



# The Barnes Foundation

Accounting for Fiscal Year Ended December 31, 2002



In connection with the 17 year accounting, the following information for fiscal year 2002 is respectfully submitted.

## CASH

Exhibit A shows the monthly cash activity for The Barnes Foundation's general operating account, payroll account and Pew grant account. The total cash of \$327,109.25 agrees to the December 31, 2002 financial statement. Summarizing Exhibit A, the beginning general operating bank account balance is \$170,012.35 with \$4,152,659.87 being deposited during the year and checks in the amount of \$3,638,039.01 being written to show an ending balance in the general operating account of \$684,633.21. The beginning payroll bank account balance is \$5,042.76 with \$1,120,730.19 being deposited during the year and payroll checks in the amount of \$1,120,393.58 being written to show an ending balance in the payroll account of \$5,379.37. The beginning Pew grant account balance is \$100,087 with \$489,975 being deposited from Pew during the year and checks in the amount of \$394,370 being written to show an ending balance in the Pew grant account of \$195,692.

## INVESTMENTS

We prepared a schedule of the activity in the investment accounts (Exhibit B) for the year from the investment statements, reconciling beginning and ending investments as well as investment income for the year to the financial statements. The investments totaled \$6,373,189 at January 1, 2002 and consisted of equities, US Treasury Bonds, and Money Market accounts held in seven Merrill Lynch accounts with the six restricted accounts being professionally managed by independent account managers. Investments at December 31, 2002 totaled \$4,591,108.

## WORLD TOUR FUNDS

From 1993 through 1995, the Foundation was granted permission by the court to allow a world tour of certain paintings. The majority of the proceeds from the tour were restricted by the court for gallery renovations. There were no funds released during the year from this account. The only activity in 2002 was investment results. We prepared a schedule of the activity in this restricted fund account for 2002 as follows:

Balance at January 1, 2002	\$4,414,508
Interest and Dividends, net of fees	119,499
Realized and Unrealized Loss	(708,280)
Balance at December 31, 2002	3,825,727

## **SIGNIFICANT MANAGEMENT TRENDS FOR FISCAL 2002**

The certified financial statement of The Foundation is attached as Exhibit C. The following are the material trends regarding performance based on the financial statements for fiscal 2002. During 2002 The Foundation saw an increase in both contributions and expenses. Grants were received for a collection assessment project, which also increased staff salaries. Expenses overall increased from \$4,054,000 in 2001 to \$5,168,507 in 2002. Salaries increased by approximately \$293,600 and professional fees increased by approximately \$568,300 from the previous year. The year 2002 also had an unrealized loss in investments of \$124,209 and a realized loss of \$585,565.

### **PROFESSIONAL FEES**

Professional and consulting fees per the audited financial statements for 2002 were \$1,229,420 and are detailed in Exhibit D.

### **TRAVEL EXPENSE**

Travel and transportation expense per the audited financial statements for 2002 was \$41,153. Exhibit E presents the travel expense in accordance with the general ledger accounts. There were no individual expenses in excess of \$1,000.

### **SECURITY**

Guards and Security expense per the audited financial statements for 2002 was \$364,710. See Exhibit F for detail. The Foundation used Allied Security for guard services during the year.

### **INSURANCE**

Insurance expense per the audited financial statements for 2002 was \$171,713. This includes workers' compensation coverage, umbrella, multi-peril, directors and officers, and fidelity bond. See Exhibit G.

### **STAFF SALARIES**

Total wages per the audited financial statements for 2002 were \$1,540,414. Exhibit H details salaries by department, listing the positions within each department as well as those that are grant funded.

The Barnes Foundation  
Monthly Schedule of Cash Activity  
2002

	General Operating Checking Account			Payroll Checking Account			Pew Fund Checking Account			Other Misc Accounts and Petty Cash		Total Cash
	Beginning Balance	Deposits	End Balance	Beginning Balance	Deposits	End Balance	Beginning Balance	Deposits	End Balance	Cash	Cash	
Balance per books 1/1/02	23,852.24		170,012.35	3,713.47		5,042.76	98,809.00		1,278.00		100,087.00	
Outstanding checks from prior year cleared in current year		100.00	170,112.35		1,329.29	5,042.76					100,087.00	
Outstanding deposits from prior year cleared in current year		136,023.03	40,779.41		70,000.00	3,562.75		214.00	(13,642.00)		86,659.00	
Balance per bank 1/1/02	40,779.41	233,276.41	47,997.06	3,562.75	79,000.00	5,211.41	86,659.00	129.00	(33,496.00)		53,292.00	
Feb	47,997.06	575,169.21	385,341.46	5,211.41	80,000.00	77,351.34	53,292.00	127.00	(23,916.00)		29,503.00	
Mar	385,341.46	180,055.15	(498,826.05)	6,232.33	123,572.20	(77,495.86)	29,503.00	135,609.00	(22,885.00)		142,227.00	
Apr	69,570.56	220,365.36	(243,002.08)	52,308.65	80,000.00	(122,355.98)	142,227.00	71.00	(19,532.00)		122,766.00	
May	46,933.84	250,190.93	(197,904.99)	9,952.67	83,000.00	(87,399.60)	122,766.00	177.00	(35,844.00)		87,099.00	
Jun	98,219.78	269,850.66	(308,490.31)	5,553.07	127,000.00	(84,264.40)	122,766.00	137.00	(46,597.00)		40,639.00	
Jul	60,580.13	305,681.34	(257,093.66)	48,268.67	69,053.41	(111,579.91)	87,099.00	90,086.00	(55,243.00)		75,482.00	
Aug	109,167.81	708,560.28	(616,587.31)	5,742.17	127,000.00	(85,497.60)	40,639.00	42.00	(43,722.00)		31,902.00	
Sept	201,140.78	171,638.80	(225,156.12)	47,244.57	91,717.48	(127,408.14)	31,902.00	46,127.00	(36,395.00)		41,534.00	
Oct	147,623.46	209,759.81	(277,304.32)	11,553.91	96,317.30	(102,463.63)	41,534.00	46,075.00	(4,713.00)		82,896.00	
Nov	80,078.95	891,968.89	(287,414.63)	5,407.58	94,069.80	(94,098.01)	82,896.00	171,181.00	(96,385.00)		195,692.00	
Balance per bank 12/31/02	196,162.74		196,162.74	2,851.92	46,000.00	48,851.92	195,692.00		(127,997.29)		67,694.71	
Outstanding checks in current year cleared in next year												
Outstanding deposits in current year cleared in next year												
Balance per books 12/31/02			196,162.74			48,851.92					67,694.71	14,399.88
												327,109.26

**BARNES  
INVESTMENT ANALYSIS  
2002**

Investment Activity:

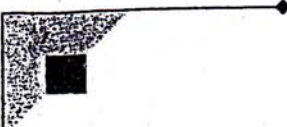
Balance @ 1/1/02	\$ 6,373,189
Transfers to operations	(1,212,268)
Loss on sale of investments	(585,565)
Interest and dividends, reinvested	179,022
Fees or expenses	(36,245)
Foreign taxes paid	(2,816)
Changes in market value	(124,209)
	<hr/>
Balance @ 12/31/02	\$ 4,591,108

Investments at market value consist of the following:

	<u>December 31, 2002</u>	<u>December 31, 2001</u>
United States Treasury Obligations	\$ 511,408	\$ 149,616
Government Securities	851,764	1,067,280
Money Market Funds	1,059,565	1,647,669
Corporate Stock	1,804,630	3,230,444
Corporate Bonds	363,741	278,180
	<hr/>	<hr/>
	\$ 4,591,108	\$ 6,373,189

Investment income for the year ended December 31, 2002 is as follows:

Interest and dividends, reinvested net of fees	\$ 139,961
Miscellaneous dividends	1,310
Miscellaneous interest	679
Amortization of discount	34,781
	<hr/>
Interest and dividends, total	176,731
Unrealized loss on investments	(124,209)
Loss on sale of securities	(585,565)
	<hr/>
	\$ (533,043)



THE BARNES FOUNDATION  
FINANCIAL STATEMENTS  
DECEMBER 31, 2002  
(WITH SUMMARIZED FINANCIAL INFORMATION  
FOR DECEMBER 31, 2001)

**COGEN SKLAR LLP**

Certified Public Accountants  
Business Consultants

150 Monument Road, Suite 500  
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EXHIBIT C

THE BARNES FOUNDATION

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
The Barnes Foundation  
Merion, Pennsylvania

We have audited the accompanying statement of financial position of The Barnes Foundation as of December 31, 2002, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Foundation's 2001 financial statements and, in our report dated May 14, 2002, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Barnes Foundation at December 31, 2002, and the changes in its net assets and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States.

*Cogen Sklar LLP*

April 23, 2003

THE BARNES FOUNDATION  
STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2002  
(WITH FINANCIAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2001)

	<u>2002</u>	<u>2001</u>
<b>ASSETS</b>		
Cash	\$ 327,110	\$ 139,844
Accounts receivable	17,888	14,121
Contributions receivable	1,930,305	1,215,690
Gallery shop inventory	182,043	124,631
Prepaid and other assets	77,227	95,067
Investments	4,591,108	6,373,189
Objects of art	2,775,386	2,775,386
Property and equipment, net	<u>11,362,784</u>	<u>11,347,041</u>
<b>TOTAL ASSETS</b>	<u><u>\$21,263,851</u></u>	<u><u>\$22,084,969</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
Accounts payable	\$ 831,496	\$ 669,136
Accrued expenses	51,640	23,286
Note payable	<u>7,900</u>	<u>11,015</u>
<b>TOTAL LIABILITIES</b>	<u>891,036</u>	<u>703,437</u>
<b>NET ASSETS</b>		
UNRESTRICTED	15,263,609	15,312,910
TEMPORARILY RESTRICTED	<u>5,109,206</u>	<u>6,068,622</u>
<b>TOTAL NET ASSETS</b>	<u>20,372,815</u>	<u>21,381,532</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$21,263,851</u></u>	<u><u>\$22,084,969</u></u>

The accompanying notes are an integral part of these financial statements.



THE BARNES FOUNDATION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2002  
(WITH SUMMARIZED FINANCIAL INFORMATION  
FOR THE YEAR ENDED DECEMBER 31, 2001)

	2002			2001 Total
	Unrestricted	Temporarily Restricted	Total	
<b>REVENUES AND GAINS (LOSS)</b>				
Investment income (loss), net of fees	\$ 20,957	\$ (554,000)	\$ (533,043)	\$ (316,319)
Licensing and merchandising	45,680	-	45,680	48,402
Education revenue	227,501	-	227,501	177,511
Admissions and audio rentals	571,776	-	571,776	513,567
Gift shop sales	434,790	-	434,790	352,695
Contributions	2,534,377	877,227	3,411,604	2,166,319
Other revenue	1,482	-	1,482	1,746
	<u>3,836,563</u>	<u>323,227</u>	<u>4,159,790</u>	<u>2,943,921</u>
<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<u>1,282,643</u>	<u>(1,282,643)</u>	<u>-</u>	<u>-</u>
<b>TOTAL REVENUES AND GAINS (LOSS)</b>	<u>5,119,206</u>	<u>(959,416)</u>	<u>4,159,790</u>	<u>2,943,921</u>
<b>EXPENSES</b>				
Salaries and wages	1,540,414	-	1,540,414	1,246,721
Payroll taxes and medical	299,464	-	299,464	221,517
Guards and security	364,710	-	364,710	424,995
Professional and consulting fees	1,229,420	-	1,229,420	661,128
Insurance	171,713	-	171,713	146,276
Repairs and maintenance	113,595	-	113,595	182,593
Occupancy costs	194,595	-	194,595	196,551
Travel and transportation	41,153	-	41,153	24,871
Office expenses and supplies	188,780	-	188,780	140,676
Miscellaneous	80,001	-	80,001	70,579
Publications	95,611	-	95,611	78,765
Cost of goods sold	191,311	-	191,311	118,778
Conservation	161,547	-	161,547	46,957
Depreciation	496,193	-	496,193	493,674
<b>TOTAL EXPENSES</b>	<u>5,168,507</u>	<u>-</u>	<u>5,168,507</u>	<u>4,054,081</u>
<b>CHANGE IN NET ASSETS</b>	(49,301)	(959,416)	(1,008,717)	(1,110,160)
<b>NET ASSETS - BEGINNING OF YEAR</b>	<u>15,312,910</u>	<u>6,068,622</u>	<u>21,381,532</u>	<u>22,491,692</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 15,263,609</u>	<u>\$ 5,109,206</u>	<u>\$ 20,372,815</u>	<u>\$ 21,381,532</u>

The accompanying notes are an integral part of these financial statements.

THE BARNES FOUNDATION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2002  
(WITH FINANCIAL INFORMATION FOR  
THE YEAR ENDED DECEMBER 31, 2001)

	<u>2002</u>	<u>2001</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$(1,008,717)	\$(1,110,160)
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation	496,193	493,674
Net unrealized loss on investments	124,209	254,221
Loss on sale of investments	585,565	272,095
Investment income reinvested, net of fees	(139,960)	(220,512)
Discount on contribution receivable	-	37,491
Amortization of discount on contribution receivable	(34,781)	(26,976)
(Increase) decrease in assets		
Interest receivable	-	88,209
Accounts receivable	(3,767)	20,331
Contributions receivable	(714,615)	(620,000)
Gallery shop inventory	(57,412)	(35,155)
Prepaid and other assets	17,840	(25,250)
Increase in liabilities		
Accounts payable	162,360	116,959
Accrued payroll	28,354	11,398
Net cash used in operating activities	<u>(544,731)</u>	<u>(743,675)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of investments	3,541,400	9,265,191
Purchases of investments	(2,294,352)	(8,149,394)
Purchase of property and equipment	<u>(511,936)</u>	<u>(279,569)</u>
Net cash provided by investing activities	<u>735,112</u>	<u>836,228</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Principal payments on long term debt	<u>(3,115)</u>	<u>(2,599)</u>
<b>NET INCREASE IN CASH</b>	187,266	89,954
<b>CASH - BEGINNING OF YEAR</b>	<u>139,844</u>	<u>49,890</u>
<b>CASH - END OF YEAR</b>	<u>\$ 327,110</u>	<u>\$ 139,844</u>
<b>CASH PAID DURING THE YEAR FOR:</b>		
Interest	<u>\$ 947</u>	<u>\$ 1,124</u>

The accompanying notes are an integral part of these financial statements.

THE BARNES FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2002

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Barnes Foundation (the Foundation) was chartered in 1922 as a privately endowed nonprofit educational institution by the Commonwealth of Pennsylvania for the purpose of conducting classes in art appreciation and horticulture. The Foundation includes a gallery, a country estate and an arboretum which are open to the public at designated times.

Basis of Presentation

The Foundation follows Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations* to prepare its financial statements. Under SFAS No. 117, the Foundation is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets.

Restricted and Unrestricted Support

The Foundation follows Statement of Financial Accounting Standards (SFAS) No. 116, *Accounting for Contributions Received and Contributions Made* in recording contributions received. Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions. There were no permanently restricted net assets.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates based on management's knowledge and experience. Accordingly, actual results could differ from those estimates.

Inventory

Gift shop inventory consists of purchased items and is stated at the lower of cost (determined by the first-in, first-out method) or market.

Investments

The Foundation follows Statement of Financial Accounting Standards Board (SFAS) No. 124, "Accounting for Certain Investments Held by Not-for-Profit Organizations." The Foundation carries its investments in marketable securities at market value.

Objects of Art

The Foundation is the owner of a collection of paintings, sculptures, antiques and other objects of art. Most of the collection objects were donated to the Foundation by its Founder and are recorded at a \$1 nominal value in accordance with a resolution of the Board of Trustees. Artwork contributed by others is valued at the fair market value on the date of the gift.

THE BARNES FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2002

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment and Depreciation

Assets are stated at cost. The cost of the property and equipment is depreciated over the estimated useful lives of the related assets on a straight-line basis.

Tax Status

The Foundation is incorporated in the Commonwealth of Pennsylvania and is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Prior Period Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended December 31, 2001 from which the summarized information was derived.

NOTE 2 – CONCENTRATION OF CREDIT RISK INVOLVING CASH

At December 31, 2002, the Foundation has deposits with major financial institutions which exceed Federal Depository Insurance limits. These financial institutions have strong credit ratings, and management believes the credit risk related to these deposits is minimal.

NOTE 3 – CONTRIBUTIONS RECEIVABLE

At December 31, 2002, The Foundation recorded the promises of funding from various sources:

<u>YEARS ENDING DECEMBER 31,</u>	<u>TOTAL</u>
2003	\$1,699,835
2004	150,000
2005	<u>100,000</u>
	1,949,835
Less: Discount to net present value	<u>(19,530)</u>
	<u><u>\$1,930,305</u></u>

The discount to net present value represents a discount for funding to be received in future years.

THE BARNES FOUNDATION  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2002

NOTE 4 – INVESTMENTS

Investments consist of the following:

	Market Value
United States Treasury Obligations	\$ 511,408
Government Securities	851,764
Money Market Funds	1,059,565
Corporate Stock	1,804,630
Corporate Bonds	363,741
	\$ 4,591,108

Investment loss for the year ended December 31, 2002 is as follows:

Interest and dividends	\$ 215,792
Unrealized loss on investments	(124,209)
Loss on sale of securities	(585,565)
Investment fees	(39,061)
	\$ (533,043)

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

Land	\$ 176,389
Gallery	11,869,650
Buildings and improvement	548,117
Greenhouse	715,505
Parking lot	1,575,212
Trucks	15,990
Furniture and fixtures	50,946
Equipment	76,000
	15,027,809
Less: Accumulated depreciation	3,665,025
	\$ 11,362,784

THE BARNES FOUNDATION  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2002

NOTE 6 – LONG TERM DEBT

Note payable to bank in monthly installments of \$338 including interest at 9.85% through February 2005. The truck is pledged as collateral.	\$ 7,900
Less: Current portion	<u>3,437</u>
	<u>\$ 4,463</u>

The minimum annual repayment requirements of long-term debt as of December 31, 2002 are as follows:

<u>YEARS ENDING DECEMBER 31,</u>	<u>AMOUNT</u>
2003	\$ 3,437
2004	3,790
2005	<u>673</u>
	<u>\$ 7,900</u>

NOTE 7 – TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets are available for the following purposes or periods:

Court restricted funds	\$3,825,727
Barnesian Art Education for years after December 31, 2002	247,170
Program support for years after December 31, 2002	<u>1,036,309</u>
Total temporarily restricted net assets	<u>\$5,109,206</u>

In accordance with the settlement agreement between the Foundation and the de Mazia Trust in 1996, the Foundation was entitled to receive \$2,750,000, payable over eight years according to a payment schedule as outlined in the settlement agreement. The money is to be used to support the Barnesian Art Education Program, and is therefore, temporarily restricted. As of December 31, 2002, \$250,000 was payable to the Foundation, discounted to its present value of \$247,170.

THE BARNES FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2002

NOTE 7 – TEMPORARILY RESTRICTED NET ASSETS (Continued)

By Court decree, the Foundation was allowed a one-time international tour to exhibit its collection in order to raise the necessary funds to renovate the gallery, adjacent buildings and related structures. The amounts remaining as of December 31, 1998 that were received from these exhibitions have been restricted by the Court system. On February 3, 1999, the Orphan's Court authorized the release from this restriction of \$1,664,300 for qualifying expenditures as approved by the court. During 2000, \$671,560 was released from restriction to fund various specified projects under terms of the eighth petition to the court. The balance remaining in court restricted funds is \$3,825,727 net of any investment gains or losses.

NOTE 8 – LEASES

The Foundation leases audio tour equipment and other equipment under leases expiring through February 2006. At December 31, 2002, the Foundation was obligated under noncancelable operating lease arrangements as follows:

<u>YEARS ENDING</u> <u>DECEMBER 31.</u>	<u>AMOUNT</u>
2003	\$ 55,035
2004	50,168
2005	3,355
2006	<u>559</u>
	<u>\$ 109,117</u>

NOTE 9 – PENSION PLAN

The Foundation has a 403(b) Elective Deferral Plan where eligible employees may elect to defer up to 6% of compensation and the Foundation will match up to 3%. For the year ended December 31, 2002, \$16,056 was contributed by the Foundation.

NOTE 10 – RELATED PARTY

The Barnes Society, a separate 501 c(3) entity, was formed in 1999. The Barnes Society collects membership fees and donations for the Foundation and remits the funds in pass through grants. The Barnes Society granted \$50,000 to the Barnes Foundation in 2002.

THE BARNES FOUNDATION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2002

NOTE 11 – LITIGATION AND CONTINGENCIES

In January 1996, the Foundation filed suit against the Township of Lower Merion, its Commissioners and certain individually named neighbors of the Foundation alleging violations of its civil rights. A counterclaim was filed against the Foundation alleging that the civil rights claims constituted an abuse of process. On June 3, 1996, the neighbor defendants' motion to dismiss was granted. On September 26, 1997, the Court granted the remaining defendants' motions for summary judgment against the Foundation. The Court reserved its decision on the Foundation's motion for summary judgment on the defendant's counter claim for abuse of process. On November 10-12, 1997, a motion was filed by the defendants in the civil rights suit for attorneys' fees and costs aggregating to \$1,806,160. On October 1, 1998 a settlement was reached where the Foundation paid \$100,000 to the Township of Lower Merion to be used for "charitable and civic" purposes and the governmental defendants withdrew their claims. The attorney fees and costs for the neighbor defendants of approximately \$440,000 are still pending, and the ultimate liability, if any, to the Foundation is yet to be determined.

NOTE 12 – OPERATIONS AND MANAGEMENT PLANS

The Foundation has incurred reductions in net assets of \$1,008,717 and \$1,110,160 in the years ended December 31, 2002 and 2001 respectively. In addition, the Foundation's liquid unrestricted assets have been reduced to approximately \$1,200,000 at December 31, 2002. Management has taken certain steps and will continue to explore plans to reduce expenses, increase revenue and find additional support. Management believes they will be successful in implementing their plans and can continue to meet their obligations as they become due during the ensuing year.

One initiative undertaken by the Foundation in 2002 was the filing of a petition in the Montgomery County Orphans' Court to relocate the Foundation's gallery collection from its present location to the City of Philadelphia and to make certain changes in the governance of the Foundation. Part of the Foundation's decision to seek Orphans' Court approval for these changes was \$1,550,000 of general operating support from three outside organizations, which is included in contribution revenue in the year ended December 31, 2002. Continued support from these organizations is dependent on the Foundation's continuing to seek Orphans' Court approval. To assist the Foundation in obtaining Orphans' Court approval, the funding organizations have also agreed to contribute funds to offset legal and development fees associated with the move. For the year ended December 31, 2002, \$550,000 is included in contribution revenue to defray a substantial portion of these costs.



Barnes Foundation  
Professional Fees  
2002

Payee	Check number	Check Date	Lower Merion Twp.	Neighbors	General Labor	General Corporate	Copyrights	Orphans Court	De Mazia Trust	Pension Plan	Fundraising	Central Sprinter Co
McGrory Wentz	1826	6/3/2002	6,283.00									
			6,283.00									
Dilworth Paxson												
Jan/Feb (inv. missing)	1492	3/18/2003	314.17									
March	1631	4/15/2002	2,915.81									
April	1822	6/3/2002	30,395.38									
May	1946	7/1/2002	10,107.33									
June	2043	7/22/2003	1,873.22									
July	2288	8/26/2003	1,557.83									
August	2459	10/8/2002	9,364.26									
September	2598	11/4/2003	10,429.86									
October	2779	12/2/2002	21,235.26									
November	2890	12/23/2002	13,219.95									
December	3059	1/27/2003	3,067.72									
			60,748.10	0.00	-0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Schnader												
January	1453	3/4/02	5,167.13	343.08	2,301.00	2,990.94	667.50	246.50	1,202.50			
February	1620	4/8/02	6,536.83	303.12	494.00	3,305.85			422.50	276.00	130.00	123.00
March (pd in 2 install)	1720/1814	5/6 & 5/20	1,916.80	24,808.85	253.50	1,057.85					1,256.50	21.00
April	1830/1932	6/3/02/24	2,188.82	12,958.71	520.00	5,422.98		281.00	723.00	103.50		
May	1990	7/3/02	268.90	20,857.49		23,600.62		781.54	502.32			120.50
June	2129	8/12/02	231.00	2,610.83		14,379.74	1,288.50	66.00	484.50		44.00	
July	2364	9/9/02	99.00	857.57		8,867.58	1,772.29		132.00			
August	2571	10/28/02		1,857.41		27,022.50	642.50	2,430.50				
September	2710	11/18/02		4,794.70		19,095.37	1,950.50	108.00	99.00			
October	2837	12/9/03		6,954.57		30,165.42	105.00	1,219.62	1,650.00			
September - add'l	2965	12/30/03										
November - add'l	2965	12/30/03										
November	2910	12/23/03		1,433.84		18,769.44	655.84	635.82	1,617.00			
December	3105	2/3/03		107.50		8,896.59		1,236.54				
December	3701	6/9/03				2,398.50		99.00	561.00			
December - add'l	3490	4/21/03										
			16,388.48	77,487.67	3,568.50	165,974.18	7,081.93	7,104.52	7,393.82	379.50	1,430.50	264.50
Blank Rome Comisky	1481	3/18/02	247.40									
Booked but not paid												
Totals per category			83,419.58	77,487.67	3,568.50	165,974.18	7,081.93	7,104.52	7,393.82	379.50	1,430.50	264.50

Ker Feal	Charitable Registrations	10 Year Accounting	Artwork Loan Agree	Joan McNamara	Camp Employ Agreement	Mellon Bank	Pellion to Court	Pickman Contract	Kreisberg Grp Contract	Barnes Group	Overpaid	Unpaid	Total Fees
													6,283.00
													6,283.00
													314.17
													2,915.81
													30,385.38
													10,107.33
													1,873.22
													1,557.83
													9,364.26
													10,429.86
													21,235.26
													13,219.95
													3,067.72
													104,480.79
0.00	0.00	0.00	0.00	0.00	0.00	0.00							16,071.15
				97.50		3,065.00							12,342.80
	48.00		65.00			638.50							30,144.80
	400.00			552.50		78.00							37,464.71
				292.30							14,894.40		24,893.46
	115.50					2.10					(21,155.51)		26,448.68
						1,183.00					8,161.11		12,513.44
						785.00							6,825.41
						721.00							(18,827.37)
198.00						165.00							(28,449.42)
		264.00			231.00	65.00							158,584.61
							158,584.61						180,607.60
							180,607.60						9,161.80
					1,650.00			2,673.00	693.00				11,548.13
					858.00				693.00	449.50			3,818.50
								66.00	693.00				11,334.31
							11,334.31						561,548.79
198.00	583.50	264.00	65.00	942.30	2,739.00	6,693.60	350,526.52	2,739.00	1,386.00	449.50		(92,091.23)	764,851.21
													247.40
													92,091.23
198.00	583.50	264.00	65.00	942.30	2,739.00	6,693.60	350,526.52	2,739.00	1,386.00	449.50		(92,091.23)	764,851.21

EXHIBIT D

Payee	Check number	Check Date	Public Relations	Lectures/ Workshops	Websites	Total Fees
<b>Bellevue Communications Group</b>						
	1479	3/18/2002	1,932.10			1,932.10
	1807	4/8/2002	1,531.71			1,531.71
	1760	5/20/2002	720.14			720.14
	2005	7/15/2002	640.38			640.38
	2345	8/9/2002	496.76			496.76
	2590	11/4/2002	429.43			429.43
	2848	12/18/2002	410.87			410.87
	2877	12/23/2002	1,042.66			1,042.66
	3058	1/27/2003	2,228.49			2,228.49
	3115	1/21/2003	31,548.39			31,548.39
	3116	1/21/2003	23,433.48			23,433.48
			<u>64,415.41</u>			<u>64,415.41</u>
<b>Vance Koehler</b>						
	1531	3/18/2002		150.00		150.00
<b>Berks County Exten.</b>						
	1878	4/22/02		312.50		312.50
<b>Jim Bobb</b>						
	1799	5/28/2002		156.25		156.25
<b>Rika Burnham</b>						
	1840	6/10/2002		500.00		500.00
<b>Linda Robinson</b>						
	1879	7/3/2002		750.00		750.00
<b>Harold Sweetman</b>						
	1998	7/8/2002		375.00		375.00
<b>Liz Ball</b>						
	2488	10/14/2002		1,000.00		1,000.00
<b>Signe Hanson</b>						
	2496	10/14/02		300.00		300.00
<b>Wm. R. Hutson</b>						
	2498	10/14/02		300.00		300.00
<b>Robert Andreucci</b>						
	2731	11/25/2002		1,000.00		1,000.00
<b>Paula Paul</b>						
	2790	12/2/2002		100.00		100.00
<b>Liz Ball</b>						
	2951	12/30/2002		1,125.00		1,125.00
<b>Acad. Of Nat'l Sciences</b>						
	1954	7/1/2002		900.00		900.00
				<u>6,968.75</u>		<u>6,968.75</u>
<b>Penn State Coop.</b>						
	1811	5/28/02		1,750.00		1,750.00
	2904	12/23/02		1,000.00		1,000.00
				<u>2,750.00</u>		<u>2,750.00</u>
<b>Institute of Fine Arts</b>						
	2355	9/9/2002		1,200.00		1,200.00
<b>Citizens Bank (tr. Card)</b>						
	3123	2/10/2003		300.00		300.00
				<u>1,500.00</u>		<u>1,500.00</u>
<b>West Chester Univ.</b>						
	1361	2/4/2002		390.00		390.00
	1600	4/17/2002		500.00		500.00
	1674	4/22/2002		500.00		500.00
	1756	5/13/2002		500.00		500.00
	1899	6/17/2002		500.00		500.00
	2340	9/3/2002		658.00		658.00
	2418	8/23/2002		400.00		400.00
	2619	11/4/2002		500.00		500.00
	2727	11/18/2002		500.00		500.00
	2946	12/30/2003		500.00		500.00
	3149	2/10/2003		500.00		500.00
				<u>5,448.00</u>		<u>5,448.00</u>
<b>Internet Expressions</b>						
	1259	1/7/2002		34.00		34.00
	1392	2/21/2002		34.00		34.00
	1542	3/18/2002		34.00		34.00
	1656	4/22/2002		34.00		34.00
	1771	5/29/2002		34.00		34.00
	1883	6/17/2002		49.00		49.00
	2013	7/15/2002		49.00		49.00
	2291	8/26/2002		49.00		49.00
	2400	9/23/2002		49.00		49.00
	2522	10/21/2002		49.00		49.00
	2700	11/18/2002		49.00		49.00
				<u>464.00</u>		<u>464.00</u>

Payee	Check number	Check Date	Consulting	Payroll Service	Financial for Petition	Audit	Fundraising Consultant	Total Fee
Marsh USA Inc.	1337	2/2/2002	4,500.00					4,500.00
	3321	3/24/2002	2,000.00					2,000.00
	1712	5/6/2002	4,500.00					4,500.00
		10/31/2002	7,500.00					7,500.00
	2121	8/12/2002	4,500.00					4,500.00
			23,000.00					23,000.00
ADP	1271	1/22/2002		197.44				197.44
	1327	2/4/2002		182.07				182.07
	1380	2/19/2002		177.41				177.41
	1414	2/22/2002		374.00				374.00
	1428	3/4/2002		173.97				173.97
	1478	3/18/2002		197.97				197.97
	1605	4/5/2002		193.58				193.58
	1634	4/15/2002		172.58				172.58
	1648	4/22/2002		40.15				40.15
	1868	8/11/2002		174.97				174.97
	1701	5/6/2002		29.00				29.00
	1727	5/13/2002		176.97				176.97
	1798	5/28/2002		178.36				178.36
	1838	8/10/2002		207.92				207.92
	1907	8/24/2002		178.80				178.80
	1989	7/8/2002		185.24				185.24
	2039	7/22/2002		216.84				216.84
	2083	8/5/2002		219.32				219.32
	2109	8/12/2002		8.50				8.50
	2251	8/19/2002		196.84				196.84
	2314	9/3/2002		217.32				217.32
	2371	9/16/2002		192.28				192.28
	2423	9/30/2002		228.44				228.44
	2487	10/14/2002		204.44				204.44
	2510	10/21/2002		42.15				42.15
	2550	10/28/2002		228.48				228.48
	2126	11/12/2002		206.44				206.44
	2733	11/25/2002		240.48				240.48
	2772	12/2/2002		8.50				8.50
	2813	12/9/2002		210.48				210.48
2876	12/23/2002		207.48				207.48	
2950	12/30/2002		21.00				21.00	
2970	12/31/2002		215.00				215.00	
			5,704.22					5,704.22
Deloitte & Touche	2000	7/10/02			20,000.00			20,000.00
	2279	8/20/02			72,619.00			72,619.00
	2964	12/30/02			72,458.50			72,458.50
				165,077.50			165,077.50	
Cogen Sitar	1914	6/24/02			6,000.00			6,000.00
	2087	8/5/02			2,500.00			2,500.00
	2819	12/9/02			1,500.00			1,500.00
				10,000.00			10,000.00	
Anne Butterfield	1475	3/18/02			1,000.00			1,000.00
	1905	6/24/02			1,375.00			1,375.00
	2003	7/15/02			2,345.00			2,345.00
	2283	8/26/02			625.00			625.00
				5,345.00			5,345.00	

EXHIBIT D

Payee	Check number	Check Date	Curatorial Advisory Committee	Photographer	Library Rehousing	Education Advisory Com.	Education Consulting	Computer Consulting	Total Fees
Ann Yonemura	3251	3/10/2003	1,000.00						1,000.00
Lane Coulter	3001	1/13/2003	2,000.00						2,000.00
Irene Bald Ramano	3437	1/21/2003	3,000.00						3,000.00
Et Wäner & Co.	1586	4/1/2002	1,500.00						1,500.00
Beatrice B. Garvan	552	7/22/2002	5,000.00						5,000.00
Robert Rosenblum	563	7/23/2002	1,000.00						1,000.00
William D. Wixon	568	7/26/2002	2,500.00						2,500.00
Joseph J. Rishel	575	7/30/2002	5,000.00						5,000.00
Kate B. Mesinger	578	7/31/2002	1,000.00						1,000.00
Mary Capouya	2391	9/23/2002	200.00						200.00
Marylin M. Rhie	2473	10/7/2002	1,500.00						1,500.00
Gay LeClerc Taylor	2476	10/7/2002	2,500.00						2,500.00
Mary Capouya	2554	10/28/2002	40.00						40.00
Lane Coulter	2567	11/4/2002	840.66						840.66
William D. Wixon	2621	11/4/2002	42.38						42.38
Fritell Rape	2631	11/12/2002	76.86						76.86
Kate Harper	2699	11/18/2002	62.64						62.64
Kerry Corrigan	2694	11/18/2002	55.95						55.95
Mary Capouya	2691	11/18/2002	160.00						160.00
Mike Beach	2818	12/9/2002	1,000.00						1,000.00
Edwin Wade	547	7/8/2002	6,000.00						6,000.00
			<u>34,478.49</u>						<u>34,478.49</u>
Rick Echeimeyer	462	2/12/2002		2,611.00					2,611.00
	1493	3/18/2002		2,006.00					2,006.00
	478	3/18/2002		7,975.00					7,975.00
	611	11/4/2002		4,577.00					4,577.00
	616	12/2/2002		2,798.00					2,798.00
	2599	11/4/2002		400.00					400.00
	624	12/31/2002		2,713.00					2,713.00
	2516	10/21/2002		1,610.00					1,610.00
				<u>24,690.00</u>					<u>24,690.00</u>
CCAHA	2395	9/23/02			4,867.00				4,867.00
	2317	9/3/02			5,460.07				5,460.07
	2740	11/25/03			2,520.00				2,520.00
	2887	12/23/02			1,980.00				1,980.00
	2981	1/6/03			1,410.00				1,410.00
					<u>16,237.07</u>				<u>16,237.07</u>
George Hein	2497	10/14/02				2,000.00			2,000.00
	2893	12/23/02	1,000.00						1,000.00
			<u>1,000.00</u>			<u>2,000.00</u>			<u>3,000.00</u>
Janet Kamien	2046	7/22/02				1,523.00			1,523.00
	2375	8/16/02					500.00		500.00
	2561	10/28/02				1,000.00			1,000.00
	2956	12/30/02				1,500.00			1,500.00
						<u>2,523.00</u>	<u>1,500.00</u>		<u>4,523.00</u>
Gallery Systems	2603	11/4/02					600.00		600.00
Gallery Systems	1823	6/3/02					1,800.00		1,800.00
							<u>2,400.00</u>		<u>2,400.00</u>

EXHIBIT D

Payee	Check number	Check Date	Database	Conservation	Honorarium	Fundraising Consulting	Survey Documentation	Computer Consulting	Total Fees
Outsource America	2357	9/9/02	578.02						578.02
Data Sol. Specialists	1766	5/29/02	609.25						609.25
Leslie Bedford	2452				300.00				300.00
Barbara A. Buckley	1483	3/18/02		4,246.33					4,246.33
Donald Herr	2894	12/23/02		3,000.00					3,000.00
Jean Mohammara	1677	4/25/02				6,100.00			6,100.00
William Lewin Const.	1562	2/27/02		7,999.80					7,999.80
			1,185.27	15,246.13	300.00	6,100.00			22,831.40
Janice Hauptfuhner	2431	9/30/02				1,000.00			1,000.00
	2559	10/28/02				1,000.00			1,000.00
	9746	11/25/02				1,000.00			1,000.00
						3,000.00			3,000.00
John Milner Architects	1772	5/20/02					8,705.83		8,705.83
	1850	6/10/02					5,808.30		5,808.30
	1969	7/3/02					2,888.25		2,888.25
	2322	9/3/02					2,905.76		2,905.76
	2432	9/30/02					6,595.80		6,595.80
	2560	10/28/02					4,834.89		4,834.89
	2701	11/18/02					285.42		285.42
	3130	2/10/03					3,212.86		3,212.86
							35,237.11		35,237.11
Forest Data Systems		1/24/02						440.00	440.00
	2558	10/28/02						82.50	82.50
	2602	11/4/02						44.00	44.00
	2010	7/15/02						330.00	330.00
								896.50	896.50
Computer Center of North America	1386	2/21/02						93.75	93.75
	1329	2/4/02						2,280.00	2,280.00
	1386	1/21/02						1,839.00	1,839.00
	465	2/15/02						1,016.00	1,016.00
	1431	3/4/02						780.00	780.00
	1487	3/18/02						80.00	80.00
	1628	4/15/02						660.00	660.00
	489	4/15/02						455.00	455.00
	1851	4/22/02						300.00	300.00
	1732	5/13/02						2,460.00	2,460.00
	1821	6/3/02						540.00	540.00
	2113	8/12/02						80.00	80.00
	2068	7/29/02						120.00	120.00
	2254	8/18/02						300.00	300.00
	2286	8/26/02						3,425.00	3,425.00
	2394	9/23/02						218.75	218.75
	2372	9/16/02						1,252.50	1,252.50
	597	9/16/02						90.00	90.00
	2456	10/8/02						710.00	710.00
	2594	11/4/02						1,170.00	1,170.00
	2693	11/18/02						960.00	960.00
	2821	12/9/02						600.00	600.00
	2929	12/30/02						1,575.00	1,575.00
	2973	12/31/02						337.50	337.50
	5024	1/21/03						120.00	120.00
	1681	4/29/02						180.00	180.00
								21,602.50	21,602.50

EXHIBIT D

Payee	Check number	Check Date	Education Meetings	Total Fees
Shari Rosenstein Werb	1866	6/10/2002	200.00	200.00
Julia J. Lo	1886	6/17/2002	300.00	300.00
Marcia White	1900	6/17/2002	300.00	300.00
William R. Hutson	1924	6/24/2002	300.00	300.00
Edwin Wade	2304	8/26/2002	300.00	300.00
Leslie Bedford	2315	8/3/2002	300.00	300.00
Anthony Rodale	2532	10/21/2002	300.00	300.00
Shari Rosenstein Werb	2578	10/29/2002	300.00	300.00
Marcia White	2620	11/4/2002	300.00	300.00
Terry Van Hollander	2716	11/18/2002	100.00	100.00
Dominic Fedele	2697	11/18/2002	100.00	100.00
Vincent Renou	2709	11/18/2002	100.00	100.00
Katherine Seed	2711	11/18/2002	100.00	100.00
Laura Lyn Stem	2714	11/18/2002	100.00	100.00
Jillian Katona	2750	11/25/2002	100.00	100.00
Melvina Quillen	2758	11/25/2002	100.00	100.00
Paula Paul	2790	12/2/2002	200.00	200.00
Patricia Elder	2791	12/2/2002	100.00	100.00
Rhoda Kanevsky	2765	12/2/2002	100.00	100.00
Tanguy N. Balou	2773	12/2/2002	100.00	100.00
Fannette Kamison	2784	12/2/2002	100.00	100.00
Janet McFesley	2788	12/2/2002	100.00	100.00
Jillian Katona	2788	12/2/2002	100.00	100.00
Dominic Fedele	2782	12/2/2002	100.00	100.00
Melvina Quillen	2795	12/2/2002	100.00	100.00
Laura Lyn Stem	2798	12/2/2002	100.00	100.00
Vincent Renou	2796	12/2/2002	100.00	100.00
Katherine Seed	2797	12/2/2002	100.00	100.00
Edwin Wade	2805	12/2/2002	300.00	300.00
Signe A. Hanson	2496	10/14/2002	300.00	300.00
			<u>5,200.00</u>	<u>5,200.00</u>

Total Professional Fees

1,229,420.16

EXHIBIT D

The Barnes Foundation

Travel  
2002

Amount

Administration - Travel and Lodging	8,114.46
Arboretum - Travel and Lodging	584.84
Archives - Travel and Lodging	53.00
Art Education - Travel and Lodging	598.26
Development - Travel and Lodging	1,303.90
Facilities - Travel and Lodging	16.12
Gallery Shop - Travel and Lodging	1,514.73
Ker-Feal - Travel and Lodging	415.40
Security - Travel and Lodging	534.96
Visitor Services - Travel and Lodging	10.85
Campbel Soup - Travel and Lodging	435.00
Comcast - Travel and Lodging	500.00
Kellogg - Travel and Lodging	6,716.64
Luce- Travel and Lodging	499.70
Mellon 1 - Travel and Lodging	1,507.31
Mellon 2 - Travel and Lodging	3,357.89
PCA Visual - Travel and Lodging	96.00
Pew - Travel and Lodging	2,733.91
Pew 2 - Travel and Lodging	488.73
Phila. Fdtn. - Travel and Lodging	125.00
	<hr/>
	29,606.70

Facilities - Foundation Vehicle	1,237.52
Pew - Miscellaneous Travel	2,194.09

Administration - Meals and Entertainment	3,192.23
Arboretum - Meals and Entertainment	111.16
Art Education - Meals and Entertainment	824.11
Development - Meals and Entertainment	304.39
Facilities - Meals and Entertainment	189.00
Gallery Shop - Meals and Entertainment	305.10
Horticultural Education-Travel and Lodging	235.73
Security - Meals and Entertainment	72.00
Kellogg - Meals and Entetainment	868.92
Luce - Meals and Entertainment	37.44
Mellon 1 - Meals and Entertainment	97.81
Mellon 2 - Meals and Entertainment	516.51
Pew - Meals and Entertainment	1,282.86
Pew 2 - Meals and Entertainment	77.34
	<hr/>
	8,114.60

41,152.91



The Barnes Foundation  
Security  
2002

Guard services:

2/4/2002	1325 Allied Security	9,474.63	1/2/02-1/10/02
2/19/2002	1377 Allied Security	15,309.56	1/11-1/17&1/25-1/31/02
2/22/2002	1413 Allied Security	7,330.29	1/18-1/24/02
3/25/2002	1565 Allied Security	28,838.90	2/1-2/28/02
4/22/2002	1645 Allied Security	28,374.61	3/1-3/28/02
4/29/2002	1678 Allied Security	14,800.11	3/29-4/11/02
5/13/2002	1725 Allied Security	15,242.76	4/12-4/25/02
7/29/2002	2066 Allied Security	6,392.27	4/26-5/2/02
5/6/2002	1700 Allied Security	97.92	3/17/2002
6/24/2002	1904 Allied Security	32,510.78	5/3-6/6/02
7/15/2002	2002 Allied Security	12,837.61	6/14-6/27/02
8/5/2002	2082 Allied Security	27,183.63	6/7-6/13&6/28-7/18/02
8/26/2002	2282 Allied Security	6,381.15	7/26-8/1/02
9/30/2002	2421 Allied Security	6,595.96	9/6-9/12/02
10/8/2002	2485 Allied Security	38,235.69	8/2-9/5&9/13-9/19/02
10/28/2002	2547 Allied Security	13,945.83	9/27-10/10/02
11/4/2002	2588 Allied Security	6,721.11	10/11-10/17/02
11/12/2002	2625 Allied Security	7,018.33	10/18-10/24/02
11/18/2002	2686 Allied Security	6,964.71	10/25-10/31/02
11/25/2002	2730 Allied Security	6,893.52	11/2-11/7/02
12/2/2002	2769 Allied Security	6,844.04	11/8-11/14/02
12/9/2002	2811 Allied Security	13,476.58	9/20-9/26&11/15-11/21
12/16/2002	2847 Allied Security	6,762.44	7/19-7/25/02
12/23/2002	2874 Allied Security	13,807.72	11/22-12/5/02
12/30/2002	2926 Allied Security	6,909.32	12/6-12/12/02
12/31/2002	2967 Allied Security	6,389.20	12/13-12/19/02
1/13/2003	2995 Allied Security	7,847.58	12/13(add'l)-12/26/02
1/21/2003	3015 Allied Security	5,055.81	12/27-12/31/02
		<u>358,242.06</u>	

Other:

Protection Bureau	1,516.09	Fire panel - Ker Feal
Protection Bureau	1,227.96	Camera Repair
Mosler	1,202.49	Camera Repair
A-1 Security	230.00	Security Keys
Verizon	2,291.35	Telephone Service - Security
	<u>6,467.89</u>	

364,709.95

The Barnes Foundation  
Insurance  
2002

Check Date	Check Number	Payee	Amount	Period Covered	Insurance Type
1/7/02	1260	Marsh USA, Inc.	6,029.00	11/20/01-11/20/02	Umbrella/Multi-peril/Worker's comp.
2/4/02	1337	Marsh USA, Inc.	6,029.00	11/20/01-11/20/02	Umbrella/Multi-peril/Worker's comp.
3/4/02	1441	Marsh USA, Inc.	6,029.00	11/20/01-11/20/02	Umbrella/Multi-peril/Worker's comp.
4/1/02	1589	Marsh USA, Inc.	6,029.00	11/20/01-11/20/02	Umbrella/Multi-peril/Worker's comp.
5/6/02	1712	Marsh USA, Inc.	7,484.00	11/20/01-11/20/02	Umbrella/Multi-peril/Worker's comp.
6/3/02	1825	Marsh USA, Inc.	6,029.00	11/20/01-11/20/02	Umbrella/Multi-peril/Worker's comp.
7/1/02	1948	Marsh USA, Inc.	6,029.00	11/20/01-11/20/02	Umbrella/Multi-peril/Worker's comp.
8/12/02	2121	Marsh USA, Inc.	6,029.00	11/20/01-11/20/02	Umbrella/Multi-peril/Worker's comp.
9/23/02	2402	Marsh USA, Inc.	95,590.00	9/6/01-9/6/02	Fidelity Bond/D&O/Fid. Liab.
3/24/03	3324	Seabury & Smith	11,528.00	11/20/01-11/20/02	Package Property/Worker's Comp.
			<u>156,805.00</u>		
		Adjustments to prepaid insurance	<u>14,908.13</u>		
			<u>171,713.13</u>		

The Barnes Foundation  
Salaries  
2002

<u>DEPARTMENT</u>	<u>SALARY</u>	<u>GRANT SUPPORTED</u>
Administration	345,970	152,000 89%
Executive Director		
Bookkeeper		
Assistant to the Bookkeeper		
Assistant to the Bookkeeper		
Secretary		
Receptionist	83,820	
Arboretum		
Arboretum Director		
Gardeners	170,887	
Development		
Director of Development		
Associate Dir. of Development		
Development Officer		
Development Assistant	244,547	71,421 55%
Education		
Director of Education		47%
Education Assistant		17%
Instructors	105,134	5,100
Facilities		
Facility Manager		14%
Custodians (2)	97,456	
Gallery Shop		
Director of Merchandising		
Gallery Shop Manager		
Assistant Gallery Shop Manager		
Gallery Shop Clerks	17,754	17,754 100%
Ker-Feal		
Caretaker	109,002	
Visitor Services		
Visitor Service Supervisor		
Visitor Service Representatives	56,235	25,000 38%
Security		
Security Director		54%
Assistant Security Director	296,360	296,360 100%
Collection Assessment Project		
Archivist		100%
Archivist Assistant		100%
Art Handler		100%
Conservator		100%
Conservation Assistant		100%
Intern		100%
Project Director		100%
Project Assistant		100%
Registrar		100%
Assistant to the Registrar		
	<u>1,527,166</u>	
	36,533	
	<u>(23,286)</u>	
	<u>1,540,413</u>	
Add: Current year payroll accrual		
Less: Prior year payroll accrual		