

# ***Field Museum of Natural History***

*Financial Statements as of and for the  
Years Ended December 31, 2005 and 2004 (Restated),  
Additional Information for the  
Year Ended December 31, 2005, and  
Independent Auditors' Report*

# FIELD MUSEUM OF NATURAL HISTORY

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## INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of  
Field Museum of Natural History:

We have audited the accompanying statements of financial position of the Field Museum of Natural History (the "Museum") as of December 31, 2005 and 2004, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the management of the Museum. 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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Museum's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the Museum, at December 31, 2005 and 2004, and the changes in its net assets and the cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 11, the accompanying 2004 financial statements have been restated.

Our audits were performed for the purpose of forming an opinion on the basic financial statements of the Museum, taken as a whole. The additional information included on the schedule of department expenditures is presented for purposes of additional analysis and is not a required part of the financial statements. This schedule is the responsibility of the management of the Museum. Such information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 17, 2006, on our consideration of the Museum's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.

As discussed in Note 2 to the financial statements, in 2005 the Museum adopted Financial Accounting Standards Board (“FASB”) Interpretation No. 47, *Accounting for Conditional Asset Retirement Obligations – An Interpretation of FASB Statement No. 143*, and recorded a cumulative effect for this change in accounting of \$7,317,062.

*Deloitte & Touche LLP*

May 17, 2006

# FIELD MUSEUM OF NATURAL HISTORY

## STATEMENTS OF FINANCIAL POSITION AS OF DECEMBER 31, 2005 AND 2004

	2005	2004 (Restated— See Note 11)
<b>ASSETS</b>		
CASH	\$ 205,660	\$ 1,076,311
INTEREST AND DIVIDENDS RECEIVABLE	408,634	529,575
ACCOUNTS RECEIVABLE	3,973,377	10,459,415
PLEDGES RECEIVABLE	18,127,850	13,074,902
MUSEUM STORES INVENTORY	1,591,902	1,611,863
INVESTMENTS	278,395,748	266,987,472
PREPAID PENSION COST	71,937	899,900
MUSEUM PROPERTY	271,061,719	242,315,247
OTHER ASSETS	4,054,382	4,365,690
COLLECTIONS	<u>1</u>	<u>1</u>
TOTAL	<u>\$ 577,891,210</u>	<u>\$ 541,320,376</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES:</b>		
Line of credit	\$ -	\$ 4,500,000
Accounts payable	7,285,416	11,510,169
Accrued expenses	3,749,183	3,112,485
Deferred revenue	8,152,296	7,834,082
Asset retirement obligations	8,355,045	
Notes payable	<u>179,300,000</u>	<u>179,300,000</u>
Total liabilities	<u>206,841,940</u>	<u>206,256,736</u>
<b>NET ASSETS:</b>		
Unrestricted:		
General operating	87,390,197	91,966,016
Board designated	193,805,095	156,696,754
Temporarily restricted	49,821,040	48,112,785
Permanently restricted	<u>40,032,938</u>	<u>38,288,085</u>
Total net assets	<u>371,049,270</u>	<u>335,063,640</u>
TOTAL	<u>\$ 577,891,210</u>	<u>\$ 541,320,376</u>

See notes to financial statements.

# FIELD MUSEUM OF NATURAL HISTORY

## SUMMARIZED STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	2005	2004 (Restated— See Note 11)
REVENUES:		
Chicago Park District property tax remittances	\$ 6,966,718	\$ 7,132,763
Government grants	3,049,672	4,509,718
Private grants and contracts	5,388,605	3,994,081
Investment return	11,600,000	10,597,727
Contributions	11,960,416	8,259,441
Sponsorships	1,261,040	935,960
Memberships	2,430,207	2,163,305
Admissions	10,543,239	8,658,193
Program service fees	1,733,384	1,927,010
Business enterprises (Museum stores, special events, and food services)	10,276,108	11,248,908
Other	<u>808,495</u>	<u>1,056,994</u>
Total revenue and other support	<u>66,017,884</u>	<u>60,484,100</u>
EXPENSES:		
Collections and research	15,634,434	13,601,689
Environment, culture and conservation	5,317,464	5,473,184
Exhibitions and media services	10,573,691	9,893,828
Public services	4,750,385	4,979,165
General services and facilities	14,289,324	12,489,205
Education, library, human resources and technology	4,761,859	4,055,734
Institutional advancement	2,278,258	1,676,595
Administration	1,678,677	2,206,068
External affairs and general counsel	371,636	379,657
Business enterprises (Museum stores, special events, and food services)	6,667,531	7,102,767
Museum enterprises (public relations, membership, publications)	<u>2,595,189</u>	<u>3,091,962</u>
Total expenses	<u>68,918,448</u>	<u>64,949,854</u>
DECREASE IN NET ASSETS RESULTING FROM REVENUES AND EXPENSES	<u>(2,900,564)</u>	<u>(4,465,754)</u>
NONOPERATING ITEMS:		
Investment return	11,329,939	10,106,201
Government grants for capital improvements	3,719,469	6,305,852
Private grants and contracts for capital improvements	1,507,566	3,179,421
Capital campaign contributions	17,742,175	18,748,884
Capital campaign expenses	(3,057,580)	(3,248,196)
Proceeds from sales of collection items	15,501,800	
Unrealized loss on interest rate swap	<u>(540,113)</u>	<u></u>
Total nonoperating items	<u>46,203,256</u>	<u>35,092,162</u>
NET INCREASE IN NET ASSETS BEFORE CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE	43,302,692	30,626,408
CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE	<u>(7,317,062)</u>	<u></u>
NET INCREASE IN NET ASSETS	35,985,630	30,626,408
NET ASSETS—Beginning of year	<u>335,063,640</u>	<u>304,437,232</u>
NET ASSETS—End of year	<u>\$ 371,049,270</u>	<u>\$ 335,063,640</u>

See notes to financial statements.

# FIELD MUSEUM OF NATURAL HISTORY

## STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	2005	2004 (Restated— See Note 11)
CHANGES IN UNRESTRICTED NET ASSETS		
REVENUES:		
Chicago Park District property tax remittances	\$ 6,966,718	\$ 7,132,763
Government grants	3,049,672	4,509,718
Private grants and contracts	5,388,605	3,994,081
Investment return	11,600,000	10,597,727
Contributions	5,926,671	5,020,871
Sponsorships	1,261,040	935,960
Memberships	2,430,207	2,163,305
Admissions	10,543,239	8,658,193
Program service fees	1,733,384	1,927,010
Business enterprises (Museum stores, special events, and food services)	10,276,108	11,248,908
Other	808,495	1,056,994
	<u>59,984,139</u>	<u>57,245,530</u>
Total revenues—unrestricted		
NET ASSETS RELEASED FROM RESTRICTIONS FOR OPERATIONS		
	<u>3,565,824</u>	<u>3,019,577</u>
Total revenue and other support—unrestricted	<u>63,549,963</u>	<u>60,265,107</u>
EXPENSES:		
Collections and research	15,634,434	13,601,689
Environment, culture and conservation	5,317,464	5,473,184
Exhibitions and media services	10,573,691	9,893,828
Public services	4,750,385	4,979,165
General services and facilities	14,289,324	12,489,205
Education, library, human resources and technology	4,761,859	4,055,734
Institutional advancement	2,278,258	1,676,595
Administration	1,678,677	2,206,068
External affairs and general counsel	371,636	379,657
Business enterprises (Museum stores, special events, and food services)	6,667,531	7,102,767
Museum enterprises (public relations, membership, publications)	2,595,189	3,091,962
	<u>68,918,448</u>	<u>64,949,854</u>
Total expenses—unrestricted		
DECREASE IN NET ASSETS RESULTING FROM REVENUES AND EXPENSES—unrestricted		
	<u>(5,368,485)</u>	<u>(4,684,747)</u>
NONOPERATING ITEMS:		
Investment return	9,154,702	7,660,266
Government grants for capital improvements	3,719,469	6,305,852
Private grants and contracts for capital improvements	1,507,566	3,179,421
Capital campaign contributions	10,522,152	14,979,921
Capital campaign expenses	(3,057,580)	(3,248,196)
Proceeds from sales of collection items	15,501,800	
Unrealized loss on interest rate swap	(540,113)	
Net assets released from restrictions for:		
Capital improvements	5,509,914	1,509,244
Capital campaign	2,975,965	
Change in donor designation	(75,806)	
	<u>45,218,069</u>	<u>30,386,508</u>
Total nonoperating items—unrestricted		

(Continued)

# FIELD MUSEUM OF NATURAL HISTORY

## STATEMENTS OF ACTIVITIES FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	2005	2004 (Restated— See Note 11)
INCREASE IN UNRESTRICTED NET ASSETS BEFORE CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE	\$ 39,849,584	\$ 25,701,761
CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING PRINCIPLE	<u>(7,317,062)</u>	<u>                    </u>
Total increase in unrestricted net assets	<u>32,532,522</u>	<u>25,701,761</u>
CHANGES IN TEMPORARILY RESTRICTED NET ASSETS		
REVENUES—Temporarily restricted contributions	3,688,892	1,189,018
NET ASSETS RELEASED FROM RESTRICTIONS FOR OPERATIONS	<u>(3,565,824)</u>	<u>(3,019,577)</u>
Total revenue and other support—temporarily restricted	123,068	(1,830,559)
NONOPERATING ITEMS:		
Investment return	2,175,237	2,422,447
Capital campaign contributions	7,220,023	3,768,963
Net assets released from restrictions for:		
Capital improvements	(5,509,914)	(1,509,244)
Capital campaign	(2,975,965)	<u>                    </u>
Change in donor designation	<u>675,806</u>	<u>                    </u>
Total increase in temporarily restricted net assets	<u>1,708,255</u>	<u>2,851,607</u>
CHANGES IN PERMANENTLY RESTRICTED NET ASSETS		
REVENUES—Permanently restricted contributions	2,344,853	2,049,552
NONOPERATING ITEMS:		
Investment return		23,488
Net assets released from restrictions for change in donor designation	<u>(600,000)</u>	<u>                    </u>
Total increase in permanently restricted net assets	<u>1,744,853</u>	<u>2,073,040</u>
INCREASE IN NET ASSETS	35,985,630	30,626,408
NET ASSETS—Beginning of year	<u>335,063,640</u>	<u>304,437,232</u>
NET ASSETS—End of year	<u>\$ 371,049,270</u>	<u>\$ 335,063,640</u>
See notes to financial statements.		(Concluded)

# FIELD MUSEUM OF NATURAL HISTORY

## STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

	2005	2004 (Restated— See Note 11)
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net change in net assets	\$ 35,985,630	\$ 30,626,408
Adjustments to reconcile net change in net assets to net cash provided by operating activities:		
Cumulative effect of change in accounting principle	7,317,062	
Depreciation	7,515,977	6,848,690
Net increase in realized/unrealized appreciation	(18,773,505)	(16,349,207)
Contributions permanently restricted for endowment	(2,344,853)	(2,049,552)
Changes in operating assets and liabilities:		
Interest and dividends receivable	120,941	487,830
Accounts receivable	6,486,038	(44,474)
Pledges receivable	(5,052,948)	(2,810,727)
Museum stores inventory	19,961	(523,670)
Prepaid pension cost	827,963	764,039
Other assets	311,308	(866,569)
Accounts payable	(8,467,430)	(1,008,377)
Accrued expenses	636,698	423,937
Deferred revenue	318,214	2,986,640
	<u>24,901,056</u>	<u>18,484,968</u>
Net cash provided by operating activities		
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Use of proceeds on investments restricted for reinvestment		(41,134)
Purchases of investments	(95,548,335)	(170,329,025)
Proceeds from sales of investments	102,913,564	187,133,945
Purchases of Museum property	(30,981,789)	(39,797,221)
	<u>(23,616,560)</u>	<u>(23,033,435)</u>
Net cash used in investing activities		
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds on investments restricted for reinvestment		41,134
Proceeds from contributions permanently restricted for endowment	2,344,853	2,049,552
Borrowings under line of credit	13,900,000	47,800,000
Repayment of line of credit borrowings	(18,400,000)	(48,800,000)
	<u>(2,155,147)</u>	<u>1,090,686</u>
Net cash (used in) provided by financing activities		
NET DECREASE IN CASH	(870,651)	(3,457,781)
CASH—Beginning of year	<u>1,076,311</u>	<u>4,534,092</u>
CASH—End of year	<u>\$ 205,660</u>	<u>\$ 1,076,311</u>
<b>SUPPLEMENTAL DISCLOSURES:</b>		
Interest paid	<u>\$ 6,232,940</u>	<u>\$ 4,989,024</u>
Accounts payable for construction in progress	<u>\$ 4,242,677</u>	<u>\$ 6,179,362</u>

See notes to financial statements.

# FIELD MUSEUM OF NATURAL HISTORY

## NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2005 AND 2004

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### 1. BASIS OF PRESENTATION

The Field Museum of Natural History (the “Museum”) is a world-class institution boasting an extraordinary collection, world-class research, and premier exhibits and educational programs.

The financial statements of the Museum for the years ended December 31, 2005 and 2004, have been prepared on the accrual basis of accounting. To ensure observance of limitations and restrictions placed on the use of resources available to the Museum, the accounts of the Museum are maintained in accordance with the principles of fund accounting. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into Net Asset categories. Accordingly, all financial transactions have been recorded by fund and reported by category.

The Museum classifies all business operations as revenues and expenses in the statement of activities except nonoperating items, including Government and Private grants for capital improvement reimbursements, the excess of investment earnings under the total return concept (Note 2), and capital campaign activity, as these funds are not available for operating purposes.

Net assets released from restriction pledged to the capital campaign and for capital improvements are classified as nonoperating items.

*Net Assets*—Unrestricted net assets include the current operating, special purpose, unrestricted long-term investment, and property accounts. The current operating accounts consist of revenues available for support of Museum operations and the related expenses, along with related assets and liabilities. The special purpose accounts include assets that have been designated by the Board of Trustees or Museum administration for special projects and the changes in net assets related thereto. Unrestricted long-term investment accounts include assets that have been designated by the Board of Trustees to function as endowments and the related changes in net assets. Property accounts include (i) the building, building improvements, equipment, and exhibits, as well as the depreciation thereto, (ii) accounts pertaining to Chicago Park District capital improvement reimbursements (Note 5), and (iii) accounts related to the Museum’s notes payable to the Illinois Finance Authority (Note 7).

Temporarily restricted net assets consist of contributions, grants, and investment income that have been restricted by donors for specified purposes or the existence of time restrictions on gifts. When restricted purposes have been met, such net assets are transferred as “net assets released from restrictions.”

Permanently restricted net assets include assets that are subject to restrictions of the gift requiring that the principal be invested in perpetuity and only the income be expended, as well as income that is similarly restricted.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Use of Estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Inventories**—Inventories are stated at the lower of average cost or market.

**Investments and Investment Income**—Other than the Museum’s investment in a limited partnership, investments are reported at fair value. Equity securities with readily determinable fair values and debt securities are valued at the last sales price (if quotations are readily available) or at the closing bid price in the principal market in which such securities are normally traded (if no sales price is available). Certain fixed-income securities are valued based on dealer-supplied valuations.

The estimated fair values of equity securities that do not have readily determined fair values, and of other investments, are based on estimates provided by external investment managers and are examined through a valuation review process performed by management.

The investment in the limited partnership is stated at the appraisal value as of the date of the gift and will be adjusted on a periodic basis as appropriate to its estimated fair market value. Investment income is recorded in net assets appropriate to the restriction, as follows:

- a. The Museum utilizes the “total return” concept to allocate investment income earned on permanently restricted and unrestricted long-term investments.

Under the total return concept, a Board-approved spending rate (5.5% of a three-year moving average as of June 30 in 2005 and 2004) is first satisfied from interest and dividend income, and the balance is provided, if necessary, from realized capital gains. Investment income is recorded as unrestricted unless the donor imposed restrictions on the use of such income.

- b. Unless specified by the donor, investment income earned on temporarily restricted investments is recorded in unrestricted net assets.

The Museum monitors the difference between the cost and estimated fair value of its investments. If any of the investments experience a decline in value that the Museum believes is other-than-temporary, the Museum recognizes a realized loss in investment income in the statement of activities.

**Derivative Financial Instrument**—The Museum uses an interest rate swap to hedge overall exposure to variable rate debt. The swap agreement is not designated as a hedge for accounting purposes and is recorded at fair value.

**Properties**—Properties are stated at cost and are depreciated on a straight-line basis over their estimated useful lives, which range between five and 40 years. Interest on borrowings used to fund capital projects is capitalized and amortized over the life of the asset. Maintenance and repair costs are charged to expense as incurred and betterments are capitalized. Cost and the equivalent accumulated depreciation are eliminated from the accounts when an asset is fully depreciated.

**Deferred Revenue and Charges**—The Museum recognizes revenue and expenses of auxiliary activities during the period in which the activity is conducted.

Issuance costs associated with long-term notes payable are deferred and amortized ratably over the life of the related notes.

**Collections**—The Museum’s collections are made up of artifacts of historical, cultural, or scientific significance that are held for educational, research, scientific, and curatorial purposes. Each of the items is cataloged, preserved, and cared for, and activities verifying their existence and assessing their condition are performed continuously. The collections are subject to a policy that requires proceeds from their sales to be used to acquire other items for collections or provide for the direct care of existing collections.

In accordance with the practice generally followed by museums, the value of objects in the collections is excluded from the financial statements; collections are reflected in the accompanying financial statements at a nominal value of \$1. Such collections were acquired through purchases and contributions since the Museum’s inception. Purchases of collection items are recorded as decreases in unrestricted net assets in the year in which the items are acquired or as decreases in temporarily restricted net assets if the assets used to purchase the items are restricted by donors. Contributed collection items are not reflected on the financial statements. Proceeds from deaccessions or insurance recoveries are reflected as increases in net assets.

During 2005, the Museum sold collection items for \$15,501,800. In accordance with Museum policy, the proceeds will be used for future collection acquisitions.

**Contributions**—Contributions are recognized to occur as revenue upon the earlier of the receipt of a donor’s unconditional written pledge to contribute or upon receipt of the contribution. The contributions are classified based upon the existence or absence of donor-imposed restrictions.

To the extent authorized by the terms of a trust indenture and related security agreement (Note 7), the Museum may purchase properties with the proceeds of notes payable prior to spending contributions restricted for such purposes. If the restrictions of the pledge or contribution have been satisfied, however, the Museum recognizes such restricted pledges or contributions as revenue upon the purchase of the properties and, if recognized, (i) transfers contributions equivalent to the capital expenditure from the Restricted Fund group to the Museum Property Fund group, and (ii) invests the proceeds of such contributions until it is necessary to use these funds and the interest earned thereon to repay the notes payable.

**Contributed Services**—The Museum records certain types of in-kind support, including professional services, as contribution revenue. Contributed professional services are recognized if the services received (a) create or enhance long-lived assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The amounts reflected in the accompanying financial statements as in-kind support are offset by like amounts included in expenses.

A substantial number of unpaid volunteers have made significant contributions of their time in the furtherance of the Museum’s programs. Such services do not meet the criteria for recognition as a contribution as described above and, therefore, their value is not reflected in the accompanying financial statements.

**Chicago Property Tax Revenues**—The Museum receives support from property taxes that are collected by the Chicago Park District. These tax revenues are accrued to match the fiscal year allocation by the Chicago Park District.

***Income Taxes***—The Museum is exempt from income taxation under the provisions of Section 501(c)(3) of the Internal Revenue Code and comparable Illinois statute.

***Fair Value of Financial Instruments***—The Museum’s financial instruments include cash, interest and dividends receivable, accounts receivable, investments, pledges receivable, accounts payable, and notes payable. The fair values of cash, interest and dividends receivable, and investments are based upon market quotes (see Note 3). The fair values of accounts receivable, pledges receivable, accounts payable, and notes payable are estimated by management to approximate their carrying values at December 31, 2005 and 2004.

***Environment, Culture and Conservation***—Environment, culture and conservation consists primarily of expenses incurred in research, collection and educational resources of immediate needs for conservation action, in Chicago and worldwide.

***Institutional Advancement***—Institutional advancement consists primarily of expenses incurred in connection with fund-raising activities.

***Functional Allocation of Expenses***—The costs of providing Museum programs and administration have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated to the various functions to the extent possible.

***Accounting Pronouncements***—In March 2005, the Financial Accounting Standards Board (“FASB”) issued FASB Interpretation No. 47, *Accounting for Conditional Asset Retirement Obligations—An Interpretation of FASB Statement No. 143* (“FIN 47”). FIN 47 clarifies the term conditional asset retirement obligation as it is used in Statement of Financial Accounting Standard No. 143, *Accounting for Asset Retirement Obligations*, and requires a liability to be recorded if the fair value of the obligation to retire an asset can be reasonably estimated. Asset retirement obligations covered by FIN 47 include those for which an entity has a legal obligation to perform an asset retirement activity, however the timing and (or) method of settling the obligation are conditional on a future event that may or may not be within the control of the entity.

In accordance with FIN 47, the Museum records all known asset retirement obligations for which the fair value of the liability can be reasonably estimated, including certain obligations relating to regulatory remediation. As a result of adopting FIN 47, in 2005 the Museum recorded a cumulative effect of change in accounting principle of \$7,317,062 and depreciation expense of \$417,968. Depreciation is allocated to functional expenses in the statement of activities based on square footage. The Museum recorded a liability for asset retirement obligation of \$8,355,045 and increased the carrying value of the related assets by \$620,015, net of accumulated depreciation of \$1,916,046.

***Reclassifications***—In 2005, the Museum modified its departmental structure and realigned the reporting of expenses. As a result, the Museum elected to reclassify the 2004 presentation of expenses to conform with the 2005 presentation.

### 3. INVESTMENTS

Investments at December 31, 2005 and 2004, consisted of the following:

	2005	2004
Money market funds	\$ 20,773,497	\$ 28,723,599
Equity securities	153,118,241	131,135,768
Fixed income securities	39,613,048	50,083,275
Hedged equity funds	29,225,286	22,496,461
Absolute return	27,998,971	21,170,653
High yield	5,906,705	11,617,716
Investment in limited partnership	<u>1,760,000</u>	<u>1,760,000</u>
 Total	 <u>\$278,395,748</u>	 <u>\$266,987,472</u>

The following table is a summary of investments where cost basis exceeds fair value, aggregated by investment category and length of time the individual securities have been in a continuous loss position. Based upon analysis and evaluation, management has determined the declines in fair value are temporary and the investments are not impaired at December 31, 2005.

	<u>Less than 12 months</u>		<u>12 months or more</u>		<u>Total</u>	
	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss	Fair Value	Unrealized Loss
Equity securities	\$19,446,503	\$(1,128,537)	\$9,345,655	\$(104,603)	\$28,792,158	\$(1,233,140)
Fixed income securities	40,606,767	(751,669)			40,606,767	(751,669)
Hedged equity funds	<u>4,989,377</u>	<u>(10,623)</u>	<u>                    </u>	<u>                    </u>	<u>4,989,377</u>	<u>(10,623)</u>
Total	<u>\$65,042,647</u>	<u>\$(1,890,829)</u>	<u>\$9,345,655</u>	<u>\$(104,603)</u>	<u>\$74,388,302</u>	<u>\$(1,995,432)</u>

Following is a summary of the investment return and its classification in the statements of activities:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
For the year ended December 31, 2005:				
Interest and dividends	\$ 5,154,673	\$ -	\$ -	\$ 5,154,673
Net realized/unrealized appreciation	18,773,505			18,773,505
Investment manager fees	<u>(998,239)</u>			<u>(998,239)</u>
Total return on investments	22,929,939	-	-	22,929,939
Investment return reclassified based on donor-imposed restrictions—interest and dividends	<u>(2,175,237)</u>	<u>2,175,237</u>		
Total return reported on the statement of activities	<u>\$ 20,754,702</u>	<u>\$ 2,175,237</u>	<u>\$ -</u>	<u>\$ 22,929,939</u>
Classified as follows:				
Operating revenues	\$ 11,600,000	\$ -	\$ -	\$ 11,600,000
Nonoperating items	<u>9,154,702</u>	<u>2,175,237</u>		<u>11,329,939</u>
Total	<u>\$ 20,754,702</u>	<u>\$ 2,175,237</u>	<u>\$ -</u>	<u>\$ 22,929,939</u>
For the year ended December 31, 2004:				
Interest and dividends	\$ 5,178,105	\$ -	\$ -	\$ 5,178,105
Net realized/unrealized appreciation	16,349,207			16,349,207
Investment manager fees	<u>(823,384)</u>			<u>(823,384)</u>
Total return on investments	20,703,928	-	-	20,703,928
Investment return reclassified based on donor-imposed restrictions—interest and dividends	<u>(2,445,935)</u>	<u>2,422,447</u>	<u>23,488</u>	
Total return reported on the statement of activities	<u>\$ 18,257,993</u>	<u>\$ 2,422,447</u>	<u>\$ 23,488</u>	<u>\$ 20,703,928</u>
Classified as follows:				
Operating revenues	\$ 10,597,727	\$ -	\$ -	\$ 10,597,727
Nonoperating items	<u>7,660,266</u>	<u>2,422,447</u>	<u>23,488</u>	<u>10,106,201</u>
Total	<u>\$ 18,257,993</u>	<u>\$ 2,422,447</u>	<u>\$ 23,488</u>	<u>\$ 20,703,928</u>

#### 4. MUSEUM PROPERTY

Museum property at December 31, 2005 and 2004, consisted of the following:

	2005	2004
Building and building improvements	\$ 174,112,397	\$ 148,887,457
Exhibit hall improvements (excluding artifacts and historical treasures)	62,960,196	62,425,881
Research and office equipment	<u>9,591,749</u>	<u>9,230,148</u>
Total property and equipment	246,664,342	220,543,486
Less accumulated depreciation	<u>(80,219,558)</u>	<u>(71,205,503)</u>
Net depreciable property and equipment	166,444,784	149,337,983
Construction in progress	<u>104,616,935</u>	<u>92,977,264</u>
Net property and equipment	<u>\$ 271,061,719</u>	<u>\$ 242,315,247</u>

The Museum operates on land owned by the Chicago Park District and made available to the Museum at no charge. The value of this arrangement is not readily determinable and, accordingly, is not reflected in the accompanying financial statements.

At December 31, 2005, the Museum had property construction in progress that will cost approximately \$13.4 million to complete.

The Museum has an obligation under the City of Chicago Municipal Code to make changes to its fire suppression systems. The entire building is required to be in compliance with the code by January 1, 2016. The costs of these changes will be approximately \$10 million.

#### 5. CAPITAL IMPROVEMENT REIMBURSEMENTS

Pursuant to authorization by the Illinois General Assembly, the Chicago Park District issued bonds in 1994 for the benefit of certain museums, including the Museum. Issuance of the bonds provided for approximately \$11.8 million to be utilized in the Museum's capital improvement program. The bond proceeds are held and administered by the Chicago Park District. The Museum submits documentation for reimbursement of the expenditures on the approved projects. Up to one-half of the total expenditures on approved projects are reimbursed from bond proceeds. The reimbursements are recorded as revenue in the property accounts during the year in which the related capital expenditures are incurred.

The Museum accrued \$28,268 and \$979,617 of revenue relating to these bonds in 2005 and 2004, respectively.

#### 6. PLEDGES RECEIVABLE

Unconditional promises to give are included in the financial statements as pledges and revenue of the appropriate net asset category. Pledges are recorded after discounting to the present value of the expected future cash flows using a discount rate of 4.35% for new pledges in 2005 and 2.68% for pledges made in previous years.

Pledges at December 31, 2005, are expected to be realized in the following periods:

Due within one year	\$ 6,675,327
Due between two to five years	12,035,502
Due after five years	<u>447,500</u>
	19,158,329
Allowance for uncollectible accounts	(203,213)
Present value discount	<u>(827,266)</u>
Net pledges receivable	<u>\$ 18,127,850</u>

## 7. NOTES PAYABLE

Notes payable at December 31, 2005 and 2004, consist of the following amounts due to the Illinois Finance Authority, which issued bonds on the Museum's behalf:

	Original Principal	Principal Outstanding 2005	Principal Outstanding 2004	Maturity Date
Series 2002	\$ 90,000,000	\$ 90,000,000	\$ 90,000,000	November 1, 2046
Series 2000	30,000,000	30,000,000	30,000,000	November 1, 2034
Series 1998	29,000,000	29,000,000	29,000,000	November 1, 2032
Series 1990	20,000,000	20,000,000	20,000,000	November 1, 2025
Series 1985	<u>17,000,000</u>	<u>10,300,000</u>	<u>10,300,000</u>	November 1, 2025
Total	<u>\$ 186,000,000</u>	<u>\$ 179,300,000</u>	<u>\$ 179,300,000</u>	

The Adjustable Rate Demand Revenue Bonds, Series 2000, 1998 and 1990, have adjustable methods of interest rate determination, demand features, and interest payment dates. The Series 1990 Bonds are currently in a commercial paper rate mode, and the Series 1998 and 2000 Bonds are in a weekly rate mode. As of December 31, 2005 and 2004, the Series 1990 Bonds bore interest of 3.00% and 1.30%, respectively. As of December 31, 2005 and 2004, the Series 1998 Bonds bore interest of 3.58% and 2.00%, respectively. As of December 31, 2005 and 2004, the Series 2000 Bonds bore interest of 3.58% and 2.00%, respectively.

The Variable Rate Demand Bonds, Series 1985, are subject to redemption beginning November 1, 2016, with sinking fund payments each year until maturity. These bonds are currently in a weekly rate mode. The bonds outstanding at December 31, 2005 and 2004, bore interest of 3.58% and 2.00%, respectively.

The Series 1985 and 1990, prior to election to convert to a fixed rate of interest, are secured by credit facilities issued by The Northern Trust Company. The Series 1998 bonds, prior to election to convert to a fixed rate of interest, are secured by credit facilities issued by Bank of America. In addition, the Series 1985 Bonds are secured by deposits held by the Bond Trustee in a Debt Service Reserve Fund and a Security Fund. The Series 2000 bonds, prior to conversion to a fixed rate of interest, are secured by a credit facility issued by J.P. Morgan.

The Series 2002 was issued September 12, 2002, as Adjustable Medium Term Revenue Bonds. The Bonds are rated A by Standard & Poor's and A2 by Moody's, and are not secured by a Letter of Credit. The initial adjustable rate periods end November 1, 2009 through November 1, 2016, and the Bonds bear interest at an initial rate of 3.70% to 4.75%, depending on duration. The current blended rate is 4.34%, and interest is payable each November 1 and May 1.

The total interest costs incurred on these bonds in 2005 and 2004 was \$6,119,834 and \$5,045,024, respectively. Of these amounts, \$2,009,898 was capitalized within construction in progress in 2004. In 2005, capitalized interest is classified as a depreciable asset within property and equipment.

The Museum entered into an interest rate swap agreement in September 2005 to hedge variable interest rate exposure. The agreement, which expires on November 1, 2032, effectively fixes the interest rate on a notional value of \$45 million at 3.258% through October 31, 2008, and 4.369% from November 1, 2008 to November 1, 2032. This agreement is considered a derivative financial instrument and is reported at its fair value as a liability of \$(504,793) which is recorded in accrued liabilities in the statement of financial position at December 31, 2005. The net change in fair value of the agreement since inception, net of fees of \$35,320, is reported as a separate line item in the nonoperating section of the statement of activities for the year ended December 31, 2005. The differential to be paid is recognized as an adjustment to interest expense, and the related amount payable to the counterparty is included in accounts payable.

## **8. PENSION PLAN**

The Museum sponsors a defined benefit pension plan (the "Plan") covering substantially all of its employees that provides pension benefits based on years of service and average compensation, as determined under the Plan. The Museum's funding policy is to contribute amounts necessary to maintain the long-term stability of the Plan.

The following table presents the change in benefit obligations, change in plan assets, and the composition of the amounts recognized in the accompanying statements of financial position for the years ended December 31, 2005 and 2004:

	<b>2005</b>	<b>2004</b>
Accumulated benefit obligation	<u>\$ 12,486,730</u>	<u>\$ 11,564,772</u>
Change in benefit obligation:		
Benefit obligation—beginning of year	15,488,633	14,059,751
Service cost	1,070,560	906,129
Interest cost	834,092	830,725
Actuarial (gain)/loss	(516,517)	463,851
Benefits paid	<u>(838,808)</u>	<u>(771,823)</u>
Benefit obligation—end of year	<u>\$ 16,037,960</u>	<u>\$ 15,488,633</u>
Change in plan assets:		
Fair value of plan assets—beginning of year	\$ 13,442,871	\$ 12,859,858
Actual return on plan assets	1,359,382	1,354,836
Employer contribution		
Benefits paid	<u>(838,808)</u>	<u>(771,823)</u>
Fair value of plan assets—end of year	<u>\$ 13,963,445</u>	<u>\$ 13,442,871</u>
Funded status	\$ (2,074,515)	\$ (2,045,762)
Unrecognized net actuarial loss	2,050,820	2,834,995
Unrecognized prior service cost	<u>95,632</u>	<u>110,667</u>
Net amount recognized—prepaid pension cost	<u>\$ 71,937</u>	<u>\$ 899,900</u>

The following table presents the components of net periodic benefit costs for the years ended December 31, 2005 and 2004:

	<b>2005</b>	<b>2004</b>
Service cost	\$ 1,070,560	\$ 906,129
Interest cost	834,092	830,725
Expected return on plan assets	(1,128,194)	(1,078,637)
Amortization of prior service cost	15,035	22,387
Amortization of net loss	<u>36,470</u>	<u>83,435</u>
Net periodic benefit cost	<u>\$ 827,963</u>	<u>\$ 764,039</u>

The following table presents the key actuarial assumptions used in developing the data:

	<b>2005</b>	<b>2004</b>
Weighted-average assumptions used to determine benefit obligations at December 31:		
Discount rate	5.50 %	5.75 %
Rate of compensation increase	4.00	4.00
Weighted-average assumptions used to determine net periodic benefit cost for the years ended December 31:		
Discount rate	5.75	6.00
Expected return on plan assets	8.50	8.50
Rate of compensation increase	4.00	4.00

The Museum determines the long-term expected rate of return on plan assets by examining historic capital market returns, correlations between asset classes, and the Plan's normal asset allocation. Current and near-term market factors such as inflation and interest rates are then evaluated to arrive at the expected return on plan assets. Peer group, or benchmarking data are also reviewed to ensure a reasonable and appropriate assumption.

The following table represents the Museum's estimated future benefit payments in each of the next five years and in the aggregate for the five fiscal years thereafter:

Estimated future benefit payments:	
2006	\$ 781,523
2007	721,714
2008	762,898
2009	870,623
2010	837,874
2011–2015	4,315,293

The following table presents the Museum's pension plan asset allocation at December 31, 2005 and 2004, by asset category:

	<b>2005</b>	<b>2004</b>	<b>Range</b>
Cash and cash equivalents	0 %	1 %	0-5%
Equity securities	85	79	55-85
Fixed income securities	5	10	15-25
High yield funds	<u>10</u>	<u>10</u>	5-15
Total	<u>100 %</u>	<u>100 %</u>	

The Museum's investment approach is based on modern portfolio theory. Multiple asset classes are implemented in order to obtain the benefits of diversification and maximize long-term return total return for a given level of risk. Risk tolerance is developed by reviewing the funded status of the plan, duration of the plan liabilities, the income and liquidity requirements, legal constraints, and the financial condition of the Museum. The investment portfolio comprises a diversified combination of cash, equity securities, fixed income securities, and high yield funds. The allocation among equity securities, fixed income securities, high yield funds, and cash is determined by prevailing market conditions and relative valuations among asset classes. The plan's financial condition is monitored on an ongoing basis by

means of quarterly investment portfolio reviews, an annual independent actuarial valuation and periodic assets/liability studies.

The Museum does not expect to contribute to its pension plan in 2006.

## **9. LINE OF CREDIT**

The Museum has an agreement with the Northern Trust Company for an unsecured line of credit for \$10,000,000. An additional \$5,000,000 seasonal line of credit is available upon Board approval. The line bears interest at LIBOR plus 0.5% (2.89% at December 31, 2004). Interest on the outstanding balance is due monthly. Total interest costs incurred on the line of credit in 2005 and 2004, was \$67,561 and \$63,287, respectively. At December 31, 2005, the line of credit had no outstanding balance. \$4,500,000 was borrowed against the line of credit as of December 31, 2004.

## **10. RELATED-PARTY TRANSACTIONS**

The Museum Campus Corporation (the "Campus") is a tax-exempt organization consisting of the Field Museum, Shedd Aquarium, and the Adler Planetarium whose purpose is to attract visitors to the Museum Campus' centrally located facilities. As of December 31, 2004, the Field Museum had a receivable due from the Campus of \$269,821 representing trolley operation costs paid by the Museum to be reimbursed by the Campus as Chicago Department of Transportation grant monies are received. In addition, the Museum had a payable to the Campus of \$17,932 as of December 31, 2004, representing an excess of contributions and other revenue over general management expenses incurred by the Campus. As of December 31, 2005, the Museum has no receivable due from or payable to the Campus.

## **11. PRIOR PERIOD ADJUSTMENTS**

Subsequent to the issuance of its 2004 financial statements, the Museum determined that reimbursements from granting agencies for indirect costs were erroneously recorded twice as grant revenue, with a corresponding duplicate recording of operating expenses. Accordingly, the accompanying 2004 financial statements have been restated to correct this error, which had no effect on the decrease in net assets resulting from revenues and expenses for 2004. As described in Note 2, certain 2004 expense balances have also been reclassified to conform to the 2005 presentation of expenses.

In addition, the Museum determined that \$1,509,244 of net assets should have been released from restrictions for capital improvements in 2004. The Museum restated the 2004 statement of activities and 2004 statement of financial position to reflect this change. The Museum also identified that \$5,722,221 should have been released from restrictions for projects completed that met donors' intent in years prior to 2004. The Museum restated the 2004 statement of financial position to reflect the release of net assets from temporarily restricted to unrestricted net assets that should have occurred in years prior to 2004.

The 2004 statement of cash flows also has been restated to correct the presentation of accounts payable for construction in progress. The amount restated, totaling \$6,179,362, resulted in a decrease in net cash provided by operating activities and a decrease in net cash used in investing activities.

The impact of the above restatements had no effect on total net assets as of December 31, 2004. The more significant changes are summarized in the following table:

	<b>As Previously Reported</b>	<b>As Restated</b>
<b>Statement of Activities—Year Ended December 31, 2004:</b>		
Changes in unrestricted net assets:		
Revenues:		
Government grants	\$ 5,258,011	\$ 4,509,718
Private grants and contracts	4,242,039	3,994,081
Total expenses	65,946,105	64,949,854
Decrease in net assets resulting from revenues and expenses—unrestricted	(4,684,747)	(4,684,747)
Nonoperating items:		
Net assets released from restrictions for capital improvements		1,509,244
Total increase in unrestricted net assets	24,192,517	25,701,761
Changes in temporarily restricted net assets—		
Nonoperating items—Net assets released from restrictions for capital improvements		(1,509,244)
Total increase in temporarily restricted net assets	4,360,851	2,851,607
<b>Statement of Financial Position—December 31, 2004:</b>		
Net assets:		
Unrestricted—general operating	\$ 84,734,551	\$ 91,966,016
Unrestricted—Board designated	156,696,754	156,696,754
Temporarily restricted	55,344,250	48,112,785
Permanently restricted	<u>38,288,085</u>	<u>38,288,085</u>
Total net assets	<u>\$ 335,063,640</u>	<u>\$ 335,063,640</u>
<b>Statement of Cash Flows—December 31, 2004:</b>		
Cash flows from operating activities—Changes in operating assets and liabilities—Accounts payable		
Net cash provided by operating activities	\$ 5,170,985	\$ (1,008,377)
	24,664,330	18,484,968
Cash flows from investing activities—Purchases of Museum property		
Net cash used in financing activities	(45,976,583)	(39,797,221)
	(29,212,797)	(23,033,435)
Supplemental disclosures—Accounts payable for construction in progress		
		6,179,362

\* \* \* \* \*

## **ADDITIONAL INFORMATION**

**FIELD MUSEUM OF NATURAL HISTORY**

**SCHEDULE OF DEPARTMENT EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2005  
(With Comparative Totals for 2004)**

	Salaries and Wages	Pension and Employee Benefits	Cost of Sales	Supplies	Postage, Freight, and Miscellaneous	Travel, Dues, and Meetings	Printing and Publications	Professional and Outside Services	Utilities	Depreciation	Repairs and Maintenance	Interest and Amortization	Exhibits and Equipment	2005 Total
<b>COLLECTIONS AND RESEARCH</b>														
Anthropology	\$ 1,415,427	\$ 484,291	\$ -	\$ 189,824	\$ 49,553	\$ 268,586	\$ 3,716	\$ 215,825	\$ 284,893	\$1,120,330	\$ -	\$ -	\$ 4,952	\$ 4,037,397
Botany	970,353	349,941		84,205	83,108	121,711	5,985	230,351	107,400	418,637	621		1,679	2,373,991
Geology	1,380,583	503,602		168,331	73,005	107,355	16,066	68,391	119,455	465,769	1,525			2,904,082
Zoology	2,035,677	720,351		418,847	145,400	300,234	16,153	388,141	333,173	1,304,089	369		1,893	5,664,327
Scientific support	115,151	33,908		238,233	110,838	9,541	9,791	55,023	6,994	27,370	47,788			654,637
Total collections and research	5,917,191	2,092,093	-	1,099,440	461,904	807,427	51,711	957,731	851,915	3,336,195	50,303	-	8,524	15,634,434
<b>ENVIRONMENT, CULTURE AND CONSERVATION</b>														
Environmental conservation program	1,167,792	416,975		81,733	28,711	270,035	2,935	2,405,773	8,986	29,950	2,033			4,414,923
Center for cultural understanding and change	472,822	154,872		34,453	17,553	89,836	12,746	103,105	4,203	12,951				902,541
Total environment, culture and conservation	1,640,614	571,847	-	116,186	46,264	359,871	15,681	2,508,878	13,189	42,901	2,033	-	-	5,317,464
<b>EXHIBITIONS AND MEDIA SERVICES</b>														
Media services	221,451	80,746		70,047	116	851	171	6,587	7,477	28,626	8,391		13,964	438,427
Exhibits	1,606,893	571,101		352,732	464,625	2,281,314	65,936	384,730	655,378	2,537,128	1,189,644		25,783	10,135,264
Total exhibitions and media services	1,828,344	651,847	-	422,779	464,741	2,282,165	66,107	391,317	662,855	2,565,754	1,198,035	-	39,747	10,573,691
<b>PUBLIC SERVICES</b>														
	2,498,343	893,983	-	115,112	22,528	20,798	6,986	1,021,019	32,057	88,384	36,245	-	14,930	4,750,385
<b>GENERAL SERVICES AND FACILITIES</b>														
Finance	655,241	234,728		43,451	3,851	6,998	5,006	68,514	2,819	7,745				1,028,353
Facility planning and operations	819,358	294,066		200,111	757	1,479	924	1,042,308	218,815	861,595	459,270			3,898,683
General services		809,197		6,776	635,815	42,086	1,229	1,468,270	25,563		24,922	6,348,430		9,362,288
Total general services and facilities	1,474,599	1,337,991	-	250,338	640,423	50,563	7,159	2,579,092	247,197	869,340	484,192	6,348,430	-	14,289,324
<b>EDUCATION, LIBRARY, HUMAN RESOURCES AND TECHNOLOGY</b>														
Education	629,309	209,577		131,429	7,903	105,096	23,698	224,862	27,542	100,324	675			1,460,415
Library	363,167	132,752		30,143	3,697	3,394	332,305	78,492	24,502	96,241	1,130			1,065,823
Human resources	297,282	132,823		32,000	11,757	89,835	5,966	186,907	5,673	19,242	683			782,168
Technology	656,060	234,200		292,281	211	7,611	2,552	104,223	30,786	21,212	94,094		10,223	1,453,453
Total education, library, human resources and technology	1,945,818	709,352	-	485,853	23,568	205,936	364,521	594,484	88,503	237,019	96,582	-	10,223	4,761,859
<b>INSTITUTIONAL ADVANCEMENT</b>														
Development	891,723	316,039		53,608	37,194	74,487	122,931	276,374	23,465	79,636			3,232	1,878,689
Auxiliary boards	56	20		22,785	17,516	219,311	87,791	30,637	2,804	8,082				389,002
Tours					2	420		10,145						10,567
Total institutional advancement	891,779	316,059	-	76,393	54,712	294,218	210,722	317,156	26,269	87,718	-	-	3,232	2,278,258
<b>ADMINISTRATION</b>														
	1,384,971	163,680	-	8,596	2,859	83,385	5,205	5,761	9,891	12,894	1,435	-	-	1,678,677

(Continued)

**FIELD MUSEUM OF NATURAL HISTORY**

**SCHEDULE OF DEPARTMENT EXPENDITURES  
FOR THE YEAR ENDED DECEMBER 31, 2005  
(With Comparative Totals for 2004)**

	Salaries and Wages	Pension and Employee Benefits	Cost of Sales	Supplies	Postage, Freight, and Miscellaneous	Travel, Dues, and Meetings	Printing and Publications	Professional and Outside Services	Utilities	Depreciation	Repairs and Maintenance	Interest and Amortization	Exhibits and Equipment	2005 Total
EXTERNAL AFFAIRS AND GENERAL COUNSEL														
External affairs				463	1,359	7,204	439	42,188	142		1,430			53,225
General counsel	39,523	14,449		7,872	3,335	11,731	157	237,476	1,327	2,541				318,411
Total external affairs and general counsel	39,523	14,449	-	8,335	4,694	18,935	596	279,664	1,469	2,541	1,430	-	-	371,636
BUSINESS ENTERPRISES	1,537,599	472,784	3,260,247	95,157	110,244	152,075	12,446	689,031	70,651	252,203	15,094	-	-	6,667,531
MUSEUM ENTERPRISES														
Public relations	159,991	58,228		19,702	24,851	29,755	50,465	984,718	3,067	10,391	110			1,341,278
Membership	4,364	558		51,011	158,091	44,047	61,398	811,464	10,944	9,199	8,412		3,876	1,163,364
Publications					12,731	4,268	39,035	32,576	362	1,438				90,410
Audience development									137					137
Total museum enterprises	164,355	58,786	-	70,713	195,673	78,070	150,898	1,828,758	14,510	21,028	8,522	-	3,876	2,595,189
TOTAL EXPENSES 2005	\$19,323,136	\$ 7,282,871	\$3,260,247	\$ 2,748,902	\$2,027,610	\$4,353,443	\$892,032	\$11,172,891	\$2,018,506	\$7,515,977	\$1,893,871	\$6,348,430	\$ 80,532	\$ 68,918,448
TOTAL EXPENSES 2004 (Restated)	\$19,396,177	\$ 7,282,400	\$3,515,635	\$ 2,614,966	\$2,546,317	\$3,496,474	\$913,460	\$11,107,742	\$1,699,683	\$6,848,690	\$2,108,217	\$3,163,727	\$256,366	\$ 64,949,854

(Concluded)