organization would be served thereby.

## ARTICLE V COMMITTEES

Section 1. General. Except as these Bylaws otherwise may require, the Board of Directors or the Executive Committee may create by majority vote such committees, whether standing or special, as it may deem appropriate from time to time. The number of members and powers and duties of each committee shall be as stated in the resolution of the Board of Directors creating it, so long as the same shall conform to the requirements of these Bylaws, the Articles of Incorporation and applicable law. Non-Board members are permitted to sit on committees but cannot serve as chair and cannot form a majority. The President shall appoint the members of each committee other than the Stewardship committee. Any committee member may be removed by the President whenever in his or her judgment the best interests of Ox-Bow shall be served by such removal.

Section 2. Executive Committee. There shall be an Executive Committee consisting of at least six but not more than ten members of the Board of Directors, who shall serve a one year term on such Committee and shall be eligible for reappointment to such Committee without limit as to the number of terms. The members shall be proposed by the President for approval of the Board of Directors. They shall include the President, Vice President(s) Secretary, Treasurer, and one representative from the Stewardship Committee and one representative from the School of the Art Institute of Chicago. A simple majority of the Executive Committee will constitute a quorum. Between meetings of the Board of Directors, the Executive Committee shall have and exercise the authority of the Board in the management of Ox-Bow and all other business and affairs of Ox-bow, subject to such limitations as may be imposed by law or by resolution of the Board Directors. The Board of Directors may delegate authority to the Executive Committee or may limit its powers in any respect. The Secretary of the Board shall act as Secretary of

the Executive Committee. Minutes shall be kept of all actions taken at meetings and shall be reported to the next meeting of the Executive Committee.

Section 3. Stewardship Committee The Stewardship Committee is made up of members of what has been referred to as Ox-Bow's Auxiliary Board. Ox-Bow's mission statement cannot be altered without the prior approval of the Stewardship Committee. Committee members are responsible for promoting and advocating for Ox-Bow throughout the wider community, providing volunteer support for Ox-Bow, and for preserving Ox-Bow's natural setting and physical environment. The Board will seek non-binding input from the Stewardship Committee prior to any campus real estate transfers. All members of the Stewardship Committee shall participate in the Annual Meeting of Ox-Bow's Board of Directors. The Stewardship Committee is self-perpetuating and governing. Two members of the Stewardship Committee serve on Ox-Bow's Board of Directors as described in Article III, section 3.

Section 4 Committee Procedures. Unless otherwise provided by the Board of Directors, meetings of any committee may be called by the Chairperson of such committee on not less than two days' notice given to each committee member personally or by mail, electronic mail, facsimile or telephone. If mailed, such notice shall be deemed to be delivered when deposited, postage prepaid, in the United States mail. One-third of the members of any committee shall constitute a quorum and the act of the majority at any duly convened meeting when a quorum is present shall be the act of the committee. Committee members may participate in and act at any committee meeting through the use of conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. From time to time, at appropriate intervals, the Chair of the Committee will report to Ox-Bow's Board of Directors on Committee progress.

## ARTICLE VI

### CONTRACTS, BOOKS, RECORDS AND AUDITS AND CONFLICTS OF INTEREST

Section 1. Contracts. The Board of Directors or Executive Committee may authorize any officer or officers, Executive Director, agent or agents of Ox-Bow to enter into any contract or execute and deliver any instrument in the name of or on behalf of Ox-Bow.

Section 2. Books, Records and Audits. The books of account of the Treasurer and the corporate books and records of the Secretary shall be open to inspection by any Director or any officer of Ox-Bow for any purpose at any reasonable time. Records, accounts and property of Ox-Bow in the hands of officers shall be delivered by them to their respective successors in office. As soon as practicable after the close of each fiscal year, the books of account and financial affairs of the Ox-Bow shall be audited by an independent firm of certified public accountants designated by the Board of Directors.

Section 3. Disclosure and Conflicts of Interest No transactions involving remuneration or benefit to a Director or Officer, or to an organization in which a Director or Officer has an interest, shall be entered into by Ox-Bow without full disclosure by the

interested Director or Officer and the approval of the Executive Committee. For the purposes of this Section, an interest shall be defined as that where the Director or Officer or any member of his or her immediate family is a director, officer, partner and/or holds or controls ten percent or more of the voting securities of an organization and the corporation purchases more than \$5,000 per year in goods or services from that organization. No Director so involved may have a vote in such approval or be counted as part quorum in which such vote is made. Every Director and Officer, in manner and form prescribed by the Executive Committee, shall be required, as a condition of the office, to fully disclose any area of conflict as defined in this Article.

#### ARTICLE VII

##### INDEMNIFICATION OF DIRECTORS, OFFICERS, AND EMPLOYEES

Ox-Bow shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he or she is or was a Director, Officer, Committee member, employee or agent, or who is or was serving at the request of Ox-Bow as a Director, Officer, employee or agent of Ox-Bow, or another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with any action, suit or proceedings, to the fullest extent of applicable law, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of Ox-Bow, and with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

#### ARTICLE VIII

##### FISCAL YEAR

The fiscal year of Ox-Bow shall begin on the 1st day of January and end on the 31st day of December in each year.

#### ARTICLE IX

##### AMENDMENTS

Section 1. Amendment of Articles of Incorporation. The Articles of Incorporation of the corporation may be amended or modified at any regular meeting of the Board of Directors, or at any special meeting called for that purpose, by the affirmative vote of a majority of the Directors then holding office.

Section 2. Amendment of Bylaws. These bylaws may be amended, modified or repealed and any new bylaw may be adopted at any regular meeting of the Board of Directors, or at any special meeting called for that purpose, by the affirmative vote of a majority of the Directors then holding office. Board Members must be advised of proposed changes to the by-laws two weeks prior to the meeting so as to permit review

## ARTICLE X LIMITATIONS

Section 1 No Private Inurement. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, its members, directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered to the corporation and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation.

Section 2 Lobbying. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements regarding) any political campaign on behalf of any candidate for public office.

Section 3. General Limitation. Notwithstanding any other provision of these By-Laws, the corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws, or (b) by corporation contributions which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 or corresponding provisions of any subsequent federal tax laws.

Section 4 Non-Discrimination. Admission to and participation in the classes and programs presented or conducted by the corporation shall be pursuant to policies which do not discriminate on the basis of religion, race, color, sexual orientation, or national origin. All documents, brochures, pamphlets, and advertising material which refer to the corporation's admission policies shall indicate that such policies are non-discriminatory.

## ARTICLE XI DISTRIBUTION

Except as otherwise required by law, upon the dissolution of the corporation, the Board of Directors, after paying or making provision for the payment of all the liabilities of the corporation, shall dispose of all the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes, as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provision of any subsequent federal tax laws, as the Board of Directors may determine. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction in the county in which the principal office of the corporation is then located.

ARTICLE XII  
OX-BOW STRATEGIC ALLIANCE AGREEMENT

On July 1, 2012, Ox-Bow entered into a Strategic Alliance Agreement with the Art Institute of Chicago in order to establish a working structure that further enhances their relationship. These Bylaws are consistent with performance under that Agreement



**OX-BOW**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 and 2012**

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## INDEPENDENT AUDITOR'S REPORT

Holland, Michigan  
August 15, 2014

Board of Directors  
Ox-Bow  
Saugatuck, Michigan

We have audited the accompanying financial statements of Ox-Bow (a nonprofit organization), which comprise the statements of financial position as of December 31, 2013 and 2012, and the related statements of activities, cash flows and functional expenses for the years then ended, and the related notes to the financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ox-Bow, of Saugatuck, Michigan as of December 31, 2013 and 2012, 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.

DELONG & BROWER, P.C.

  
CERTIFIED PUBLIC ACCOUNTANTS

**OX-BOW**  
**STATEMENTS OF FINANCIAL POSITION**  
**DECEMBER 31, 2013 AND 2012**

<b>ASSETS</b>	<b>2013</b>	<b>2012</b>
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 523,068	\$ 298,026
Accounts Receivable, net of allowance	2,565	-
Contributions Receivable, net of non-current portion and allowances	83,071	117,418
Inventory	5,205	5,085
Prepaid Expenses	21,719	17,154
Donated Land Held for Sale	190,000	245,000
<b>Total Current Assets</b>	<b>825,628</b>	<b>682,683</b>
<b>PROPERTY, PLANT, AND EQUIPMENT</b>		
Land, Buildings, and Improvements	6,176,390	6,142,705
Furniture and Equipment	473,501	467,185
<b>Total Property, Plant, and Equipment</b>	<b>6,649,891</b>	<b>6,609,890</b>
Less: Accumulated Depreciation	(1,774,357)	(1,556,178)
<b>Net Book Value</b>	<b>4,875,534</b>	<b>5,053,712</b>
<b>OTHER ASSETS</b>		
Investments	2,032,645	1,901,186
Contributions Receivable, net of current portion and allowances	12,100	71,558
Artwork on Display	61,494	61,494
<b>Total Other Assets</b>	<b>2,106,239</b>	<b>2,034,238</b>
<b>TOTAL ASSETS</b>	<b>\$ 7,807,401</b>	<b>\$ 7,770,633</b>

<b>LIABILITIES AND NET ASSETS</b>	<b>2013</b>	<b>2012</b>
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 17,883	\$ 23,070
Payable to a Related Party	41,122	150,872
Current Portion of Long-term Debt	25,794	537,389
Current Portion of Capital Lease Obligation	355	289
Deferred Revenue	150,550	400
Accrued Wages, Payroll Withholdings, and Accruals	35,666	17,970
<b>Total Current Liabilities</b>	<b>271,370</b>	<b>729,990</b>
<b>LONG-TERM LIABILITIES</b>		
Debt, net of current portion	480,478	-
Capital Lease Obligation, net of current portion	-	344
<b>Total Long-Term Liabilities</b>	<b>480,478</b>	<b>344</b>
<b>NET ASSETS</b>		
Unrestricted Net Assets	602,926	597,970
Temporarily Restricted Net Assets	5,808,399	5,798,101
Permanently Restricted Net Assets	644,228	644,228
<b>Total Net Assets</b>	<b>7,055,553</b>	<b>7,040,299</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 7,807,401</b>	<b>\$ 7,770,633</b>

The accompanying notes are an integral part of these statements.

**OX-BOW**  
**STATEMENTS OF ACTIVITIES**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**

				(MEMO)	
	UNRESTRICTED	TEMPORARILY RESTRICTED	PERMANENTLY RESTRICTED	2013 TOTAL	2012 TOTAL
<b>REVENUE &amp; SUPPORT</b>					
<b>Program Revenue</b>					
Tuition & Drop Fees	\$ 891,196	\$ -	\$ -	\$ 891,196	\$ 817,627
Lab Fees	30,200	-	-	30,200	26,600
Room & Board	317,429	-	-	317,429	303,944
Residency	35,825	-	-	35,825	28,325
Art on the Meadow	23,828	-	-	23,828	18,645
<b>Total Program Revenue</b>	<b>1,298,478</b>	<b>-</b>	<b>-</b>	<b>1,298,478</b>	<b>1,195,141</b>
<b>Developmental Support</b>					
Alumni Membership	1,198	-	-	1,198	225
Annual Fund Contributions	73,746	-	-	73,746	42,280
General Donations & Grants	5,050	52,289	-	57,339	50,036
Non-Cash Contributions	-	-	-	-	30,000
Benefits, Net	133,248	-	-	133,248	73,778
Scholarship Contributions	-	51,649	-	51,649	71,115
Residency Grants & Contributions	-	-	-	-	33,000
SAIC Sponsorship	100,000	-	-	100,000	100,000
Capital & Campaign Contributions	-	25,902	-	25,902	36,129
Loss on Sale of Land Held for Sale	-	-	-	-	(19,900)
<b>Total Developmental Support</b>	<b>313,242</b>	<b>129,840</b>	<b>-</b>	<b>443,082</b>	<b>416,663</b>
<b>Other Revenue</b>					
Retail Revenue, Net	1,106	-	-	1,106	680
Facility Rental & Supporting Services	69,620	-	-	69,620	60,805
Loss on Sale of Fixed Assets	-	-	-	-	(402)
Miscellaneous	524	-	-	524	-
Unrelated Business Income	1,550	-	-	1,550	-
Unrealized Loss on Land Held for Sale	(55,000)	-	-	(55,000)	(190,900)
Realized Gain on Investments	143	53,581	31,104	84,828	11,151
Unrealized Gain (Loss) on Investments	700	95,220	55,277	151,197	101,797
Interest and Dividends	630	21,710	12,603	34,943	41,069
Less: Investment Fees	(132)	(12,249)	(7,111)	(19,492)	(18,540)
<b>Total Other Revenue</b>	<b>19,141</b>	<b>158,262</b>	<b>91,873</b>	<b>269,276</b>	<b>5,660</b>
Net Assets Released from Restrictions	369,677	(277,804)	(91,873)	-	-
<b>TOTAL REVENUE &amp; SUPPORT</b>	<b>2,000,538</b>	<b>10,298</b>	<b>-</b>	<b>2,010,836</b>	<b>1,617,464</b>
<b>EXPENSES</b>					
Program Expenses	1,640,880	-	-	1,640,880	1,532,223
Supporting Services	229,126	-	-	229,126	257,322
Fundraising	125,576	-	-	125,576	143,978
<b>TOTAL EXPENSES</b>	<b>1,995,582</b>	<b>-</b>	<b>-</b>	<b>1,995,582</b>	<b>1,933,523</b>
<b>CHANGE IN NET ASSETS</b>	<b>4,956</b>	<b>10,298</b>	<b>-</b>	<b>15,254</b>	<b>(316,060)</b>
<b>NET ASSETS - BEGINNING OF YEAR</b>	<b>597,970</b>	<b>5,798,101</b>	<b>644,228</b>	<b>7,040,299</b>	<b>7,356,358</b>
<b>NET ASSETS - END OF YEAR</b>	<b>\$ 602,926</b>	<b>\$ 5,808,399</b>	<b>\$ 644,228</b>	<b>\$ 7,055,553</b>	<b>\$ 7,040,299</b>

The accompanying notes are an integral part of these statements

**OX-BOW**  
**STATEMENTS OF CASH FLOWS**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**

	<b>2013</b>	<b>2012</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in Net Assets	\$ 15,254	\$(316,060)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	218,179	219,169
Unrealized Loss on Land Held for Sale	55,000	190,900
Unrealized Gain on Investments	(151,197)	(101,797)
Realized Gain on Sale of Investments	(84,828)	(11,151)
Noncash Contributions Received	-	(30,000)
Loss on Disposal of Assets	-	20,302
Decrease (Increase) in:		
Receivables	91,240	110,817
Inventory	(120)	(357)
Prepaid Expenses	(4,565)	9,743
Increase (Decrease) in:		
Accounts Payable	(5,187)	(13,665)
Payable to a Related Party	(109,750)	150,872
Deferred Revenue	150,150	(4,500)
Payroll Withholdings and Accruals	17,696	626
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>191,872</u>	<u>224,900</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from Sale of Investments	544,813	348,780
Proceeds from Sale of Equipment	-	100
Proceeds from Sale of Donated Real Estate	-	80,000
Purchase of Property, Plant, and Equipment	(40,001)	(27,126)
Purchase of Investments	(440,248)	(300,510)
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u>64,564</u>	<u>101,244</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Borrowing on Line of Credit	25,000	-
Repayment on Line of Credit	(25,000)	(90,000)
Borrowing on Long-term Debt	25,000	-
Repayment on Long-term Debt	(56,394)	(75,182)
<b>NET CASH USED FOR FINANCING ACTIVITIES</b>	<u>(31,394)</u>	<u>(165,182)</u>
<b>NET INCREASE IN CASH</b>	225,042	160,962
<b>CASH AT BEGINNING OF PERIOD</b>	<u>298,026</u>	<u>137,064</u>
<b>CASH AT END OF PERIOD</b>	<u><u>\$ 523,068</u></u>	<u><u>\$ 298,026</u></u>

The accompanying notes are an integral part of these statements.

**OX-BOW**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**YEARS ENDED DECEMBER 31, 2013 AND 2012**

					(MEMO)
	PROGRAM	SUPPORTING SERVICES	FUND-RAISING	2013 TOTAL	2012 TOTAL
<b>Program Expense</b>					
Faculty & Visiting Artists Contracted	\$ 137,700	\$ -	\$ -	\$ 137,700	\$ 125,862
Campus Wages	248,752	23,579	5,764	278,095	253,953
Other Contracted Services	1,400	140	-	1,540	2,040
Campus Payroll Taxes	21,045	1,301	456	22,802	21,551
Campus Employee Benefits	20,782	3,447	-	24,229	22,710
Faculty & Visiting Artists Travel	19,615	-	-	19,615	14,621
Scholarships	156,930	-	-	156,930	141,354
SAIC Financial Aid & Fees	143,462	-	-	143,462	118,006
Work Study Scholarships	75,865	-	-	75,865	70,480
Residency Scholarships & Stipends	23,710	-	-	23,710	23,840
Campus Utilities	80,530	-	-	80,530	67,785
Instructional Supplies & Equipment	42,179	-	-	42,179	34,813
Campus Furniture & Equipment, Repairs & Maintenance	42,514	-	-	42,514	48,815
Direct Marketing	61,651	-	22	61,673	44,299
Insurance	36,097	2,600	-	38,697	38,037
Campus Food & Kitchen Supplies	102,364	1,344	-	103,708	110,251
Community Programming & Contributions	1,466	680	-	2,146	10,751
Bad Debt Expense	325	-	1,200	1,525	446
<b>Total Program Expense</b>	<b>1,216,387</b>	<b>33,091</b>	<b>7,442</b>	<b>1,256,920</b>	<b>1,149,614</b>
<b>Development Expense</b>					
Direct Fund Development	-	-	4,826	4,826	5,737
<b>Administrative Expense</b>					
Administrative Wages	108,390	80,644	81,041	270,075	284,427
Administrative Payroll Taxes	9,145	8,564	6,762	24,471	25,274
Administrative Employee Benefits	20,775	17,112	10,815	48,702	47,532
Professional Services	50	26,797	-	26,847	35,979
Staff Travel and Mileage	12,478	4,383	3,469	20,330	23,293
Auto Lease and Insurance	1,805	-	-	1,805	16,025
Insurance - Directors and Officers	-	2,693	-	2,693	2,715
Telephone & Computer Charges	11,221	41,608	5,403	58,232	58,748
Office Expense	7,331	4,671	1,577	13,579	13,987
Bank & Credit Card Charges	7,215	1,598	2,886	11,699	11,446
Miscellaneous	6,191	7,598	1,355	15,144	12,859
<b>Total Administrative Expense</b>	<b>184,601</b>	<b>195,668</b>	<b>113,308</b>	<b>493,577</b>	<b>532,285</b>
Interest Expense	21,713	367	-	22,080	26,718
Depreciation	218,179	-	-	218,179	219,169
<b>TOTAL EXPENSES</b>	<b>\$ 1,640,880</b>	<b>\$ 229,126</b>	<b>\$ 125,576</b>	<b>\$ 1,995,582</b>	<b>\$ 1,933,523</b>

The accompanying notes are an integral part of these statements.



**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013 AND 2012**

**1) NATURE OF ACTIVITIES**

Ox-Bow conducts a school of the arts offering degree and non-degree courses. It also provides life-long learning opportunities within the surrounding community. Student artists are provided with a studio, housing, dining facilities and an environment that nurtures the creative process.

**2) SIGNIFICANT ACCOUNTING POLICIES**

- a) The financial statements of Ox-Bow have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.
- b) Acquisitions of property, plant and equipment in excess of \$ 500 are capitalized. Property, plant and equipment acquired after 1996 are carried at cost or, if donated, at the approximate fair value at the date of donation. Since detailed records of the cost of assets acquired prior to 1997 were not kept, on December 31, 1996 those assets were recorded at their estimated cost and depreciation commenced on that date. For both financial reporting and income tax purposes, depreciation is computed using the straight-line method over the useful lives of the assets.
- c) Artwork on display that had been received as a gift prior to 2000 has not been recorded in the statement of financial position. Artwork acquired in 2000 and thereafter is recorded at cost. Donated artwork is recorded at its fair value on the date received.
- d) The Organization classifies net assets into three categories for accounting and reporting purposes – unrestricted, temporarily restricted or permanently restricted. Unrestricted net assets are not subject to specific donor-imposed restrictions and may be used as the Organization sees fit in furtherance of its missions. Temporarily restricted net assets carry specific donor-imposed restrictions on the expenditure or other use of contributed funds. Temporary restrictions may expire either because of the passage of time or because the restriction was fulfilled. When temporary restrictions have been satisfied they are reported as released from restrictions. Permanently restricted net assets are those subject to donor-imposed restrictions that will never lapse, thus requiring the assets to be maintained permanently as endowed funds.
- e) Inventories of school and art supplies are stated at the lower of cost or market.
- f) A number of volunteers have donated time to the Organization's program, special events and supporting services. The value of the contributed services meeting the criteria for recognition under FASB Accounting Standards Codification 605, *Revenue Recognition* was not material and therefore has not been reflected in the financial statements.
- g) Functional expenses have been allocated between program services, supporting services and fundraising based on specific identification and management estimates.
- h) The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and judgments that affect the amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.
- i) For purposes of the statement of cash flows, the Organization considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**2) SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

- j) Investments in equity and debt securities are carried at fair value based upon quoted market prices. Investments are exposed to various risks such as interest rate, credit and overall market volatility. It is possible that changes in the value of investment securities could materially change in the near term and affect amounts reported in the financial statements.
- k) The Organization maintains cash deposits at financial institutions which at times may exceed FDIC limits. The Organization has not experienced any losses on such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.
- l) The carrying amounts of receivables and payables approximate fair value because of the short-term maturity of those instruments.
- m) The Financial Accounting Standards Board issued Accounting Standards Codification 958, *Not-for-Profit Entities*. Under FASB ASC 958, net asset classification of donor-restricted endowment funds are subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). It also improves disclosures about endowment funds. The State of Michigan adopted UPMIFA September 10, 2009.
- n) The Organization has a policy to record all known asset retirement obligations when the fair value of the liability can be estimated. At year-end, there were no legal obligations to perform an asset retirement activity.
- o) The Organization does not record the fair market value of non-cash inventory contributed that is subsequently sold at fundraising auctions, except for the amount of art inventory held at previous fiscal year-end or in the collection with the amount previously recorded as a gift-in-kind contribution. If these donations had been recorded, contribution revenue and the related cost of goods sold reflected in these statements would both have been \$86,345 higher.

**3) TAX-EXEMPT ORGANIZATION**

The Organization is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). However, income from certain activities not directly related to the Organization's tax-exempt purposes may be subject to taxation as unrelated business income. In addition, the Organization qualified for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under 509(a)(2).

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**4) PROPERTY, PLANT, EQUIPMENT AND DEPRECIATION**

A breakdown of fixed assets as of December 31, 2013 was as follows:

	Cost	Accum. Deprec./Amort.	Net Book Value
Land	\$ 26,800	\$ -	\$ 26,800
Buildings & Improvements	6,149,590	1,412,121	4,737,469
Furniture & Equipment	450,750	341,256	109,494
Software	21,767	20,211	1,556
Capital Lease	984	769	215
Total	<u>\$ 6,649,891</u>	<u>\$ 1,774,357</u>	<u>\$ 4,875,534</u>

A breakdown of fixed assets as of December 31, 2012 was as follows:

	Cost	Accum. Deprec./Amort.	Net Book Value
Land	\$ 26,800	\$ -	\$ 26,800
Buildings & Improvements	6,115,905	1,239,984	4,875,921
Furniture & Equipment	444,434	299,126	145,308
Software	21,767	16,545	5,222
Capital Lease	984	523	461
Total	<u>\$ 6,609,890</u>	<u>\$ 1,556,178</u>	<u>\$ 5,053,712</u>

Total depreciation and amortization expense recognized for the years ended December 31, 2013 and 2012 was \$ 218,179 and \$ 219,169, respectively.

**5) DEFERRED REVENUE**

Deferred revenue as of December 31, 2012 consists of pre-payment of participants fees for 2013 Ceramics workshop in advance of the event. Deferred revenue as of December 31, 2013 consisted of a tuition gift certificate purchased and outstanding at year end and \$150,000 of winter 2014 for-credit tuition, fees, room and board collected and remitted to Ox-Bow by the School of the Art Institute

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**6) CONTRIBUTIONS RECEIVABLE**

Unconditional promises to give at December 31, 2013 and 2012, which are net of the allowance for uncollectible contributions and discounted to present value, were as follows:

	<u>2013</u>	<u>2012</u>
Capital Improvement and Campus Maintenance	\$ 89,122	\$ 157,671
Scholarship Contributions	3,500	21,255
Annual Fund & Other Unrestricted	2,549	10,050
Total	<u>\$ 95,171</u>	<u>\$ 188,976</u>
Collectible in the Following Periods:		
Year One	\$ 83,071	\$ 117,418
Year Two	5,100	61,811
Year Three	2,000	4,334
Year Four	5,000	1,608
Year Five and Thereafter	-	3,805
Total	<u>\$ 95,171</u>	<u>\$ 188,976</u>

Management has evaluated the need for both an allowance for uncollectible contributions and a discount to present value. Risk factors including the inherent nature of the promises to give, consideration of the specific donors, and timing of the anticipated payments were considered when establishing the allowance and calculating the discount to present value. The allowance for uncollectible contributions was established in the amount of \$ 1,525 and \$ 500 at December 31, 2013 and 2012, respectively. At 12/31/2012, a discount to present value was established at 5.5%, for a total of \$ 9,339. During 2013, a discount to present value was not provided for.

Conditional promises to give consist of donations in the amount of \$ 190,000 that are payable to the Organization upon the donors' deaths. In addition, a donor has pledged a percentage of the proceeds of the sale of a specific piece of real estate to be sold upon his death, however, no estimate of the value of this donation is currently available. Conditional promises are not recorded in the financial records.

**7) TERMINATED SPONSORSHIP & NEW STRATEGIC ALLIANCE**

On April 1, 1995, The Art Institute of Chicago (AIC) agreed to sponsor Ox-Bow by providing sufficient funding each year to satisfy each of Ox-Bow's reasonable and necessary expenses for the following:

- a) Continued annual operation of art programs on Ox-Bow properties in a manner and scope at least equivalent to the level of programming previously provided in the community.
- b) Repair and maintenance of the facilities to keep them in a safe condition in compliance with Ox-Bow's mission and all applicable building codes, ordinances and insurance requirements, including deferred maintenance of the facilities.

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**7) TERMINATED SPONSORSHIP & NEW STRATEGIC ALLIANCE (CONTINUED)**

- c) Development and implementation of a comprehensive advancement plan for Ox-Bow, including annual fund-raising activities, mailing list development, corporate and foundation relations, governmental relations, alumni affairs, major gifts, capital campaign and public relations.

As part of the agreement, Ox-Bow agreed to maintain all risk, comprehensive public liability and property damage insurance. Per the agreement AIC was able to appoint, approve and/or remove Ox-Bow's Board members. That right was not exercised in the five years prior to termination.

This sponsorship agreement in place at June 30, 2012 terminated on July 1, 2012 when the School of the Art Institute Chicago and Ox-Bow signed a Termination of Sponsorship Agreement so that Ox-Bow and SAIC could enter a new Strategic Alliance Agreement, which became effective July 1, 2012.

Key provisions of the new agreement are as follows:

- a) Term of the agreement is 99 years. If either party decides to terminate the agreement prematurely they could face sanctions of up to \$ 1,000,000 for Ox-Bow and \$ 500,000 for SAIC. The parties have the right and obligation to review the financial obligations and provisions of the agreement and to make mutually agreed upon modifications.
- b) Pre-approved courses offered by Ox-Bow will qualify for student credit from SAIC, assuming they are taught by faculty pre-approved by SAIC. Ox-Bow agrees not to make a similar arrangement with other colleges.
- c) SAIC will continue to provide registration, billing & collections services for For-Credit courses offered by Ox-Bow and to provide office space to Ox-Bow at their Chicago facility. In exchange, SAIC will charge an administrative fee of \$ 40,000 and request reimbursement for services used by Ox-Bow. Fees may be increased in the future.
- d) SAIC will appoint two persons to the Ox-Bow board.
- e) SAIC agrees to contribute \$ 100,000 to Ox-Bow. This contribution may be increased annually based upon an approved formula.
- f) Ox-Bow tuition cost and fees will be set by SAIC and equivalent to what SAIC charges their students. Ox-Bow will establish room and board fees. Financial aid or discounts may be extended to students by either party based upon restrictions identified in the agreement.
- g) Amounts collected by SAIC on behalf of Ox-Bow will be forwarded to Ox-Bow according to a pre-approved installment schedule.
- h) The agreement identifies both SAIC and Ox-Bow as independent contractors and not partners or joint ventures or agents of one another.

The Art Institute of Chicago has provided \$ 100,000 of direct sponsorship to Ox-Bow in 2013 and \$ 100,000 in direct sponsorship in 2012.

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**8) CASH FLOW INFORMATION**

Cash paid for interest for the years ended December 31, 2013 and 2012, was \$ 23,468 and \$ 27,389, respectively.

**9) TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets were increased by restricted giving for scholarships, campus improvements, grants for residency programming, and, by contributions restricted for the summer benefit. Investment gains on Endowment Funds also increased temporarily restricted net assets. Net assets were released from donor restrictions during the year by recognizing depreciation on long-lived assets, incurring expenditures related to the construction or purchase of facilities and equipment, the awarding of scholarships, and payment of summer fellows' wages and related payroll taxes. Temporarily restricted net assets were also increased and released from donor restrictions by a grant for, and expenses incurred by, the community programs run on campus in 2012. Net assets were temporarily restricted for the following purposes at December 31:

	2013	2012
Long-lived assets from temporarily restricted contributions	\$ 4,323,382	\$ 4,456,604
Residency program	30,266	54,713
Summer Fellows payroll expenses & student scholarships	1,143,358	1,048,670
Student scholarships	154,895	156,139
General contributions restricted for purpose or time	-	2,000
Campus maintenance, improvements or scholarships net of allowance for uncollectible accounts receivable	-	4,500
Campus improvements	40,054	-
Summer benefit	15,846	-
Miscellaneous	500	-
Investment gains restricted for campus improvements and student scholarships	100,098	75,475
Total Temporarily Restricted Net Assets	<u>\$ 5,808,399</u>	<u>\$ 5,798,101</u>

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**10) TRANSACTIONS WITH RELATED PARTIES**

The Art Institute of Chicago (AIC) provides sponsorship (see note 7) and performs a number of services for Ox-Bow. They collect tuition, fees and room and board of students who will receive credit for their classes. They provide an accounting by student of all charges, scholarships and financial aid awards. They age student receivables and provide both short and long-term financing. They also provide office space and IT support for staff working in the Chicago office. In return, Ox-Bow paid AIC an administrative fee of \$ 40,000 for Ox-Bow fiscal year 2013 under the terms of the Strategic Alliance Agreement effective July 1, 2012. Ox-Bow also reimbursed AIC for actual costs incurred by the Chicago office for postage, copy services, telephone, and new computer equipment. Ox-Bow accepted financial aid awarded to credit students by AIC. The total amounts paid to AIC for services and reimbursements during 2013 and 2012 were \$ 193,685 and \$ 168,976, respectively.

AIC was in a position to exert control over Ox-Bow through June 30, 2012. As a result AIC prepared financial statements on a consolidated basis with Ox-Bow utilizing AIC's fiscal year end of June 30. A summary of AIC's financial information for the year ended June 30, 2012 follows (in thousands).

Assets	\$ 1,359,576
Liabilities	<u>(396,545)</u>
Net Assets	<u><u>\$ 963,031</u></u>
Operating Revenue	\$ 231,380
Expenses	(211,334)
Nonoperating Revenue & (Expenses)	<u>(70,975)</u>
Change in Net Assets	<u><u>\$ (50,929)</u></u>

As a number of Ox-Bow's Board members are associated with AIC, the Organization put a conflict of interest policy in place that requires all Board members and staff to act in the best interests of Ox-Bow without regard to their personal interests. All conflicts of interest must be disclosed. Board members who have a conflict of interest may not vote on, approve or recommend action in any matter involving the conflict of interest.

**11) CONCENTRATION OF RISK**

The Organization maintains its bank deposit and money market accounts at financial institutions and brokerage firms. The balances, at times, may exceed insured limits. As of December 31, 2013 the uninsured balances in bank and brokerage accounts were \$ 40,988 and \$ 49,169, respectively. In addition, \$ 1,983,476 was held in uninsured marketable securities. As of December 31, 2012 the uninsured balances in bank and brokerage accounts were \$ 3,606 and \$ 188,399, respectively. In addition, \$ 1,712,787 was held in uninsured marketable securities.

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**12) INDIRECT FINANCIAL SUPPORT**

A number of individuals in the past have donated large sums of money to the Art Institute of Chicago (AIC) with the express intent that the funds, or the investment earnings thereon, be used exclusively to help AIC support Ox-Bow specifically through facility improvement or expansion, repair and maintenance or by providing scholarships for Ox-Bow students. These funds are invested and earnings thereon are available to Ox-Bow in accordance with AIC's investment and spending policy.

**13) ADVERTISING**

The Organization expenses marketing costs as they are incurred. Direct marketing expense for the years ended December 31, 2013 and 2012 was \$ 61,673 and \$ 44,299, respectively.

**14) COMMITMENTS AND CONTINGENCIES**

Land use and interpretation of donor restrictions placed on contributions are reviewed periodically. At this time management does not foresee any potential liabilities arising from these issues.

As of December 31, 2012, the Organization had a commitment to enter into a building project to extend the roofing of the Ceramics Studio area to cover the outdoor area of the studio and the kilns and wood storage areas. As of December 31, 2013, this work was completed. It was funded by one donor. Ox-Bow held \$ 5,000 in temporarily restricted contributions from this donor for the project at December 31, 2012. During 2013, Ox-Bow received an additional \$ 12,739 from the same donor to fund this capital project. The total cost for the project was \$ 17,739.

During 2013, the Organization approved a building project to construct the Esther and Seymour Padnos Metal Sculpture Studio. This addition will be funded by one donor. As of December 31, 2013, no work on the building had taken place. The project is expected to be completed in 2014. In December, 2013, Ox-Bow received \$40,000 from the donor. The expected total cost for the project is \$180,000.

**15) RETIREMENT PLAN**

The Organization has a 401(k) retirement plan. Eligible employees, with one year of service, may contribute to the plan with pre-tax salary deferrals. In addition, the Organization may make a discretionary contribution on behalf of the employees. For the years ended December 31, 2013 and 2012, Ox-Bow made employer contributions of \$ 13,058 and \$ 13,636, respectively. Retirement costs including administrative fees for this same period were \$ 14,044 and \$ 14,566, respectively.



**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**16) INVESTMENTS**

The Organization carries investments in marketable securities with readily determinable fair values in the Statements of Financial Position. Unrealized gains and losses are included in the change in net assets in the accompanying Statements of Activities. Investments as of December 31, 2013 and 2012 are summarized as follows:

For the year ended December 31, 2013:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
<u>Unrestricted:</u>			
Equity Securities	\$ 3,223	\$ 4,887	\$ 4,887
Fixed Income Securities	1,216	1,165	1,165
Cash Equivalents	83	83	83
Total Unrestricted	<u>4,522</u>	<u>6,135</u>	<u>6,135</u>
<u>Temporarily Restricted:</u>			
Equity Securities	689,560	878,787	878,787
Fixed Income Securities	490,941	470,014	470,014
Cash Equivalents	33,482	33,482	33,482
Total Temporarily Restricted	<u>1,213,983</u>	<u>1,382,283</u>	<u>1,382,283</u>
<u>Permanently Restricted:</u>			
Equity Securities	321,377	409,568	409,568
Fixed Income Securities	228,809	219,055	219,055
Cash Equivalents	15,604	15,604	15,604
Total Permanently Restricted	<u>565,790</u>	<u>644,227</u>	<u>644,227</u>
Grand Total	<u>\$ 1,784,295</u>	<u>\$ 2,032,645</u>	<u>\$ 2,032,645</u>

The following schedule summarizes the investment return and its classification in the Statements of Activities for the year ended December 31, 2013:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Interest and dividends	\$ 128	\$ 21,710	\$ 12,603	\$ 34,441
Realized gains	143	53,581	31,104	84,828
Unrealized gains/(losses)	700	95,220	55,277	151,197
Total investment return	<u>\$ 971</u>	<u>\$ 170,511</u>	<u>\$ 98,984</u>	<u>\$ 270,466</u>

Investment interest and dividends of \$ 34,441 from the schedule above plus bank interest totals \$ 34,943.

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**16) INVESTMENTS (CONTINUED)**

An annual total of \$ 19,492 in investment fees were deducted from the Organization's major investment account and allocated along with other gains and losses among restricted and unrestricted funds in the account. Taking these fees into consideration, the net investment returns in 2013 were \$ 839, \$ 158,262, and \$ 91,873 for Unrestricted, Temporarily Restricted, and Permanently Restricted, respectively.

For the year ended December 31, 2012:

	<u>Cost</u>	<u>Fair Value</u>	<u>Carrying Value</u>
<u>Unrestricted:</u>			
Equity Securities	\$ 3,067	\$ 4,018	\$ 4,018
Fixed Income Securities	973	970	970
Cash Equivalents	308	308	308
Total Unrestricted	<u>4,348</u>	<u>5,296</u>	<u>5,296</u>
<u>Temporarily Restricted:</u>			
Equity Securities	626,637	736,126	736,126
Fixed Income Securities	392,629	391,359	391,358
Cash Equivalents	124,178	124,177	124,178
Total Temporarily Restricted	<u>1,143,444</u>	<u>1,251,662</u>	<u>1,251,662</u>
<u>Permanently Restricted:</u>			
Equity Securities	322,529	378,883	378,883
Fixed Income Securities	202,085	201,431	201,431
Cash Equivalents	63,914	63,914	63,914
Total Permanently Restricted	<u>588,528</u>	<u>644,228</u>	<u>644,228</u>
Grand Total	<u>\$ 1,736,320</u>	<u>\$ 1,901,186</u>	<u>\$ 1,901,186</u>

The following schedule summarizes the investment return and its classification in the Statements of Activities for the year ended December 31, 2012:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Interest and dividends	\$ 139	\$ 25,237	\$ 15,388	\$ 40,764
Realized gains	18	6,907	4,226	11,151
Unrealized gains/(losses)	941	63,189	37,667	101,797
Total investment return	<u>\$ 1,098</u>	<u>\$ 95,332</u>	<u>\$ 57,281</u>	<u>\$ 153,712</u>

Investment interest and dividends of \$ 40,764 from the schedule above plus bank interest totals \$ 41,069.

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**16) INVESTMENTS (CONTINUED)**

An annual total of \$ 18,540 in investment fees were deducted from the Organization's major investment account and allocated along with other gains and losses among restricted and unrestricted funds in the account. Taking these fees into consideration, the net investment returns in 2012 were \$ 1,041, \$ 83,847, and \$ 50,284 for Unrestricted, Temporarily Restricted, and Permanently Restricted, respectively.

**17) FAIR VALUE OF FINANCIAL INSTRUMENTS**

**Financial Instruments**

The following methods and assumptions were used by the Organization in estimating its fair value disclosures for financial instruments:

- Cash and cash equivalents: The carrying amounts reported in the statements of financial position represent fair values. These instruments have short maturities.
- Short-term and endowment investments: The fair values of investments are based on quoted market prices for those or similar investments.

The estimated fair values of the Organization's financial instruments for the year ended December 31, 2013 are as follows:

	Cost 12/31/2013	Fair Market Value 12/31/2013	Carrying Value 12/31/2013
<u>Financial Assets:</u>			
Greenleaf Trust:			
Equity Investments	\$ 1,012,646	\$ 1,290,533	\$ 1,290,533
Fixed Income	720,966	690,234	690,234
Cash & Cash Equivalents	49,169	49,169	49,169
 Mellon Investors:			
Equity Investments	<u>1,514</u>	<u>2,709</u>	<u>2,709</u>
 Totals	<u><u>\$ 1,784,295</u></u>	<u><u>\$ 2,032,645</u></u>	<u><u>\$ 2,032,645</u></u>

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**17) FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**

The estimated fair values of the Organization's financial instruments for the year ended December 31, 2012 are as follows:

	Cost	Fair Market	Carrying
	12/31/2012	Value	Value
<u>Financial Assets:</u>	<u>12/31/2012</u>	<u>12/31/2012</u>	<u>12/31/2012</u>
Greenleaf Trust:			
Equity Investments	\$ 950,719	\$ 1,116,834	\$ 1,116,834
Fixed Income	595,688	593,760	593,760
Cash & Cash Equivalents	188,399	188,399	188,399
Mellon Investors:			
Equity Investments	<u>1,514</u>	<u>2,193</u>	<u>2,193</u>
Totals	<u>\$ 1,736,320</u>	<u>\$ 1,901,186</u>	<u>\$ 1,901,186</u>

**Fair Value Measurements**

In accordance with authoritative guidance on fair value measurements and disclosures under generally accepted accounting principles (GAAP), Ox-Bow discloses the fair value of its investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 – inputs are quoted prices (unadjusted) in active markets for identical investments that Ox-Bow has the ability to access at the measurement date.

Level 2 – quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 – significant unobservable inputs which may include an organization's own assumptions in determining fair value.

The table on the following page presents Ox-Bow's fair value hierarchy for the financial assets measured at fair value on a recurring basis:

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**17) FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)**

Fair Value Measurements at December 31, 2013 using:

	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)
Cash and cash equivalents	\$ 49,169	\$ 49,169
Short-term investments	2,709	2,709
Long-term investments	1,980,767	1,980,767

Fair Value Measurements at December 31, 2012 using:

	Fair Value	Quoted Prices In Active Markets For Identical Assets (Level 1)
Cash and cash equivalents	\$ 188,399	\$ 188,399
Short-term investments	2,193	2,193
Long-term investments	1,710,594	1,710,594

**18) PERMANENTLY RESTRICTED NET ASSETS & ENDOWMENT**

Permanently restricted net assets consist of one endowed fund that originated from a restricted donation. With the adoption of UPMIFA, the amount reported as permanently restricted endowed net assets were adjusted as of December 31, 2009 to fair value and the net investment returns on the underlying invested assets were subsequently reflected in temporarily restricted net assets.

Return Objectives and Risk Parameters of Endowed Funds

The primary investment objective for the endowed funds is to provide for long-term growth of principal without undue exposure to risk. Therefore, the primary focus is on long-term capital appreciation and income generation is a secondary concern.

Strategies Employed for Achieving Objectives

Ox-Bow utilizes a diversified asset allocation strategy that places a greater emphasis on equity-based investments to achieve its investment objectives.

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**18) PERMANENTLY RESTRICTED NET ASSETS & ENDOWMENT (CONTINUED)**

Management and the Finance Committee Chair understand that UPMIFA is in place and that the Organization needs to be in compliance with its requirements and guidelines. The Organization believes that they fall within these guidelines based on the key factors that inform the spending policy and the percentage allowed by the spending policy. Ox-Bow's spending policy states that the Organization may spend up to five percent of its endowment funds average fair market value based on the previous four quarters. This is two percentage points lower than the threshold of seven percent established by UPMIFA. Additionally, while Ox-Bow's spending policy allows for spending into the historical dollar value of a particular fund, Ox-Bow's finance committee and Board manage funds, so that funds maintain the support of the Organization. Moreover, Ox-Bow's guiding principle when dealing with donor designated funds is to follow donor intent. While many donors use the term endowment, Ox-Bow understands that their desire is for immediate distributions to be made per their designation. The key factors used in evaluating the spending and distribution of any particular gift include:

- The mission of the Organization
- The purpose of the fund as defined by the donor
- General economic conditions
- The need of potential students and campus requirements
- The expected total return from income and appreciation of investments
- Other resources of the Organization
- The investment policy

In cases where Ox-Bow designates donor restricted funds to function as endowments, they are classified as temporarily restricted net assets, and in cases where a donor refers to their contribution as an endowment, but in accordance with Ox-Bow's spending policy agrees that it may fall below the historical gift value, it is classified as temporarily restricted.

The Board, in interpreting the intent of the endowment gift from Metternich, determined that distributions in any year are limited to the sum of the fund's net earnings on investments plus net capital gains for the year. Up to 50% of the fund distributions in a given fiscal year may be applied to maintenance and improvements of Ox-Bow's Saugatuck, Michigan campus. The balance of that year's distributions are applied to scholarships, grants, and other financial assistance to students and artists participating in Ox-Bow's educational programs as Ox-Bow's governing Board shall choose in its sole discretion. The gift from Metternich is classified as permanently restricted and presented at Fair Market Value per adoption of UPMIFA.

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**18) PERMANENTLY RESTRICTED NET ASSETS & ENDOWMENT (CONTINUED)**

Endowment Net Asset Composition by Type of Fund at December 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-Restricted for Purpose and Principal Restriction Endowment	\$ -	\$ -	\$ 644,228	\$ 644,228
Donor-Restricted for Purpose and as Term Endowment	-	1,337,679	-	1,337,679
Donor-Restricted for Purpose and Board Designated as Term Endowment	-	45,153	-	45,153
Board Designated as Endowment from Unrestricted	-	-	-	-
Total Funds	<u>\$ -</u>	<u>\$ 1,382,832</u>	<u>\$ 644,228</u>	<u>\$ 2,027,060</u>

Endowment Net Asset Composition by Type of Fund at December 31, 2012

Donor-Restricted for Purpose and Principal Restriction Endowment	\$ -	\$ -	\$ 644,228	\$ 644,228
Donor-Restricted for Purpose and as Term Endowment	-	1,210,598	-	1,210,598
Donor-Restricted for Purpose and Board Designated as Term Endowment	-	41,615	-	41,615
Board-Designated as Endowment from Unrestricted	-	-	-	-
Total Funds	<u>\$ -</u>	<u>\$ 1,252,213</u>	<u>\$ 644,228</u>	<u>\$ 1,896,441</u>

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**18) PERMANENTLY RESTRICTED NET ASSETS & ENDOWMENT (CONTINUED)**

Changes In Endowment Net Assets for the Year Ended December 31, 2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, 1/1/13	\$ -	\$ 1,252,213	\$ 644,228	\$ 1,896,441
Net Investment Return				
On Endowed Net Assets	-	158,261	91,873	250,134
Appropriations of Endowed Assets				
Limited To Fund Earnings	-	91,873	(91,873)	-
Appropriation for Purpose	-	(124,515)	-	(124,515)
Contributions	-	5,000	-	5,000
Adjustment and Transfers	-	-	-	-
Total Endowed Net Assets at 12/31/13	\$ -	\$ 1,382,832	\$ 644,228	\$ 2,027,060

Changes In Endowment Net Assets for the Year Ended December 31, 2012

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment Net Assets, 1/1/12	\$ -	\$ 1,157,772	\$ 644,228	\$ 1,802,000
Net Investment Return				
On Endowed Net Assets	-	83,267	50,284	133,551
Appropriations of Endowed Assets				
Limited To Fund Earnings	-	50,284	(50,284)	-
Appropriation for Purpose	-	(39,110)	-	(39,110)
Contributions	-	-	-	-
Total Endowed Net Assets at 12/31/12	\$ -	\$ 1,252,213	\$ 644,228	\$ 1,896,441



**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**19) LONG-TERM DEBT**

Long-term debt consisted of the following at December 31:

Note payable to the Bank of Holland was restructured in March 2013. The loan requires monthly payments of \$ 4,034, which include interest of 4.5%. Payments were first required in April 2013, and the loan matures in March 2018.

	<u>2013</u>	<u>2012</u>
Total at December 31,	\$ 506,272	\$ 537,389
Less Current Portion	<u>(25,794)</u>	<u>(537,389)</u>
Long-term Debt, net of current portion	<u>\$ 480,478</u>	<u>\$ -</u>

Maturities of long-term debt as calculated at December 31, 2013 are as follows:

<u>December 31,</u>	
2014	\$ 25,794
2015	26,999
2016	28,260
2017	29,579
2018	395,640
Thereafter	-

**20) LINE OF CREDIT**

The Organization had available a \$ 100,000 unsecured bank line of credit with an interest rate of 4.50%. The balance owed was \$ 0 and \$ 0 at December 31, 2013 and 2012, respectively.

Interest expense on the line of credit was \$ 108 and \$ 2,216 for the years ended December 31, 2013 and 2012, respectively.

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**21) OPERATING AND CAPITAL LEASES**

The organization had a lease on a vehicle that started in October 2011. The monthly payments were \$ 671 per month and scheduled to run until October 2014. On October 1, 2012, when the total amount due for contractual payoff of the lease was \$ 36,892, Ox-Bow exchanged the vehicle and paid \$ 2,892 to a dealership to assume the non-cancelable operating lease. The total lease expense for 2013 and 2012 was \$ 0 and \$ 8,935, respectively. At December 31, 2013, Ox-Bow had no liability on non-cancelable operating leases.

The Organization has a capital lease agreement for a credit card machine that had an initial fair market value of \$ 984. The agreement requires 48 monthly installments of \$ 44. At December 31, 2013, future minimum lease payments under the capital lease were as follows:

2014	\$ 418
2015	-
2016	-
2017	-
2018	-
Total	<u>418</u>
Less: Amount representing interest	<u>(63)</u>
Present value of future minimum lease payments	355
Less: Current portion	<u>(355)</u>
Long-term portion	<u>\$ 0</u>

Lease amortization expense for the years ended December 31, 2013 and 2012 was \$ 246 and \$ 246, respectively.

**22) SUBSEQUENT EVENTS**

The Organization has evaluated all subsequent events through August 15, 2014, the date the financial statements were available to be issued.

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**23) UNCERTAIN TAX POSITIONS**

The Organization evaluates its uncertain tax positions using the provisions of FASB Accounting Standards Codification 450, *Contingencies* (formerly Statement of Financial Accounting Standards No. 5, *Accounting for Contingencies*). Accordingly, a loss contingency is recognized when it is probable that a liability has been incurred as of the date of the financial statements and the amount of the loss can be reasonably estimated. The amount recognized is subject to estimate and management judgment with respect to the likely outcome of each uncertain tax position. The amount that is ultimately sustained for an individual uncertain tax position or for all uncertain tax positions in the aggregate could differ from the amount recognized. The Organization continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law and new authoritative rulings. No loss contingency has been recognized in these financial statements.

**24) LAND DONATED FOR SALE**

Ox-Bow received a donation of land located in Douglas, Michigan in April, 2010. The land was valued by Ox-Bow at the proposed realtor listing price of \$ 535,800. In 2012, one parcel of the total donated land that had been carried at \$ 99,900, was sold for \$ 80,000. After realtor commissions, title, closing fees, and transfer taxes were deducted, the Organization received \$ 72,774 on this sale.

An independent appraisal of the remaining parcel of contributed land held for sale was conducted in 2012. When results of that appraisal were evaluated, the Organization's Board of Directors voted to reduce the value of the property and its listing price down to fair market value of \$ 245,000. The real estate had been carried at \$ 435,900.

As of December 31, 2013, the fair market value of the property was reduced from the carrying value of \$ 245,000 to \$ 190,000. The adjusted value reflects the actual sale price for this remaining parcel. It was sold for \$ 190,000 in January, 2014. After realtor commissions, title, closing fees, and transfer taxes were deducted, the Organization received \$ 173,793 on this sale.

**OX-BOW**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2013 AND 2012**

**25) FUNDRAISING ACTIVITIES**

Ox-Bow held two large auction style fundraisers and a few smaller auctions during the year ended December 31, 2012. During the year ended December 31, 2013, one large auction style fundraiser and several smaller auctions were held. Items auctioned off consist of donated art and dinner parties. Total benefit proceeds include both ticket and auction sales.

For the years ended December 31, 2013 and 2012, benefit revenues and expenses were as follows:

	2013	2012
Benefit Proceeds	\$ 199,530	\$ 180,861
Cost of Benefit	(66,282)	(107,083)
Benefits, Net	<u>\$ 133,248</u>	<u>\$ 73,778</u>

Ox-Bow records the proceeds from the sale of donated items as auction sales. However, they do not record as revenue the fair market value of donated fundraiser inventory that is subsequently sold at one of the auctions. Had the donated inventory items been recorded as a contribution when received and later as a cost of goods sold, then both benefit proceeds and cost of the benefit would have been higher by approximately \$ 86,345 for 2013 and \$ 97,074 for 2012.

**26) OX-SHOP, CAMPUS STORE**

Store sales and expenses were as follows for the years ended December 31, 2013 and 2012.

	2013	2012
Sales	\$ 3,729	\$ 2,893
Cost of Goods Sold	(2,624)	(2,213)
Gross Profit	<u>\$ 1,105</u>	<u>\$ 680</u>

The Ox-Shop on campus exists primarily for the convenience of students who wish to purchase art supplies for their use on campus. Any gross profit generated is only meant to finance future inventory purchases or subsidize staffing expenses. The shop is not run to generate a net profit.

**27) RECLASSIFICATION**

Certain amounts shown on the financial statements for December 31, 2012 have been reclassified to conform with the December 31, 2013 presentation in order to provide a more meaningful basis for comparison.

# Tax Worksheet

( 01/01/2013 To 12/31/2013 )

Tax ID : KK-KKK1760  
 Account Name: Ox-Bow, Inc  
 Account Number : 61690022  
 State of Domicile : Illinois

Generation Skipping : N/A  
 Administrator : Garry P Kempker  
 Accountant : Ted W De Long  
 De Long and Brower PC  
 Holland MI 49423

## \* \* Schedule D \* \*

Shares/PV	Asset Sold	Date Acquired	How Acq	Date Sold	Holding Period	Sales Proceeds	Original Cost	Realized Gain/ Loss
266.840	Credit Suisse Commodity Return Strategy Fd 22544R305	05/09/2012	P	04/25/2013	Short	2,038.63	2,100.00	-61.37
23.700	DWS Dremar Small Cap Value - S 23338F762	12/20/2012	R	09/26/2013	Short	1,070.95	870.42	200.53
10.910	DWS Dremar Small Cap Value - S 23338F762	03/22/2013	R	09/26/2013	Short	492.82	444.07	48.75
996.020	Fidelity Floating Rate High Income 315916783	05/08/2013	P	05/13/2013	Short	10,000.00	10,000.00	0.00
765.860	Harbor Mid Cap Growth 411511876	04/13/2012	P	03/11/2013	Short	7,873.08	7,000.00	873.08
1,006.710	Harbor Mid Cap Growth 411511876	05/09/2012	P	03/11/2013	Short	10,348.99	9,000.00	1,348.99
223.250	Harbor Mid Cap Growth 411511876	12/17/2012	R	03/11/2013	Short	2,295.04	2,071.79	223.25
26.850	Janus Enterprise Fund Cl I 47103C795	03/11/2013	P	05/13/2013	Short	2,300.00	1,942.31	357.69
25,000	3M Company 4.375% 03/15/13 98579EAE5	04/30/2009	P	08/15/2013	Long	25,000.00	26,314.25	-1,314.25
286.260	Artisan Mid Cap Value Fund 04314H709	04/13/2012	P	05/13/2013	Long	6,984.75	6,000.00	984.75
92.590	Artisan Mid Cap Value Fund 04314H709	05/09/2012	P	05/13/2013	Long	7,015.25	1,693.14	5,322.11
25,300	Biogen Idec Inc 6.0000% 03/01/13 09062XAA1	07/19/2010	P	03/01/2013	Long	25,000.00	27,398.50	-2,398.50
162.730	Blackrock Capital Appreciation Portfolio 09251R602	04/13/2012	P	05/13/2013	Long	4,432.87	4,000.00	432.87
442.990	Blackrock Capital Appreciation Portfolio 09251R602	05/09/2012	P	05/13/2013	Long	10,067.13	10,569.81	-1,497.32
900.360	Credit Suisse Commodity Return Strategy Fd 22544R305	09/18/2009	P	04/25/2013	Long	6,878.74	7,300.00	-421.26
121.280	Credit Suisse Commodity Return Strategy Fd 22544R305	01/11/2010	P	04/25/2013	Long	928.55	1,064.80	-136.25
241.260	Credit Suisse Commodity Return Strategy Fd 22544R305	03/04/2010	P	04/25/2013	Long	1,843.19	2,000.00	-156.81
519.480	Credit Suisse Commodity Return Strategy Fd 22544R305	07/01/2010	P	04/25/2013	Long	3,568.83	4,000.00	-431.17
243.900	Credit Suisse Commodity Return Strategy Fd 22544R305	08/13/2010	P	04/25/2013	Long	1,883.41	2,000.00	-116.59

# Tax Worksheet

( 01/01/2013 To 12/31/2013 )

Tax ID : XK-KKK1760

Account Name : Ox-Bow, Inc

Account Number : 61690022

State of Domicile : Illinois

Generation Skipping : N/A

Administrator : Garry P Kempker

Accountant : Ted W De Long

De Long and Brower PC

Holland MI 49423

611.350	Credit Suisse Commodity Return Strategy Fd 22544R305	10/03/2011	P 04/25/2013 Long	4,669.93	5,000.00	-330.07
9.950	Credit Suisse Commodity Return Strategy Fd 22544R305	12/16/2011	R 04/25/2013 Long	45.47	47.43	-1.96
51.510	Delaware Emerging Market 245914817	08/13/2010	P 05/13/2013 Long	787.10	696.44	90.66
144.820	Delaware Emerging Market 245914817	04/13/2012	P 05/13/2013 Long	2,212.90	7,000.00	212.90
201.130	DWS Dremar Small Cap Value - S 23338F762	06/19/2009	P 09/26/2013 Long	9,086.87	5,000.00	4,086.87
208.680	DWS Dremar Small Cap Value - S 23338F762	06/22/2009	P 09/26/2013 Long	9,428.21	5,000.00	4,428.21
63.190	DWS Dremar Small Cap Value - S 23338F762	09/18/2009	P 05/13/2013 Long	2,630.73	1,901.48	729.25
100.810	DWS Dremar Small Cap Value - S 23338F762	11/27/2009	P 09/26/2013 Long	4,554.42	3,000.00	1,554.42
46.690	DWS Dremar Small Cap Value - S 23338F762	07/01/2010	P 05/13/2013 Long	1,943.49	1,391.68	551.81
63.950	DWS Dremar Small Cap Value - S 23338F762	07/01/2010	P 09/26/2013 Long	2,437.55	1,608.32	829.23
6.480	DWS Dremar Small Cap Value - S 23338F762	12/20/2011	R 05/13/2013 Long	269.60	199.84	69.76
28.310	DWS Dremar Small Cap Value - S 23338F762	04/13/2012	P 05/13/2013 Long	1,178.34	1,000.00	178.34
71.530	DWS Dremar Small Cap Value - S 23338F762	05/09/2012	P 05/13/2013 Long	2,977.84	2,500.00	477.84
797.180	DWS Dremar Small Cap Value - S 23338F762	08/28/2012	P 09/26/2013 Long	35,564.79	28,000.00	7,564.79
2,285.190	Harbor Mid Cap Growth 411511876	06/19/2009	P 03/11/2013 Long	23,491.77	12,500.00	10,991.77
2,371.920	Harbor Mid Cap Growth 411511876	06/22/2009	P 03/11/2013 Long	24,383.31	12,500.00	11,883.31
224.550	Harbor Mid Cap Growth 411511876	09/18/2009	P 03/11/2013 Long	2,308.38	1,500.00	808.38
753.010	Harbor Mid Cap Growth 411511876	10/23/2009	P 03/11/2013 Long	7,740.96	5,000.00	2,740.96
1,068.700	Harbor Mid Cap Growth 411511876	11/27/2009	P 03/11/2013 Long	10,986.26	7,000.00	3,986.26
1,043.220	Harbor Mid Cap Growth 411511876	07/01/2010	P 03/11/2013 Long	10,724.28	7,000.00	3,724.28
1,530.990	Harbor Mid Cap Growth 411511876	08/13/2010	P 03/11/2013 Long	15,738.53	10,487.25	5,251.28

# Tax Worksheet

01/01/2013 To 12/31/2013 :

Tax ID : XX-XXX1760

Account Name: Ox-Bow, Inc

Account Number : 61690022

State of Domicile : Illinois

Generation Skipping : N/A

Administrator : Garry P Kempker

Accountant : Ted W De Long

De Long and Brower PC

Holland MI 49423

1,454.700	Hartford Dividend Growth Fund 416645828	05/20/2011	P 05/13/2013 Long	35,000.00	29,748.55	5,251.45
0.710	ING Global Real Estate 44980Q302	08/13/2010	P 05/13/2013 Long	14.22	10.05	4.17
121.950	ING Global Real Estate 44980Q302	04/13/2012	P 05/13/2013 Long	2,452.43	2,000.00	452.43
125.980	ING Global Real Estate 44980Q302	05/09/2012	P 05/13/2013 Long	2,533.35	2,100.00	433.35
12.930	Matthews Pacific Tiger Fund CI I 577130831	08/08/2011	P 05/13/2013 Long	337.78	386.44	51.34
178.490	Matthews Pacific Tiger Fund CI I 577130834	04/13/2012	P 05/13/2013 Long	4,662.22	4,900.00	662.22
25.000	McKesson HBCO Inc 5.250% 03/01/13 581557AUS	01/20/2010	P 03/01/2013 Long	25,000.00	27,271.00	-2,271.00
25.000	Petro Canada 4.0000% 07/15/13 716442AG2	10/27/2011	P 07/15/2013 Long	25,000.00	26,048.75	-1,048.75
108.500	Prudential Jennison Small Company Fund CI Z 74441N408	10/23/2009	P 05/13/2013 Long	2,873.11	1,749.04	1,124.07
19.390	Prudential Jennison Small Company Fund CI Z 74441N408	11/27/2009	P 05/13/2013 Long	518.66	308.30	210.36
89.450	Prudential Jennison Small Company Fund CI Z 74441N408	04/13/2012	P 05/13/2013 Long	2,368.50	2,000.00	368.50
103.460	Prudential Jennison Small Company Fund CI Z 74441N408	05/09/2012	P 05/13/2013 Long	2,739.73	2,200.00	439.73
417.620	Templeton Global Bond Fund Advisor CI 880208400	07/12/2010	P 05/08/2013 Long	6,172.65	5,845.89	326.76
2,017.940	Templeton Global Bond Fund Advisor CI 880208400	12/15/2010	P 05/08/2013 Long	27,827.35	27,000.00	827.35
11	Vanguard MSCI Emerging Markets ETF 922042858	04/13/2012	P 05/13/2013 Long	483.43	468.38	15.05
38	Wisdomtree Emerging Markets Small Cap 97717W281	06/14/2011	P 05/13/2013 Long	2,003.69	2,026.16	-22.47
				440,748.08	47,783.99	372,464.09

How Acquired: F - Free Receipt, B - Beginning Inventory, C - Call, G - Gift,  
L - Payment Made (Liability), P - Purchase, R - Reinvestment, S - Spinoff, U - Undetermined

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**Tax Worksheet**

( 01/01/2013 To 12/31/2013 )

Tax ID : XX-XXX1760  
Account Name: Ox-Bow, Inc  
Account Number : 61690022  
State of Domicile : Illinois

Generation Skipping : N/A  
Administrator : Garry F Kemper  
Accountant : Ted W De Long  
De Long and Brower PC  
Holland MI 49423

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**Gain/Loss Summary :**

	Short Term GL
Gains From Sales :	2,752.29 $\nearrow$
Losses From Sales :	-61.37 $\searrow$
Common Funds :	0.00
Short Term Gains :	2,752.29
Short Term Losses :	-61.37
Net Short Term G/L:	<u>2,690.92</u>
Capital Gain Dist :	6,621.89

	Long Term GL
Gains From Sales :	73,564.15 $\times$
Losses From Sales :	-8,471.08 $\searrow$
Common Funds :	0.00
Long Term Gain :	73,564.15
Long Term Losses :	-8,471.08
Net Long Term G/L :	<u>65,093.07</u>
Capital Gain Dist :	78,206.17