

Friends of the

NEW YORK TRANSIT MUSEUM



2018 Annual Report

Mission Statement

FOUNDED IN 1976, the New York Transit Museum is one of only a few museums in the world dedicated to telling the story of urban public transportation. The Museum collects, exhibits, interprets, and preserves the history, sociology, and technology of public transportation systems in the New York metropolitan region, and conducts research and educational programs that make our extensive collections accessible and meaningful to a broad audience.

The Transit Museum is committed to preserving the stories of the people behind transportation – the extraordinary engineers, the workers who labored in the tunnels over 100 years ago, the communities that were drastically transformed, and the ever-evolving technology, design, and ridership of a system that runs 24 hours a day, every day of the year.

Housed underground in an authentic 1936 subway station in Downtown Brooklyn, the Transit Museum's main location spans a full

city block, with a working platform that is home to a rotating selection of twenty vintage subway and elevated cars dating back to the early 1900s. Between our main location and our Gallery at Grand Central Terminal, the Transit Museum welcomes more than half a million visitors every year.

Transit Museum visitors can explore the vintage cars, sit at the wheel of a city bus, step through a time tunnel of turnstiles, and explore changing exhibits that highlight the cultural, social and technological history – and future – of mass transit.

The New York Transit Museum was established in 1976 as an initiative of the Metropolitan Transportation Authority (MTA). Friends of the New York Transit Museum, a 501c3 not-for-profit organization, was established in 1995 to promote and raise funds for the Museum's operations and programs.



Letter from the Chair

AS THE CHAIR OF THE BOARD OF Trustees of Friends of the New York Transit Museum, I am delighted to introduce this report on the Museum's activities in 2018.

After 42 years, the Transit Museum is a vibrant, welcoming institution that informs and delights hundreds of thousands of visitors every year. Our ever-growing collection of over 800,000 objects and images is the backbone of fascinating exhibits and programs. Filled with artifacts such as bus drivers' badges, MTA Long Island Rail Road uniforms, and even the drum from the MTA New York City Transit marching band, it tells the stories of the people who keep this region moving.



Our programs inspire children visiting with their families or schools, showing how transportation shapes the way we live. Who knows? Some of them might become the transportation professionals of tomorrow, and the Museum will tell their stories.

Making all this happen is a tremendous effort. I would like to recognize the MTA for its commitment to the Museum. I would like to thank the members of Friends' Board of Trustees for their time and dedication, and the many donors whose gifts to Friends help make the Museum's work possible.

Finally, I would like to acknowledge the Museum's staff for the creativity and hard work that goes into bringing so many people so much joy.

SUSAN GILBERT

Chair, Friends of the New York Transit Museum

Letter from the Director

2018 SAW MANY CHANGES at the New York Transit Museum. We reimagined our beloved exhibit of historic turnstiles to tell a fuller story about fare collection. We changed the location of the Bus Festival, moving under the Brooklyn Bridge. We even started swapping out our 1936-style incandescent station lightbulbs for LEDs.

As we're changing, we're growing. I'm proud to say that general admission at the Museum's main location in Brooklyn reached a record 153,729 visitors in 2018 — a 10% increase over 2017, and a 41% increase (over 47,000 visitors!) since 2013. On top of that, we served 32,996 students and teachers, campers and caregivers, with content-based field trip programs all year long. Another 374,691 people visited our gallery in Grand Central Terminal. In total, we served 583,797 people with fascinating exhibits, lively programs, behind-the-scenes tours, and community events in 2018.

We're growing our programming to serve this growing audience. We created a tactile guidebook, an important new resource for

visitors who are blind or have low vision, and expanded our access programming to serve neurodiverse teens with a new summer camp program called **Transit Quest**. We also began to develop pre- and post-visit curriculum resources for teachers, to reinforce students' field trips to the Museum.

One thing won't change: The Transit Museum will meet you where you are. This is literally true in the case of our **Nostalgia Rides**, which visit neighborhoods all over the city — and true as well for our diverse audience. We deliver programming for people age 2 and age 102, and everyone in between.

Join us! Come visit the Museum in Brooklyn or Grand Central, enjoy a program, become a member. I hope to see you soon.

CONCETTA ANNE BENCIVENGA
Director, New York Transit Museum



Exhibitions

In 2018, the Museum opened 10 new exhibits that highlighted the history of New York's transit system and the artists it has inspired.

FROM THE ARCHIVE: NYCT Photo Unit Collection 1966-2004

Brooklyn, opened February 20, 2018

On the platform level of our main location in Brooklyn, this exhibit showcased selections from a collection of more than 83,000 images captured by the MTA New York City Transit Photographic Unit.

SILVER CONNECTIONS: Subway Drawings by Philip Ashforth Coppola

Grand Central Gallery, February 28-July 1, 2018

Silver Connections featured Philip Ashforth Coppola's exquisite pen-and-ink drawings of subway station ornamentation, many of which had never been exhibited before, alongside original examples of station mosaic and terra-cotta from our collection.

UNDERGROUND HEROES: New York Transit in Comics

Brooklyn, opened June 21, 2018

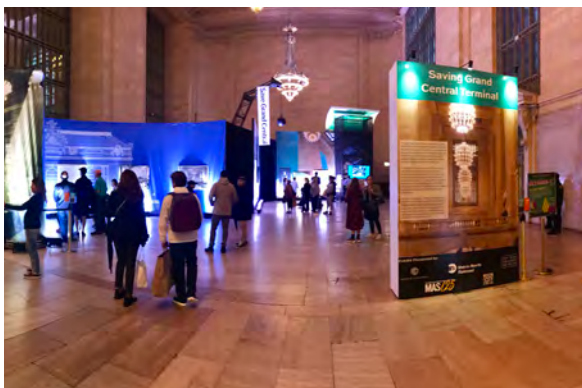
Did you know Spider-Man took Metro-North? *Underground Heroes* brought viewers on a raucous ride on the transit system as seen through the eyes of a wide range of sequential storytellers, including Winsor McCay, Bill Griffiths, Stan Mack, Roz Chast, and more.

POETRY IN MOTION® AT 25

Grand Central Gallery, July 19-October 8, 2018

This exhibit featured selected posters from the Poetry in Motion® program, a joint venture of the Poetry Society of America and MTA Arts & Design, which has delighted millions of subway and bus riders since 1982. We were honored that the show received the Guides Association of New York City's award for Best New York City Museum Exhibition.

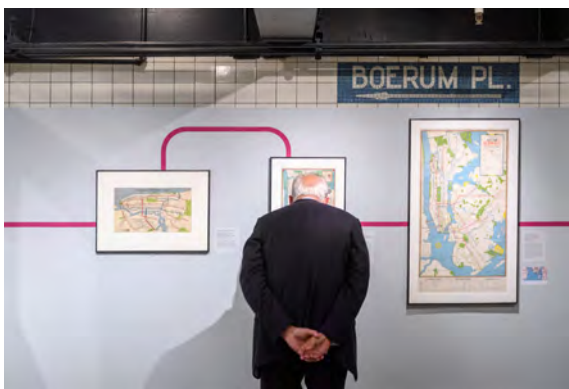




SAVING GRAND CENTRAL TERMINAL

**Vanderbilt Hall, Grand Central Terminal,
September 24-October 5, 2018**

Co-presented with the Municipal Art Society, the Museum of the City of New York, and Jones Lang LaSalle/MTA Metro-North Railroad, the show celebrated the 40th anniversary of the US Supreme Court decision that saved the Terminal and the 20th anniversary of its restoration.



NAVIGATING NEW YORK

Brooklyn, opened October 11, 2018

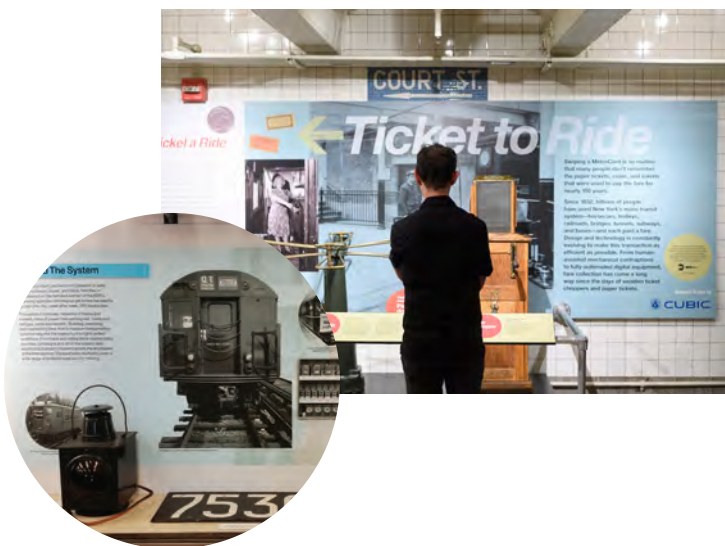
To explore the history of transportation maps and wayfinding in New York, *Navigating New York* draws on the Museum's rich collection of historic maps, as well as guidebooks, digital technology, and artistic renderings.



17th Annual GRAND CENTRAL HOLIDAY TRAIN SHOW

Grand Central Gallery, opened November 15, 2018

Once again, this holiday favorite showcased 8 O-gauge model trains zipping around a miniature New York City – this year including the Chrysler Building and CBGB. The Museum commissioned Brooklyn-based artist Ebony Bolt to create a vibrant, colorful backdrop for the show.



We renovated and refreshed the much-loved array of historic turnstiles near the entrance to our main location in Brooklyn – representing the first changes to a long-term core exhibit in 15 years. The new installation, *Ticket to Ride*, amplifies the history of the subway token, expands on the topic of fare collection across the MTA's operating agencies, explores how the MetroCard unified the transit system, and looks to future cashless payment technologies.

The Museum also organized and produced two long-term loan exhibits of objects and archival material in off-site locations: the Chairman's Office in MTA headquarters, and the lobby of Transit Tech High School in East New York, Brooklyn.

School & Group Programs

THE MUSEUM SERVED 33,877 STUDENTS, teachers, and lifelong learners in 2018 with Educator-led tours that used transportation content to teach social studies and science, technology, engineering, arts and math (“STEAM”) concepts.

The Education Department served 1,166 school groups during the year, comprising 23,508 students and 5,492 teachers. Of this number, 174 groups were special education classes (1,678 students and 812 teachers). Over 90% of groups were pre-K to 5th grade, reflecting the close alignment between our field trip content and New York City public school scope and sequence in elementary school. The most popular program was “Journey to the Past,” in which students meet a costumed Museum Educator playing a real character from transit history.

Transit Hero Academy, the 2018 summer camp program, welcomed 200 groups (3,129 kids and 867 caregivers) to defeat a commute-snarling villain. This number included 221 children and 151 caregivers in 25 special education groups.

Tours for groups of adults were a particular focus during 2018. Forty-seven groups, comprising 735 lifelong learners, enjoyed Educator-led visits themed around immigration, sustainability, and transit history. An additional 146 people participated in tours for adults with disabilities.

The Museum secured funding in 2018 to develop and produce curriculum resources for teachers to use with their students before and after their Museum visit, to extend the learning beyond the field trip. Drawing on the expertise of the Museum’s Education and Archives departments, the materials will feature lesson plans, including historic photographs from our archives, for teachers to implement in the classroom both before and after each Museum visit. These resources will provide opportunities for deeper engagement with Museum themes and content for visiting groups, and will also be an opportunity to expand our reach beyond the walls of the Brooklyn station to serve teachers and students who might not have the opportunity to visit.



ABOVE: A Museum Educator discusses transit's civil rights history.

RIGHT: A class aboard a subway from the past



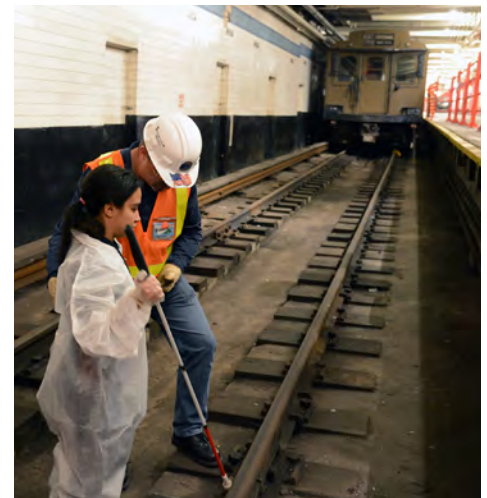
Access Programs

IN 2018, THE TRANSIT MUSEUM maintained its role as a leader in Access programming. In addition to school, camp, and adult group programs, our Education Department also continued to serve adults with disabilities through free **Day Habilitation Day** events, children with disabilities and their families through **Special Day for Special Kids** events, and children with autism spectrum disorders through our acclaimed afterschool program **Subway Sleuths**.

We were proud to expand our Access programming this year. Building on the successful strengths-based model of **Subway Sleuths**, we piloted a summer camp for neurodiverse teens called **Transit Quest**. This week-long program, designed to combat the “summer slide” in social skills that neurodiverse teens often experience, used activities and field trips based on the participants’ shared interest in trains and transit to strengthen their social and communication skills before their return to school in September.

The Museum also created new resources for the blind and low vision community. The Education and Collections staffs collaborated to produce a tactile guidebook to the Museum’s main location in Brooklyn, accompanied by a “smart pen” that speaks detailed descriptions of selected objects. This guide gives users the same rewarding experience of the Museum that sighted visitors have. We also collaborated with the MTA New York City Transit Office of ADA Compliance to offer the Subway Track Education Program (STEP), which teaches accident prevention and emergency procedures for people who are blind or have low vision.

In addition to the 2,949 participants in group programs, Transit Museum Access programs served 315 children, 309 adults, and 388 caregivers in 2018, for a total of 3,950 participants.



ABOVE: A STEP participant is guided along the tracks

LEFT: Participants in Transit Quest

Adult & Public Programs

A scavenger hunt at
Camp Wanna-Catcha-Train



Fierce competition
at Transit Trivia

David Duchovny
discusses his book
Miss Subways with
Ginia Bellafante.



PUBLIC PROGRAMS IN 2018 included a rich slate of on-site programs in our main location in Brooklyn, a full calendar of offsite tours and excursions, and beloved community events. These offered multiple entry points and topics of engagement, attracting a diverse range of participants — over 20,000 in all.

On-site programs included gallery talks, panel discussions, and fun events like **Camp Wanna-Catcha-Train**, **Subway Swing**, and our annual hard-fought **Transit Trivia** night. We hosted actor David Duchovny and *New York Times* columnist Ginia Bellafante for a talk on Duchovny's book *Miss Subways*, and Al Putre, legendary head of MTA New York City Transit's Revenue division, for a discussion of next-generation fare payment systems.

Outside the Museum walls, excursions went behind-the-scenes at Prospect Park Substation and 239th Street Yard, among other MTA sites. Over a thousand people enjoyed **Nostalgia Rides** on vintage subway cars to destinations including Rockaway Beach, Coney Island, and Van Cortlandt Park. And tours brought participants to neighborhoods around the city on foot, by subway, and, for the first time, by NYC Ferry.

The annual **Parade of Trains** weekend brought some of our oldest rolling stock out



Robert Lobenstein leads Museum members on a tour of the Prospect Park substation

onto the rails for two days of shuttle rides departing from Brighton Beach station, enjoyed by approximately 2,500 railfans of all ages. And the **Bus Festival** celebrated its 25th anniversary in a brand-new location under the Brooklyn Bridge, with eight buses – including “Betsy” the Fifth Avenue Coach double-decker, mid-century fishbowl buses, and a state-of-the-art electric bus – as well as five work vehicles visiting from MTA Bridges & Tunnels and MTA Metro-North Railroad. An estimated 8,000 people came out to board and explore.



On the way to Bus Festival



Musicians at Subway Swing

Family Programs & Visitor Experience

FAMILY PROGRAMS ARE DESIGNED to give children and their parents and caregivers an opportunity to explore Museum themes and content through play and hands-on creative activities.

For our youngest visitors (ages 18 months to 4 years), we continued our popular Thursday drop-in program, **Transit Tots**, with stories, songs, and transit activities. On weekends, we opened the Education Center for them as the **Discovery Room**, filled with toys and games to explore with their caregivers. For children ages 5 and up and their caregivers, more structured Educator-led **Family Workshops** with transit-themed activities took place twice per day on Saturdays and Sundays.

During school breaks in February, April, and December, the Museum offered drop-in family programs, including **History on Wheels**, a

multi-generational program that incorporates a variety of touch objects. And **Subway Shindig**, an evening event that gives families a chance to enjoy the Museum together after hours, took place three times.

Our Educator-led birthday parties on Saturdays and Sundays, consisting of a tour or scavenger hunt through the Museum followed by a craft activity, continued to be much in demand — we sold out the entire year for a total of 147 parties.

In 2018, the Education Department also recruited and trained dedicated Visitor Experience Facilitators, who welcome our large and growing weekend audience, provide wayfinding, and help ensure visitor safety.



LEFT, RIGHT:
The littlest rail fans
BELOW: Families at a
hands-on workshop



Archives

THE TRANSIT MUSEUM HOLDS a collection of more than 800,000 objects and images – a collection that grows constantly through donations of material from the MTA and the public that help us tell a fuller story of the history and impact of transportation in the New York region.

In 2018, we accepted 44 donations, ranging from single objects to whole collections. The largest of these was a collection of approximately 80,000 slides from MTA New York City Transit's Capital Program Management division, which document construction projects starting in the 1970s. Another significant donation was a group of 2,500 photographs of New York Central Railroad stations, yards, shops, and other properties in greater New York, which will help tell the story of the predecessor railroads that united the region long before today's commuter rail.

Our Archives staff works to make collections material accessible for Museum staff and

outside researchers. Museum archivists created finding aids for 19 archival collections, and added or updated nearly 6,400 collection catalog records. Staff also created a Processing and Cataloging Manual to create a standardized method of authority control on the cataloging of new material, and began work on a new Transit Authority File for standardized nomenclature specific to MTA and predecessor agency terminology. Additionally, the archives staff addressed over 400 research requests.

Curatorial and Archives staff also completed a large-scale conservation project in 2018: the restoration of rattan upholstery on more than 60 seat cushions from the oldest subway and elevated cars in the vintage fleet. This much-needed work was supported by grants from American Express (2017) and the National Railway Historical Society (2016), and by many individual donors.



An image from the newly-acquired Brinkerhoff Collection of New York Central Railroad photographs

Development & Membership

MEMBER SUPPORT AND ENTHUSIASM are, and have always been, the essential foundation for the Transit Museum. Many of the volunteers and supporters who helped establish the Museum in 1976 are still members today! And Museum members enjoyed another great year of programs and benefits in 2018. We celebrated our second annual Members Appreciation Month in April, offered 30 members-only tours of Old City Hall station, and provided free admission and program discounts at our main location in Brooklyn, as well as early access to tickets for our full calendar of tours and excursions to transit sites around the city. We finished the year with a near-record 3,415 individual members, whose generosity yielded \$200,900 for general operating support.

The annual Friends of the New York Transit Museum Gala, held on November 2nd, honored the presidents of the MTA's six operating agencies: **Andy Byford of MTA New York City Transit, Phillip Eng of MTA Long Island Rail Road, Cedrick Fulton of MTA Bridges & Tunnels, Darryl Irick of MTA Bus, and Catherine Rinaldi of MTA**

Metro-North Railroad. More than 900 guests attended the event at the River Pavilion, which raised \$1,244,000.

Our family benefit, the **Party on Wheels**, celebrated its fifth anniversary in 2018 with a festive morning of artmaking, facepainting, cake, and shuttle rides on our R1-9 cars. Sponsored by Transit Wireless, the event drew nearly 300 guests and raised a record \$24,000 for the Museum's education programs.

Institutional support for the Museum also grew in 2018. Significant new gifts included a 3-year sponsorship pledge for **Ticket to Ride** from Cubic Transportation Systems, and a major unrestricted grant from the Samuel Freeman Charitable Trust.



ABOVE, LEFT TO RIGHT:
Gala Committee Co-Chairs
Michael J. Jones and Ruby
Siegel; honorees Andy Byford /
MTA New York City Transit, Philip
Eng / MTA Long Island Rail Road,
Cedrick Fulton / MTA Bridges &
Tunnels, Craig Cipriano for Darryl
Irick / MTA Bus, and Catherine
Rinaldi / MTA Metro-North
Railroad; Friends of the New York
Transit Museum Board Chair
Susan Gilbert and Vice Chair
Brian Dolan.

Members enjoy the
always popular Old City
Hall station tour

Communications & Marketing

IN 2018, THE NEW YORK TRANSIT MUSEUM was featured in 336 print and digital media pieces, including more than a dozen *New York Times* articles and three pieces in *The New Yorker*. These included coverage of exhibits, access programs, and public programs, as well as pieces on transit history for which our staff provided expert commentary.

Online, a change in strategy to offer separate content on each of our social media channels attracted new followers beyond our established audience. We saw a 16.6% increase in Facebook likes, a 7.2% increase in Twitter followers, and a 42.7% increase in Instagram followers versus the previous year. In total, the Museum garnered over 20 million impressions across channels — 15.7 million Facebook impressions, 3.5 million Twitter impressions, and 1.7 million Instagram impressions.

Thanks to a generous collaboration with MTA New York City Transit's marketing department, digital promotions for the Museum's exhibits, programs, and retail products appeared on *On the Go* kiosks on subway platforms, Digital

Urban Panels at subway station entrances, and on screens in subway cars and buses.

The Museum continues to be a popular setting for film and photo shoots. In 2018 we hosted 11 photo shoots and 15 film shoots — most memorably a short produced for the Grammy Awards, featuring host James Corden and recording artists Shaggy and Sting in “Subway Karaoke.”



Fans interviewed
aboard the
Yankees Express

Operations



A LONG-AWAITED CAPITAL PROJECT in the Museum's historic subway station got underway in 2018: the installation of LED lighting throughout the facility. The scope of work entails removing the original light fixtures from 1936, converting them to accept LED bulbs and restoring their finish, running new electric wiring throughout the Museum, painting the ceilings, and reinstalling the fixtures. When complete, the LED system will use far less energy than the 1936 electric lights, leaving the Museum greener – and cooler!

Work on the platform level was completed in the fall. This extensive project — which required a monumental effort to move the entire vintage fleet out of the station to facilitate access to the platform ceiling — was restricted to the hours of Sunday night to Tuesday morning, including overnights, to minimize its impact on visitors and school groups. We will address the mezzanine level in 2019.

The Museum platform emptied for ceiling painting

Retail



The new store at 2 Broadway

THE NEW YORK TRANSIT MUSEUM STORES, including brick-and-mortar locations at the Museum in Brooklyn, in the Grand Central Gallery, and at 2 Broadway in Lower Manhattan, as well as our online store at nytransitmuseumstore.com, generate crucial operating support for all the Museum's activities.

In 2018, we moved the Store at 2 Broadway to a new location and re-merchandised all three stores to flow thematically through visual storylines. A new point of sales system allowed for mobile points of sale in all three locations. These efforts helped merchandise sales reach \$2.6 million for the year, a 7% increase over the previous year. Top-selling items included toys, such as Municipals wooden subway cars and die-cast Xcelsior buses, and products developed using the famous Vignelli subway diagram.

Our stores are also some of the few locations where MetroCards can be purchased in bulk. Our Retail staff processed over \$5 million in MetroCard sales in 2018.

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as of December 31, 2018



Board Chair
Susan Gilbert (left)
with Board member
Beverly Dolinsky

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as of December 31, 2018

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 Noel & R. Asen
 Elizabeth Asher
 Mr. & Mrs. John J. Atherton
 The Bakerchang Family
 Brian Beirne
 Bencivenga Ward & Company
 John Berger & Chris W. Cottle
 Edmond A. Boni
 The Bordas Family
 Alan Bornstein & Deborah Schmidt
 Phillip Bounous
 James Boyle
 Samuel Boyle
 Peg Breen
 Thomas V. G. Brown
 B. Seth Bryant
 Christopher & Suzanne Bujara
 Andy Byford
 Alicia Byrdsong & Michael Stein
 Walter W. Carey & Barbara I. Carey
 Sue Chen-Holmes & Matt Holmes
 Mark & Linda Cisz
 Christa Clay & Dan Polgardy
 Elizabeth Columbo
 Christopher & Ellen Covas
 Robert J. Croghan & Sheila Gorsky
 Orville W. Dale
 Christopher & Lauren Dawson

Pedro & Evelyn Delgado
 Dominic DiBrito
 Stephen Dilts
 Ann & Brian Dolan
 Beverly Dolinsky
 Michael Dombrowski
 Julie D'Orazio
 Mortimer L. Downey
 Slade Downs
 Max Drukman & Lisa Feldstein
 William & Jeanette Dunkerley
 Kurt Egger
 Brandon Egiziano
 Martha Ehrenfeld & Carla McKay
 Edward R. Enners
 Yehuda & Rebecca Even-Zohar
 Robert Fassett
 Burton Fendelman
 Will Flores
 Dashiell Flynn & Reena Mehta
 Patrick J. Foye & Caitlin Foye
 Susan & Eli Gilbert
 Joan & Ted Gillman
 Brendan Gleason & Megan Sirras
 Domingo Gonzalez & AC Hickox
 Elizabeth Gouger
 Ira R. Greenberg & Ellen I. Young
 Tod Gulick & Paula Kinunen
 Veronique Hakim
 Alina Haranczyk
 Andrea Monfried & Mike Harshman
 Donald Hartley
 Chieko Hayashi
 Josh Howard
 David Hurd & Gregory Eaton
 Tracy Jackson & Noah Mallin
 David & Diane Johnson
 Lidia Jolley
 JPMorgan Chase Foundation
 Megan Keenan-Berryman
 Diogenes & Mary Kekatos
 Celine & Patrick Kline
 Kenneth LaCapria
 Ronald & Julie Laeremans
 Sarah Landreth
 Dennis C. Lapiotis &
 Susan Gerhardt-Lapiotis
 Daniel Lax
 Saul & Melody Lee

Stuart Leffler
 Deirdre & Mark LeMire
 Daniel Leslie
 Ronny & Robert A. Levine
 Albert Lewitinn
 Mingkui Li
 Kenneth C. Lind
 Michele & Jon Lindgren
 Eric & Beth Liou
 Diane B. Lippert
 Long Island Sunrise Trail Chapter of the
 National Railway Historical Society
 Thomas & Carolyn Lorenz
 Robert Major
 Howard & Naomi Mann
 Annie N. Marinaro
 Karol & Shai Markowicz
 Nicholas Mattle & Armen Cevaer
 David & Hara Migdal
 Jose Moreira & Catherine Rinaldi
 Edward & Patrick Mullen
 Trula Myers & David Goddard
 Elyse Newman & Ben Dolnick
 Michael & Cathy Newman
 Eric & Mary Oszustowicz
 John J. Paljug
 Jeffrey Parker
 Michael G. Parker & Linda Prager
 Michelle Parletta & David Edelson

Alpeshkumar M. Patel
 Jignesh Patel
 Mark Patterson
 Jollanda Persaud
 Peter A. Peyser
 Timothy & Brea Pezanko
 David Pirmann
 Joseph Pizzurro
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 Pzena Investment Management
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 Robert & Anne Rabbino
 Elliott Rebhun
 Mark Roche
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 Janna Rosenberg & Michael Berger
 Max Rosenblatt
 Cy & Amanda Ross
 Edward Russnow
 William & Maureen Ryan
 Soonae & Jason Sakow
 Joshua Sapan
 Achaibar Sawh
 Nora Schaaf
 Susan Schwartz
 Beverly Scott
 Maulin Shah
 Stephen & Francie Shewmaker

Ruby Siegel & Carl Bergmanson
 Gary L. Simpson
 David & Elaine Singleton
 Paul Skoutelas
 Theodore Sobel
 Andrew Sparberg
 Timothy Speer & Teresa Vanderboom
 Peter Straus & Lili Byers
 Michael J. Sweeney, PE
 Melissa Swift & Artem Gonopolskiy
 Visha Szumanski
 Bret & Nicole Watson
 Jon Weinstein
 Robert C. Weiss & Susan Chadick
 David H. Welly
 Samuel G. & Elizabeth White
 Melinda White
 Kevin L. Willens
 Adam Winer & Laura Leu
 Joanne Witty & Eugene Keilin
 Matt Howard & Melissa Wohlgemuth
 Brandon Wolanski
 Kevin Wong
 Virginia Wong
 Alice Wright
 Edmund Yee
 Mingxin Yin
 Landy Zhong



A 1976 image of R-44 cars, part of a donation from MTA New York City Transit Capital Program Management division.

Friends of the New York Transit Museum

Financial Statements
Together with Independent
Auditor's Report

December 31, 2018

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

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BENCIVENGA WARD & COMPANY, CPA's, P.C.

A Registered Professional Services Firm

INDEPENDENT AUDITOR'S REPORT

**To the Board of Trustees of
Friends of the New York Transit Museum:**

We have audited the accompanying financial statements of Friends of the New York Transit Museum (a not-for-profit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Friends of the New York Transit Museum as of December 31, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



BENCIVENGA WARD & COMPANY, CPA's, P.C.

A Registered Professional Services Firm

Report on Summarized Comparative Information

We have previously audited the Friends of the New York Transit Museum's 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 24, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Bencivenga Ward & Company, CPAs, P.C.

BENCIVENGA WARD & COMPANY, CPA's, P.C.

Valhalla, New York

April 26, 2019

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)**

	<u>2018</u>	<u>2017</u>
Assets		
Cash and cash equivalents	\$ 778,031	\$ 869,434
Investments, at fair value	9,241,156	9,742,510
Grants and contributions receivable, net	435,500	250,806
Accrued interest and program/other receivables	63,589	93,634
Prepaid expenses	1,833	2,249
Total assets	<u>10,520,109</u>	<u>10,958,633</u>
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued liabilities	144,647	104,694
Payable to related party	142,074	131,020
Total liabilities	<u>286,721</u>	<u>235,714</u>
Net Assets		
Without donor restrictions	9,873,976	10,360,023
With donor restrictions	359,412	362,896
Total net assets	<u>10,233,388</u>	<u>10,722,919</u>
Total liabilities and net assets	<u>\$ 10,520,109</u>	<u>\$ 10,958,633</u>

The accompanying notes are an integral part of this statement.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018
(WITH COMPARATIVE TOTALS FOR 2017)**

	2018			2017
	Without Donor	With Donor		
	Restrictions	Restrictions	Total	Total
Support, Revenue, and Gains/(Losses)				
Support and Revenue:				
Annual Gala, net of direct expenses	\$ 709,948	\$ -	\$ 709,948	\$ 704,352
Membership dues	259,265	-	259,265	261,665
Program and other revenue	251,375	-	251,375	273,975
Admissions	211,492	-	211,492	183,288
Grants and contributions	175,429	481,371	656,800	496,186
Net assets released from restrictions	484,855	(484,855)	-	-
Total support and revenue	<u>2,092,364</u>	<u>(3,484)</u>	<u>2,088,880</u>	<u>1,919,466</u>
Investment Gains/(Losses) and Income:				
Investment income, net of advisor fees	129,026	-	129,026	108,611
Realized and unrealized gains/(losses) on investments, net	<u>(634,117)</u>	<u>-</u>	<u>(634,117)</u>	<u>1,065,581</u>
Total investment gains/(losses) and income	<u>(505,091)</u>	<u>-</u>	<u>(505,091)</u>	<u>1,174,192</u>
Total support, revenue, and gains/(losses)	<u>1,587,273</u>	<u>(3,484)</u>	<u>1,583,789</u>	<u>3,093,658</u>
Expenses				
Program services:				
Curatorial and archival	422,821	-	422,821	380,304
Educational	634,343	-	634,343	570,529
Exhibits	251,042	-	251,042	223,237
Operations and retail	166,285	-	166,285	111,440
Total program services	<u>1,474,491</u>	<u>-</u>	<u>1,474,491</u>	<u>1,285,510</u>
Supporting services:				
Development	388,972	-	388,972	299,918
Management and general	209,857	-	209,857	191,789
Total supporting services	<u>598,829</u>	<u>-</u>	<u>598,829</u>	<u>491,707</u>
Total expenses	<u>2,073,320</u>	<u>-</u>	<u>2,073,320</u>	<u>1,777,217</u>
Change in net assets	<u>(486,047)</u>	<u>(3,484)</u>	<u>(489,531)</u>	<u>1,316,441</u>
Net assets, beginning of year	<u>10,360,023</u>	<u>362,896</u>	<u>10,722,919</u>	<u>9,406,478</u>
Net assets, end of year	<u>\$ 9,873,976</u>	<u>\$ 359,412</u>	<u>\$ 10,233,388</u>	<u>\$ 10,722,919</u>

The accompanying notes are an integral part of this statement.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018
(WITH COMPARATIVE TOTALS FOR 2017)**

	Program Services				Supporting Services			Totals	
	Curatorial and Archival	Educational	Exhibits	Operations and Retail	Total Program Services	Development	M & G	Total Supporting Services	2017
Salaries	\$ 336,527	\$ 448,573	\$ 18,360	\$ 125,022	\$ 928,482	\$ 213,238	\$ 81,222	\$ 294,460	\$ 1,074,942
Payroll taxes	28,914	38,540	1,577	10,742	79,773	18,321	7,104	25,425	105,198
Employee benefits	41,044	46,999	2,238	-	90,281	27,028	22,340	49,368	139,649
Advertising	405	1,382	-	-	1,787	567	1,083	1,650	3,437
Telephone	-	432	-	-	432	-	16,466	16,466	14,554
Supplies	244	3,828	-	-	4,781	223	1,256	1,479	6,260
Equipment maintenance/rental	745	1,962	-	709	59,785	-	11,102	11,102	6,397
Printing and publications	767	3,139	55,470	614	59,990	10,755	-	10,755	74,292
Postage and shipping	120	26	4,651	-	4,797	5,963	366	6,329	11,126
Travel, meetings and conferences	3,361	4,016	44	112	7,533	2,157	12,748	14,905	22,438
Professional fees	-	42,150	-	-	42,150	81,771	22,964	104,735	146,885
Program expenses	1,390	5,980	2,329	2,510	12,209	5,714	4,100	9,814	22,023
Exhibition expenses	8,188	34,016	132,677	22	174,903	12,647	520	13,167	188,070
Miscellaneous expenses	1,066	77	243	-	1,386	-	398	398	1,784
Insurance	-	-	-	-	-	-	2,616	2,616	2,190
Payroll/credit card fees	50	3,223	-	2,929	6,202	10,588	25,572	36,160	42,362
	\$ 422,821	\$ 634,343	\$ 251,042	\$ 166,285	\$ 1,474,491	\$ 388,972	\$ 209,857	\$ 598,829	\$ 2,073,320
									\$ 1,777,217

The accompanying notes are an integral part of this statement.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018
(WITH COMPARATIVE AMOUNTS FOR 2017)**

	<u>2018</u>	<u>2017</u>
Cash Flows From Operating Activities		
Change in net assets	\$ (489,531)	\$ 1,316,441
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities-		
Realized and unrealized (gains) losses on investments	634,117	(1,065,581)
Changes in operating assets and liabilities-		
(Increase) in grants and contributions receivable	(184,694)	(153,249)
Decrease (increase) in accrued interest and other receivables	30,045	(32,738)
Decrease (increase) in prepaid expenses	416	(375)
Increase in payable to related party	11,054	7,743
Increase in accounts payable and accrued liabilities	39,953	8,165
Net cash provided by operating activities	<u>41,360</u>	<u>80,406</u>
Cash Flows From Investing Activities		
Proceeds from sale of investments	3,640,634	3,102,287
Purchases of investments	<u>(3,773,397)</u>	<u>(3,443,018)</u>
Net cash (used) by investing activities	<u>(132,763)</u>	<u>(340,731)</u>
Net (decrease) in cash	(91,403)	(260,325)
Cash and cash equivalents, beginning of year	<u>869,434</u>	<u>1,129,759</u>
Cash and cash equivalents, end of year	<u>\$ 778,031</u>	<u>\$ 869,434</u>

The accompanying notes are an integral part of this statement.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018

1. ORGANIZATION

Friends of the New York Transit Museum ("Friends" or "Organization") is a not-for-profit organization operating exclusively for the benefit of the New York Transit Museum (the "Museum"), a division of the Metropolitan Transportation Authority ("MTA"), by promoting, raising funds and assisting the Museum in carrying out its mission. Friends also supports various Museum programs, such as records management, education, processing and cataloging historical records and photographs, guided tours and conducting various exhibits.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting and conform to accounting principles generally accepted in the United States of America ("GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions:

Net assets that are not subject to donor-imposed restrictions and may be expended for the purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of trustees.

Net assets with donor restrictions:

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature: those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the Statement of Activities. At December 31, 2018, there were net assets with donor restrictions in the amount of \$359,412.

Tax Status

Friends is exempt from federal income taxes under Section 501(a) of the United States Internal Revenue Code (the "Code") as an organization described in Section 501(c)(3) and has been classified as an organization that is not a private foundation under Section 509(a) of the Code. Contributions to Friends are tax deductible within the limits prescribed by the Code. Friends is also exempt from state and local income taxes.

Friends has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has a nexus; and to review other matters that may be considered tax positions.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -(continued)

Income Taxes

The Organization is subject to the provisions of the Financial Accounting Standards Board's Accounting Standards Codification ("ASC") Topic 740-10-05, *Income Taxes*, as it relates to accounting and reporting for uncertainty in income taxes. This requires management to evaluate tax positions taken and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service ("IRS"). Due to the Organization's general not-for-profit status, management believes there are no tax positions that would have a material impact on its financial statements.

The Organization is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Due to the expiration of the statute of limitations, the Organization is no longer subject to income tax examinations for years prior to 2015.

Investments

The Organization has an investment policy in compliance with the New York State Prudent Management of Institutional Funds Act ("NYPMIFA"). Investments in equity and fixed-income securities are reported at their fair values, based on quoted market prices at the published market closing prices at the Statement of Financial Position date.

Gains and losses on securities are determined by a comparison of specific costs at acquisition to proceeds at the time of disposal, or to the fair values at year end, and are reported in the accompanying Statement of Activities. Purchases and sales of securities are reflected on a trade-date basis. Dividend and interest income are recognized when earned.

Donated securities are recorded at their fair values at the dates of donation and are sold as expeditiously as possible, upon receipt.

Grants and Contributions

The Organization records contributions of cash and other assets when received or when the unconditional promise to give such assets is received from the donor. Contributions are recorded at the fair value of the assets received and are classified as net assets without donor restrictions or net assets with donor restrictions, based on the existence and/or nature of donor restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period in which they are received are reported as unrestricted support in the financial statements. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of donated assets.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -(continued)

Contributed Services

Friends recognizes contributions of services which: create or enhance non-financial assets; require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed. Contributed services and promises to give services that do not meet the above criteria are not recognized in the financial statements. There were no contributed services that met these criteria for the periods presented.

Individuals contribute freely of their time and talent in furtherance of the Organization's goals. The Organization has not recorded the value of these services in its financial statements since a clearly measurable basis for a determination of such a value does not exist.

Membership Dues

Membership dues are recognized as revenue in the year received.

Functional Expenses

The costs of providing various programs and supporting services have been summarized on a functional basis in the Statement of Activities. The Statement of Functional Expenses presents the natural classification detail of expense by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The majority of Friends expenses can generally be directly identified with the program or supporting service to which they relate and are charged accordingly. The expenses that are allocated include salaries, employee benefits, payroll taxes, professional services, office expenses, insurance and other expenses, which are allocated on the basis of estimates of time and effort.

Cash and Cash Equivalents

The Organization considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents are carried at cost, which approximates fair value.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates. Significant estimates and assumptions include the valuation of contributions receivable and the allocation of expenses to functional classifications.

Fair Value Measurements

As further described in Note 3, the Organization is subject to ASC Topic 820-10-05 relating to fair value measurement. Accordingly, Friends reports a fair value measurement of all applicable financial assets and liabilities, including investments, grants and contributions receivable and payables.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

3. INVESTMENTS

At year-end, investments consisted of the following:

	2018		2017	
	Cost	Fair Value	Cost	Fair Value
Common Stocks	\$ 4,920,986	\$ 5,718,916	\$ 4,568,592	\$ 6,198,260
Government Securities-				
U.S. Treasury Notes and Bonds	872,738	876,878	1,104,017	1,101,830
Other Federal Agencies	1,073,859	1,049,465	819,601	811,786
Non-U.S. Agencies	-	-	33,823	33,425
Corporate Bonds	1,628,790	1,595,897	1,580,424	1,597,209
Total Investments	<u>\$ 8,496,373</u>	<u>\$ 9,241,156</u>	<u>\$ 8,106,457</u>	<u>\$ 9,742,510</u>

4. FAIR VALUE MEASUREMENTS

The Organization reports certain assets and liabilities at fair value in the financial statements. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal, or most advantageous market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available. A three-tier hierarchy categorizes the inputs as follows:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 – Inputs other than quoted prices included with Level 1 that are observable for the asset or liability, either directly or indirectly. These include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and market-corroborated inputs.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

In some cases, the inputs used to measure the fair value of an asset or a liability might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to the entire measurement requires judgment, taking into account factors specific to the asset or liability. The categorization of an asset with the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to the assessment of the quality, risk or liquidity profile of the asset or liability.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018

4. FAIR VALUE MEASUREMENTS – (continued)

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value:

Cash and cash equivalents, grants and contributions receivable, interest and other receivables, accounts payable and accrued liabilities, and payable to a related party are carried at cost, which approximates their fair value because of the short-term nature of these items.

The fair values of common stocks are based on the closing price reported on the active market where the individual securities are traded.

Investments in corporate bonds, U.S. and Non-U.S. securities and other Federal Agencies are valued using a market approach on yields currently available on comparable securities of issuers with similar credit ratings.

	Fair Value Measurements					
	Investments at Fair Value as of:					
	December 31, 2018			December 31, 2017		
	Level 1	Level 2	Total	Level 1	Level 2	Total
Common Stocks	\$ 5,718,916	\$ -	\$ 5,718,916	\$ 6,198,260	\$ -	\$ 6,198,260
Government Securities-						
U.S. Treasury Notes and Bonds	-	876,878	876,878	-	1,101,830	1,101,830
Other Federal Agencies	-	1,049,465	1,049,465	-	811,786	811,786
Non-U.S. Agencies	-	-	-	-	33,425	33,425
Corporate Bonds	-	1,595,897	1,595,897	-	1,597,209	1,597,209
Total Investments	\$ 5,718,916	\$ 3,522,240	\$ 9,241,156	\$ 6,198,260	\$ 3,544,250	\$ 9,742,510

Investment income is reflected in the Statement of Activities net of advisor fees of \$97,911 and \$86,900 for the years ended December 31, 2018 and 2017, respectively.

5. CASH AND CASH EQUIVALENTS

The composition and fair value of cash and cash equivalents as of December 31, 2018 and 2017 are as follows:

	2018	2017
Cash in banks	\$ 604,237	\$ 691,751
Money market funds	173,794	177,683
	<u>\$ 778,031</u>	<u>\$ 869,434</u>

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018

6. CONCENTRATIONS OF CREDIT RISK AND UNCERTAINTIES

The financial instruments that are exposed to concentrations of credit risk consist primarily of cash in banks, money market funds and investments. The Organization maintains cash accounts with banks located in New York State, which are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. The cash amount on deposit as of and during the year ended December 31, 2018 exceeded the balance insured by the FDIC. Cash in money market funds are not FDIC insured. Management does not believe it is exposed to any significant credit risk on cash and cash equivalents.

The Organization has significant investments in common stocks, government securities and corporate bonds and is, therefore, exposed to various risks, such as interest rate, credit and overall market volatility. Due to the level of risk associated with certain securities, it is reasonably possible that changes in the values of these securities will occur in the near term and that such changes could materially affect the amounts reported in the Statement of Financial Position.

7. ANNUAL GALA

Income from the Annual Gala is shown in the Statement of Activities net of direct expenses for the years ended December 31, 2018 and 2017 as follows:

	<u>2018</u>	<u>2017</u>
Benefit Receipts	\$ 1,242,019	\$ 1,229,496
Less Direct Expenses	(532,071)	(525,144)
Net Benefit Receipts	<u>\$ 709,948</u>	<u>\$ 704,352</u>

8. GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivable consist of contributions for the development of certain programs. As of December 31, 2018, \$50,000 of total contributions are due in 2020. This receivable has been discounted at a rate to reflect the present value of the future receivable. All other contribution receivable amounts are due within one year.

	<u>2018</u>
Grants and contributions receivable in one year	\$ 388,124
Grants and contribution receivable in two years	50,000
Total contributions receivable	438,124
Less discount to present value at a discount rate of 3%	<u>(2,624)</u>
Net grants and contributions receivable	<u>\$ 435,500</u>

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018

9. RELATED PARTY AND CONTRIBUTED SERVICES

The MTA has contributed administrative services, such as payroll, office facilities and the use of office equipment to Friends, which have not been reflected in the financial statements since they do not meet the criteria for recognition under the FASB. Balances due the MTA, which are shown as due to a related party in the Statement of Financial Position, reflect monies collected by Friends in connection with the retail operations of the Museum. The Organization is related to the Museum through common administrators.

10. NET ASSETS WITH DONOR RESTRICTIONS

As of December 31, 2018 and 2017, Friends had net assets with donor restrictions for the following programs and purposes:

	<u>2018</u>	<u>2017</u>
Museum Exhibits, Archival, and General		
Program Support	\$ 297,279	\$ 297,015
Museum Special Needs Programs	62,133	65,881
Total Net Assets With Donor Restrictions	<u>\$ 359,412</u>	<u>\$ 362,896</u>

Net assets of \$484,855 were released from donor restrictions in 2018.

11. ADOPTION OF ACCOUNTING PRONOUNCEMENT

In August 2016, the Financial Accounting Standards Board ("FASB") issued ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*, which was adopted by the Organization for the year ended December 31, 2018. ASU 2016-14 provides for several changes, including financial statement presentations and disclosures, with the goal of assisting not-for-profit entities in providing more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. ASU 2016-14 includes qualitative and quantitative requirements in the following areas: (i) net asset classifications, (ii) investment returns, (iii) expense categorizations, (iv) liquidity and availability of resources, and (v) the presentation of operating cash flows. These changes had no impact on the change in net assets for the year ended December 31, 2017, except for the labeling of net assets to the new terminology.

12. RETIREMENT PLAN

Effective December 19, 2017, Friends adopted a defined contribution retirement plan (the "Plan") covering eligible employees who have attained the age of 21 and completed one year of service. These employees may voluntarily contribute from 0% to 92% of their earnings to the Plan, up to the maximum contribution allowed by the Internal Revenue Service ("IRS"). Under the terms of the Plan, Friends contributes 2% matching contributions based on an employee's deferral. During the years ended December 31, 2018 and 2017, matching contributions contributed to the Plan were \$13,693 and \$52, respectively.

FRIENDS OF THE NEW YORK TRANSIT MUSEUM

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2018**

13. EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through April 26, 2019, the date which the financial statements were available to be issued.

14. LIQUIDITY AND AVAILABILITY OF RESOURCES

The following reflects the Organization's financial assets as of the statement of financial position date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of December 31, 2018 and 2017.

Friends financial assets available within one year of the statement of financial position date for general expenditures, such as operating expenses, are as follows:

	December 31,	
	2018	2017
Financial assets at year end:		
Cash and cash equivalents	\$ 778,031	\$ 869,434
Contributions/other receivables	476,292	324,628
Accrued interest	22,797	19,812
Investments	<u>9,241,156</u>	<u>9,742,510</u>
Total Financial assets	10,518,276	10,956,384
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>359,412</u>	<u>362,896</u>
Financial assets available to meet general expenditures over the next year	<u><u>\$10,158,864</u></u>	<u><u>\$ 10,593,488</u></u>

As part of the Organization's liquidity management, it invests cash in excess of daily requirements in short-term investments, typically U.S. Treasury bills.

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NEW YORK TRANSIT MUSEUM

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