

Return of Organization Exempt From Income Tax

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

Department of the Treasury
Internal Revenue Service

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

A For the 2007 calendar year, or tax year beginning **JUL 1, 2007** and ending **JUN 30, 2008**

| | | | | |
|--|---|--|--|---|
| B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending | Please use IRS label or print or type. See Specific Instructions. | C Name of organization Massachusetts Audubon Society, Inc. | | D Employer identification number 04-2104702 |
| | | Number and street (or P.O. box if mail is not delivered to street address) Room/suite 208 South Great Road | | E Telephone number (781) 259-9500 |
| | | City or town, state or country, and ZIP + 4 Lincoln, MA 01773 | | F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) |

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

Hand I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates **N/A**

H(c) Are all affiliates included? **N/A** Yes No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

G Website: **www.massaudubon.org**

J Organization type (check only one) 501(c) (3) (insert no.) 4947(a)(1) or 527

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

I Group Exemption Number **N/A**

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **30,106,070.**

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

| | | | | | |
|--|--|-------------------|--------------------|---------------------|---------------------|
| Revenue | 1 Contributions, gifts, grants, and similar amounts received: | | | | |
| | a Contributions to donor advised funds | 1a | | | |
| | b Direct public support (not included on line 1a) | 1b | 13,551,322. | | |
| | c Indirect public support (not included on line 1a) | 1c | | | |
| | d Government contributions (grants) (not included on line 1a) | 1d | 1,142,404. | | |
| | e Total (add lines 1a through 1d) (cash \$ 14,693,726. noncash \$) | 1e | | | 14,693,726. |
| | 2 Program service revenue including government fees and contracts (from Part VII, line 93) | 2 | | | 5,672,456. |
| | 3 Membership dues and assessments | 3 | | | 3,311,736. |
| | 4 Interest on savings and temporary cash investments | 4 | | | 526,671. |
| | 5 Dividends and interest from securities | 5 | | | 2,255,224. |
| | 6 a Gross rents See Statement 2 | 6a | 394,938. | | |
| | b Less: rental expenses | 6b | | | |
| c Net rental income or (loss). Subtract line 6b from line 6a | 6c | | | 394,938. | |
| 7 Other investment income (describe) | 7 | | | | |
| 8 a Gross amount from sales of assets other than inventory | (A) Securities | | (B) Other | | |
| | 1,593,882. | 8a | | | |
| | 594,271. | 8b | | | |
| | 999,611. | 8c | | | |
| d Net gain or (loss). Combine line 8c, columns (A) and (B) Stmt 3 | 8d | | | 999,611. | |
| 9 Special events and activities (attach schedule). If any amount is from gaming, check here <input checked="" type="checkbox"/> | | | | | |
| a Gross revenue (not including \$ 0. of contributions reported on line 1b) | 9a | 366,678. | | | |
| b Less: direct expenses other than fundraising expenses | 9b | 207,868. | | | |
| c Net income or (loss) from special events. Subtract line 9b from line 9a See Statement 4 | 9c | | | 158,810. | |
| 10 a Gross sales of inventory, less returns and allowances | 10a | 1,255,816. | | | |
| | b Less: cost of goods sold | 10b | 800,167. | | |
| | c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a Stmt 5 | 10c | | | 455,649. |
| 11 Other revenue (from Part VII, line 103) | 11 | | | 34,943. | |
| 12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11 | 12 | | | 28,503,764. | |
| Expenses | 13 Program services (from line 44, column (B)) | 13 | | 16,850,635. | |
| | 14 Management and general (from line 44, column (C)) | 14 | | 2,284,019. | |
| | 15 Fundraising (from line 44, column (D)) | 15 | | 1,741,894. | |
| | 16 Payments to affiliates (attach schedule) | 16 | | | |
| | 17 Total expenses. Add lines 16 and 44, column (A) | 17 | | | 20,876,548. |
| Net Assets | 18 Excess or (deficit) for the year. Subtract line 17 from line 12 | 18 | | 7,627,216. | |
| | 19 Net assets or fund balances at beginning of year (from line 73, column (A)) | 19 | | 219,812,155. | |
| | 20 Other changes in net assets or fund balances (attach explanation) See Statement 6 | 20 | | -9,866,251. | |
| | 21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20 | 21 | | | 217,573,120. |

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

| <i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i> | (A) Total | (B) Program services | (C) Management and general | (D) Fundraising |
|--|-------------|----------------------|----------------------------|-----------------|
| 22a Grants paid from donor advised funds (attach schedule) (cash \$ <u>0</u> . noncash \$ <u>0</u> .) If this amount includes foreign grants, check here <input type="checkbox"/> | | | | |
| 22b Other grants and allocations (attach schedule) (cash \$ <u>0</u> . noncash \$ <u>0</u> .) If this amount includes foreign grants, check here <input type="checkbox"/> | | | | |
| 23 Specific assistance to individuals (attach schedule) | | | | |
| 24 Benefits paid to or for members (attach schedule) | | | | |
| 25a Compensation of current officers, directors, key employees, etc. listed in Part V-A | 753,911. | 231,984. | 386,363. | 135,564. |
| 25b Compensation of former officers, directors, key employees, etc. listed in Part V-B | 114,203. | 114,203. | 0. | 0. |
| 25c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 26 Salaries and wages of employees not included on lines 25a, b, and c | 10,332,676. | 8,833,242. | 826,719. | 672,715. |
| 27 Pension plan contributions not included on lines 25a, b, and c | 435,771. | 381,561. | 6,210. | 48,000. |
| 28 Employee benefits not included on lines 25a - 27 | 1,255,238. | 1,062,062. | 148,606. | 44,570. |
| 29 Payroll taxes | 824,363. | 622,394. | 98,924. | 103,045. |
| 30 Professional fundraising fees | | | | |
| 31 Accounting fees | 36,000. | | 36,000. | |
| 32 Legal fees | 52,958. | 29,681. | 23,277. | |
| 33 Supplies | 107,958. | 83,870. | 17,366. | 6,722. |
| 34 Telephone | 116,467. | 90,934. | 25,493. | 40. |
| 35 Postage and shipping | 436,386. | 384,032. | 20,289. | 32,065. |
| 36 Occupancy | 117,421. | 112,512. | 700. | 4,209. |
| 37 Equipment rental and maintenance | 116,395. | 115,999. | | 396. |
| 38 Printing and publications | 576,005. | 541,138. | | 34,867. |
| 39 Travel | 140,586. | 125,656. | 12,568. | 2,362. |
| 40 Conferences, conventions, and meetings | 42,220. | 25,624. | 14,454. | 2,142. |
| 41 Interest | 5,336. | 5,336. | | |
| 42 Depreciation, depletion, etc. (attach schedule) | 485,186. | 347,175. | 44,501. | 93,510. |
| 43 Other expenses not covered above (itemize): | | | | |
| a | | | | |
| b | | | | |
| c | | | | |
| d | | | | |
| e | | | | |
| f | | | | |
| g See Statement 7 | 4,927,468. | 3,743,232. | 622,549. | 561,687. |
| 44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15) | 20,876,548. | 16,850,635. | 2,284,019. | 1,741,894. |

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;
 (iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

| What is the organization's primary exempt purpose? Land & Habitat Conservation and Environmental Education | Program Service Expenses |
|---|---|
| All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.) | (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.) |
| a See Statement 8 | |
| (Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/> | 13,857,695. |
| b See Statement 9 | |
| (Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/> | 972,401. |
| c See Statement 10 | |
| (Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/> | 613,552. |
| d See Statement 11 | |
| (Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/> | 1,406,987. |
| e Other program services (attach schedule) | |
| (Grants and allocations \$) If this amount includes foreign grants, check here <input type="checkbox"/> | |
| f Total of Program Service Expenses (should equal line 44, column (B), Program services) | 16,850,635. |

Form 990 (2007)

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

| | | (A) Beginning of year | (B) End of year |
|--|--|--------------------------|--------------------|
| Assets | 45 Cash - non-interest-bearing | | 45 |
| | 46 Savings and temporary cash investments | 8,078,096. | 46 5,827,014. |
| | 47 a Accounts receivable | 47a 572,640. | |
| | b Less: allowance for doubtful accounts | 47b | 47c 572,640. |
| | 48 a Pledges receivable | 48a 3,719,507. | |
| | b Less: allowance for doubtful accounts | 48b | 48c 3,719,507. |
| | 49 Grants receivable | | 49 |
| | 50 a Receivables from current and former officers, directors, trustees, and key employees | | 50a |
| | b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | 50b |
| | 51 a Other notes and loans receivable | 51a | |
| | b Less: allowance for doubtful accounts | 51b | 51c |
| | 52 Inventories for sale or use | 300,571. | 52 282,049. |
| | 53 Prepaid expenses and deferred charges | 132,557. | 53 149,692. |
| | 54 a Investments - publicly-traded securities Stmt 14 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV | 102,188,348. | 54a 90,476,077. |
| | b Investments - other securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV | | 54b |
| | 55 a Investments - land, buildings, and equipment: basis | 55a | |
| | b Less: accumulated depreciation | 55b | 55c |
| | 56 Investments - other See Statement 12 | 29,547,217. | 56 36,163,630. |
| | 57 a Land, buildings, and equipment: basis | 57a 88,476,548. | |
| b Less: accumulated depreciation | 57b | 57c 88,476,548. | |
| 58 Other assets, including program-related investments (describe Fine Arts, at cost) | 1,093,592. | 58 1,093,422. | |
| 59 Total assets (must equal line 74). Add lines 45 through 58 | 228,223,688. | 59 226,760,579. | |
| Liabilities | 60 Accounts payable and accrued expenses | 539,707. | 60 1,378,344. |
| | 61 Grants payable | | 61 |
| | 62 Deferred revenue | 2,170,754. | 62 2,441,159. |
| | 63 Loans from officers, directors, trustees, and key employees | | 63 |
| | 64 a Tax-exempt bond liabilities | | 64a |
| | b Mortgages and other notes payable | 721,360. | 64b 212,360. |
| | 65 Other liabilities (describe See Statement 13) | 4,979,712. | 65 5,155,596. |
| 66 Total liabilities. Add lines 60 through 65 | 8,411,533. | 66 9,187,459. | |
| Net Assets or Fund Balances | Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74. | | |
| | 67 Unrestricted | 46,697,209. | 67 47,838,691. |
| | 68 Temporarily restricted | 77,768,488. | 68 69,175,317. |
| | 69 Permanently restricted | 95,346,458. | 69 100,559,112. |
| | Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74. | | |
| | 70 Capital stock, trust principal, or current funds | | 70 |
| | 71 Paid-in or capital surplus, or land, building, and equipment fund | | 71 |
| | 72 Retained earnings, endowment, accumulated income, or other funds | | 72 |
| | 73 Total net assets or fund balances. Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21) | 219,812,155. | 73 217,573,120. |
| | 74 Total liabilities and net assets/fund balances. Add lines 66 and 73 | 228,223,688. | 74 226,760,579. |

| Part VI Other Information (continued) | | Yes | No |
|---------------------------------------|---|-----|----|
| 82 a | Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) | X | |
| 82b | 119,135. | | |
| 83 a | Did the organization comply with the public inspection requirements for returns and exemption applications? | X | |
| 83b | Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions? | X | |
| 84 a | Did the organization solicit any contributions or gifts that were not tax deductible? | | X |
| 84b | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A | | |
| 85 a | 501(c)(4), (5), or (6). Were substantially all dues nondeductible by members? N/A | | |
| 85b | Did the organization make only in-house lobbying expenditures of \$2,000 or less? N/A | | |
| | If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year. | | |
| 85c | Dues, assessments, and similar amounts from members N/A | | |
| 85d | Section 162(e) lobbying and political expenditures N/A | | |
| 85e | Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices N/A | | |
| 85f | Taxable amount of lobbying and political expenditures (line 85d less 85e) N/A | | |
| 85g | Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A | | |
| 85h | If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A | | |
| 86 | 501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 N/A | | |
| 86b | Gross receipts, included on line 12, for public use of club facilities N/A | | |
| 87 | 501(c)(12) organizations. Enter: a Gross income from members or shareholders N/A | | |
| 87b | Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) N/A | | |
| 88 a | At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX | | X |
| 88b | At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI | X | |
| 89 a | 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 0.; section 4912 0.; section 4955 0. | | |
| 89b | 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction | | X |
| 89c | Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 0. | | |
| 89d | Enter: Amount of tax on line 89c, above, reimbursed by the organization 0. | | |
| 89e | All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? | | X |
| 89f | All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract? | | X |
| 89g | For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? | | X |
| 90 a | List the states with which a copy of this return is filed MA, NH | | |
| 90b | Number of employees employed in the pay period that includes March 12, 2007 314 | | |
| 91 a | The books are in care of Bancroft Poor Telephone no. (781) 259-9500 Located at 208 South Great Road, Lincoln, MA ZIP + 4 01773 | | |
| 91b | At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country N/A | | X |
| | See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. | | |

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c Yes No
 If "Yes," enter the name of the foreign country N/A

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here
 and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

| | Unrelated business income | | Excluded by section 512, 513, or 514 | | (E) Related or exempt function income |
|---|---------------------------|---------------|--------------------------------------|---------------|---|
| | (A) Business code | (B) Amount | (C) Exclu- sion code | (D) Amount | |
| 93 Program service revenue: | | | | | |
| a Sanctuaries | 722320 | 78,925. | | | 5,054,261. |
| b Marketing | | | | | 15,190. |
| c Science & Advocacy | | | | | 524,080. |
| d | | | | | |
| e | | | | | |
| f Medicare/Medicaid payments | | | | | |
| g Fees and contracts from government agencies | | | | | |
| 94 Membership dues and assessments | | | | | 3,311,736. |
| 95 Interest on savings and temporary cash investments | | | 14 | 526,671. | |
| 96 Dividends and interest from securities | | | 14 | 2,255,224. | |
| 97 Net rental income or (loss) from real estate: | | | | | |
| a debt-financed property | | | | | 394,938. |
| b not debt-financed property | | | | | |
| 98 Net rental income or (loss) from personal property | | | | | |
| 99 Other investment income | | | | | |
| 100 Gain or (loss) from sales of assets other than inventory | | | | | 999,611. |
| 101 Net income or (loss) from special events | | | | | 158,810. |
| 102 Gross profit or (loss) from sales of inventory | | | 03 | 455,649. | |
| 103 Other revenue: | | | | | |
| a Miscellaneous | 900003 | | 01 | 34,943. | |
| b | | | | | |
| c | | | | | |
| d | | | | | |
| e | | | | | |
| 104 Subtotal (add columns (B), (D), and (E)) | | 78,925. | | 3,272,487. | 10,458,626. |
| 105 Total (add line 104, columns (B), (D), and (E)) | | | | | 13,810,038. |

Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

| Line No. | Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes). |
|----------|---|
| ▼ | See Statement 17 |
| | |
| | |

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

| (A) Name, address, and EIN of corporation, partnership, or disregarded entity | (B) Percentage of ownership interest | (C) Nature of activities | (D) Total income | (E) End-of-year assets |
|---|--|-----------------------------|---------------------|------------------------------|
| N/A | % | | | |
| | % | | | |
| | % | | | |
| | % | | | |

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity. Table with columns (A) Name, address, of each controlled entity, (B) Employer Identification Number, (C) Description of transfer, (D) Amount of transfer. Includes a Totals row.

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity. Table with columns (A) Name, address, of each controlled entity, (B) Employer Identification Number, (C) Description of transfer, (D) Amount of transfer. Includes a Totals row.

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above? Yes No X

Declaration of preparer: Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge. Signature of officer: [Signature], Date: 11/17/08, Title: Bancroft Poor, VP/ Asst. Treas. Preparer's signature: Ruth A. Spencer, CPA, Date: 11/17/08, Check if self-employed: [], Preparer's SSN or PTIN: [], Firm's name: Tonneson & Company CPAs PC, address: 401 Edgewater Place, Suite 300, Wakefield, MA 01880-6208, Phone no.: (781) 245-9999

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No. 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

2007

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

| | |
|--|---|
| Name of the organization Massachusetts Audubon Society, Inc. | Employer identification number 04 2104702 |
|--|---|

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

| (a) Name and address of each employee paid more than \$50,000 | (b) Title and average hours per week devoted to position | (c) Compensation | (d) Contributions to employee benefit plans & deferred compensation | (e) Expense account and other allowances |
|---|--|------------------|---|--|
| <u>Sondra Madison</u> 208 South Great Road, Lincoln, MA 01 | Dir Campaign 40.00 | 125,000. | 23,125. | |
| <u>Taber Allison</u> 208 South Great Road, Lincoln, MA 01 | VP Science & Eco Mgm 40.00 | 103,500. | 19,148. | |
| <u>John Clarke</u> 208 South Great Road, Lincoln, MA 01 | Dir Public Policy 40.00 | 90,245. | 16,695. | |
| <u>Gail Yeo</u> 208 South Great Road, Lincoln, MA 01 | Cent West Reg Mngr 40.00 | 86,118. | 15,932. | |
| <u>Elizabeth Watson</u> 208 South Great Road, Lincoln, MA 01 | Dir Planned Giving 40.00 | 85,265. | 15,774. | |
| Total number of other employees paid over \$50,000 | ▶ 56 | | | |

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

| (a) Name and address of each independent contractor paid more than \$50,000 | (b) Type of service | (c) Compensation |
|--|------------------------|------------------|
| <u>Ralph Stevens & Associates LLC</u> 3993 NW 52nd Place, Boca Raton, FL, 33496 | Printing Services | 164,102. |
| <u>Wellington Trust Company</u> PO Box 13766, Newark, NJ 07188 | Investment Managers | 116,440. |
| <u>J.M Perrone Company, Inc.</u> 105 Research Road, Hingham, MA 02043 | Printing Services | 101,414. |
| <u>Prime Buchholz & Associates</u> 25 Chestnut Street, Portsmouth, NH 03801 | Investment Consultants | 79,426. |
| <u>GEI Consultants, Inc.</u> PO Box 843005, Boston, MA 02284 | Consultants | 75,773. |
| Total number of others receiving over \$50,000 for professional services | ▶ 3 | |

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

| (a) Name and address of each independent contractor paid more than \$50,000 | (b) Type of service | (c) Compensation |
|--|--------------------------------|------------------|
| <u>Solar Works, Inc.</u> 64 Main Street, Montpelier, VT 05602 | Photovoltaic System Design & I | 97,224. |
| <u>Marulli & Son General Contractors</u> 32 Swallow Drive, Newton, MA 02462 | Construction Contractor | 76,250. |
| <u>Macone Brothers Excavation, Inc.</u> 1030 Concord Road, Sudbury, MA 01776 | Demolition | 63,788. |
| ----- | | |
| ----- | | |
| Total number of other contractors receiving over \$50,000 for other services | ▶ 0 | |

Part III Statements About Activities (See page 2 of the instructions.)

| | | Yes | No |
|-----|--|-----|-----|
| 1 | During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ \$ <u>208,384.</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities. | X | |
| 2 | During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.) | | |
| a | Sale, exchange, or leasing of property? | | X |
| b | Lending of money or other extension of credit? | | X |
| c | Furnishing of goods, services, or facilities? See Statement 18 | X | |
| d | Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? See Statement 19 | X | |
| e | Transfer of any part of its income or assets? | | X |
| 3 a | Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.) See Statement 20 | X | |
| b | Did the organization have a section 403(b) annuity plan for its employees? | X | |
| c | Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement See Statement 21 | X | |
| d | Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services? | | X |
| 4 a | Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g | | X |
| b | Did the organization make any taxable distributions under section 4966? N/A | | |
| c | Did the organization make a distribution to a donor, donor advisor, or related person? N/A | | |
| d | Enter the total number of donor advised funds owned at the end of the tax year | | 0 |
| e | Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year | | N/A |
| f | Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts | | 0. |
| g | Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year | | 0. |

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶ _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: (1) **more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) **no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
 Type I Type II Type III-Functionally Integrated Type III-Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

| (a) Name(s) of supported organization(s) | (b) Employer identification number (EIN) | (c) Type of organization (described in lines 5 through 12 above or IRC section) | (d) Is the supported organization listed in the supporting organization's governing documents? | | (e) Amount of support |
|---|---|--|---|----|--------------------------|
| | | | Yes | No | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| Total | | | | | ▶ |

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

| Calendar year (or fiscal year beginning in) ▶ | (a) 2006 | (b) 2005 | (c) 2004 | (d) 2003 | (e) Total |
|---|------------|------------|------------|------------|-----------------|
| 15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) | 12800742. | 9,492,193. | 11550972. | 7,645,188. | 41,489,095. |
| 16 Membership fees received | 2,916,012. | 2,977,111. | 2,987,773. | 3,009,954. | 11,890,850. |
| 17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose | 6,044,302. | 5,126,068. | 4,934,144. | 5,803,486. | 21,908,000. |
| 18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975 | 3,190,368. | 2,777,780. | 2,161,709. | 1,684,089. | 9,813,946. |
| 19 Net income from unrelated business activities not included in line 18 | | | | | |
| 20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf | | | | | |
| 21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge | | | | | |
| 22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets | | | | | |
| 23 Total of lines 15 through 22 | 24951424. | 20373152. | 21634598. | 18142717. | 85,101,891. |
| 24 Line 23 minus line 17 | 18907122. | 15247084. | 16700454. | 12339231. | 63,193,891. |
| 25 Enter 1% of line 23 | 249,514. | 203,732. | 216,346. | 181,427. | |
| 26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 | | | | | 26a 1,263,878. |
| b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts | | | | | 26b 0. |
| c Total support for section 509(a)(1) test: Enter line 24, column (e) | | | | | 26c 63,193,891. |
| d Add: Amounts from column (e) for lines: 18 9,813,946. 19 _____ 22 _____ 26b _____ | | | | | 26d 9,813,946. |
| e Public support (line 26c minus line 26d total) | | | | | 26e 53,379,945. |
| f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) | | | | | 26f 84.4701% |
| 27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A | | | | | |
| (2006) _____ (2005) _____ (2004) _____ (2003) _____ | | | | | |
| b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A | | | | | |
| (2006) _____ (2005) _____ (2004) _____ (2003) _____ | | | | | |
| c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ | | | | | 27c N/A |
| d Add: Line 27a total _____ and line 27b total _____ | | | | | 27d N/A |
| e Public support (line 27c total minus line 27d total) | | | | | 27e N/A |
| f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) | | | | | 27f N/A |
| g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) | | | | | 27g N/A % |
| h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) | | | | | 27h N/A % |

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

None

Part V Private School Questionnaire (See page 9 of the instructions.)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

| | | Yes | No |
|---|--|-----|----|
| 29 | Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? | | |
| 30 | Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? | | |
| 31 | Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) _____ _____ _____ | | |
| 32 | Does the organization maintain the following: | | |
| a | Records indicating the racial composition of the student body, faculty, and administrative staff? | 32a | |
| b | Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? | 32b | |
| c | Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? | 32c | |
| d | Copies of all material used by the organization or on its behalf to solicit contributions? | 32d | |
| If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) _____ _____ | | | |
| 33 | Does the organization discriminate by race in any way with respect to: | | |
| a | Students' rights or privileges? | 33a | |
| b | Admissions policies? | 33b | |
| c | Employment of faculty or administrative staff? | 33c | |
| d | Scholarships or other financial assistance? | 33d | |
| e | Educational policies? | 33e | |
| f | Use of facilities? | 33f | |
| g | Athletic programs? | 33g | |
| h | Other extracurricular activities? | 33h | |
| If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) _____ _____ | | | |
| 34 a | Does the organization receive any financial aid or assistance from a governmental agency? | 34a | |
| b | Has the organization's right to such aid ever been revoked or suspended? | 34b | |
| If you answered "Yes" to either 34a or b, please explain using an attached statement. | | | |
| 35 | Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation | 35 | |

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

| Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.) | | (a) Affiliated group totals | (b) To be completed for all electing organizations |
|---|---|-----------------------------------|--|
| | | N/A | |
| 36 Total lobbying expenditures to influence public opinion (grassroots lobbying) | 36 | | 61,804. |
| 37 Total lobbying expenditures to influence a legislative body (direct lobbying) | 37 | | 146,580. |
| 38 Total lobbying expenditures (add lines 36 and 37) | 38 | | 208,384. |
| 39 Other exempt purpose expenditures | 39 | | 18,926,270. |
| 40 Total exempt purpose expenditures (add lines 38 and 39) | 40 | | 19,134,654. |
| 41 Lobbying nontaxable amount. Enter the amount from the following table - | | | |
| If the amount on line 40 is - | The lobbying nontaxable amount is - | | |
| Not over \$500,000 | 20% of the amount on line 40 | | |
| Over \$500,000 but not over \$1,000,000 | \$100,000 plus 15% of the excess over \$500,000 | | |
| Over \$1,000,000 but not over \$1,500,000 | \$175,000 plus 10% of the excess over \$1,000,000 | 41 | 1,000,000. |
| Over \$1,500,000 but not over \$17,000,000 | \$225,000 plus 5% of the excess over \$1,500,000 | | |
| Over \$17,000,000 | \$1,000,000 | | |
| 42 Grassroots nontaxable amount (enter 25% of line 41) | 42 | | 250,000. |
| 43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 | 43 | | 0. |
| 44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 | 44 | | 0. |

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

| Calendar year (or fiscal year beginning in) ▶ | Lobbying Expenditures During 4-Year Averaging Period | | | | |
|--|--|-------------|-------------|-------------|--------------|
| | (a) 2007 | (b) 2006 | (c) 2005 | (d) 2004 | (e) Total |
| 45 Lobbying nontaxable amount | 1,000,000. | 880,944. | 904,819. | 864,580. | 3,650,343. |
| 46 Lobbying ceiling amount (150% of line 45(e)) | | | | | 5,475,515. |
| 47 Total lobbying expenditures | 208,384. | 150,822. | 134,158. | 189,674. | 683,038. |
| 48 Grassroots nontaxable amount | 250,000. | 220,236. | 226,205. | 216,145. | 912,586. |
| 49 Grassroots ceiling amount (150% of line 48(e)) | | | | | 1,368,879. |
| 50 Grassroots lobbying expenditures | 61,804. | 43,976. | 8,510. | 23,390. | 137,680. |

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

N/A

| During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of: | Yes | No | Amount |
|---|-----|----|--------|
| a Volunteers | | | |
| b Paid staff or management (Include compensation in expenses reported on lines c through h.) | | | |
| c Media advertisements | | | |
| d Mailings to members, legislators, or the public | | | |
| e Publications, or published or broadcast statements | | | |
| f Grants to other organizations for lobbying purposes | | | |
| g Direct contact with legislators, their staffs, government officials, or a legislative body | | | |
| h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means | | | |
| i Total lobbying expenditures (Add lines c through h.) | | | 0. |

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Part V - List of Officers, Directors

These individuals are covered under Mass Audubon's qualified defined benefit retirement plan. It is impossible to calculate the exact amount of the contribution this fiscal year that will result in a benefit to these individuals.

COPY

Part II - Line 42, Depreciation

Mass Audubon records depreciation by the direct writeoff method in equal installments over a three to thirty year term depending on the asset's useful life.

COPY

| Form 990 | Rental Income | Statement | 2 |
|------------------------------------|-----------------|---------------------|---|
| Kind and Location of Property | Activity Number | Gross Rental Income | |
| Rental of facilities and equipment | 1 | 394,938. | |
| Total to Form 990, Part I, line 6a | | 394,938. | |

| Form 990 | Gain (Loss) From Publicly Traded Securities | Statement | 3 | |
|-----------------------------|---|---------------------|-----------------|--------------------|
| Description | Gross Sales Price | Cost or Other Basis | Expense of Sale | Net Gain or (Loss) |
| Sale of Securities | 1,593,882. | 594,271. | 0. | 999,611. |
| To Form 990, Part I, line 8 | 1,593,882. | 594,271. | 0. | 999,611. |

| Form 990 | Special Events and Activities | Statement | 4 | | |
|---------------------------|-------------------------------|---------------------|---------------|-----------------|----------------------|
| Description of Event | Gross Receipts | Contribut. Included | Gross Revenue | Direct Expenses | Net Income or (Loss) |
| Special Events | 293,673. | | 293,673. | 173394. | 120,279. |
| Special Events- Gaming | 73,005. | | 73,005. | 34,474. | 38,531. |
| To Fm 990, Part I, line 9 | 366,678. | | 366,678. | 207868. | 158,810. |

| Form 990 | Other Changes in Net Assets or Fund Balances | Statement | 6 |
|---|--|-------------|---|
| Description | | Amount | |
| Unrealized appreciation (depreciation) of investments | | -8,955,710. | |
| Change in split-interest agreements | | -910,541. | |
| Total to Form 990, Part I, line 20 | | -9,866,251. | |

| Form 990 | Other Expenses | | | Statement | 7 |
|-------------------------------|----------------|----------------------------|----------------------------------|--------------------|---|
| Description | (A) Total | (B) Program Services | (C) Management and General | (D) Fundraising | |
| Advertising & Promotion | 51,498. | 51,088. | 10. | 400. | |
| Animal and Bird Feed | 19,855. | 19,855. | | | |
| Automobile | 158,286. | 143,055. | 15,231. | | |
| Awards & Scholarships | 22,251. | 15,165. | 6,685. | 401. | |
| Bank Charges | 48,379. | 26,371. | 21,914. | 94. | |
| Building & Ground Maintenance | 425,575. | 414,077. | 11,408. | 90. | |
| Data Processing | 104,354. | 84,344. | 15,520. | 4,490. | |
| Electricity | 159,466. | 137,166. | 22,300. | | |
| Field Dress | 18,613. | 18,375. | 159. | 79. | |
| Food | 203,438. | 161,236. | 30,407. | 11,795. | |
| General Insurance | 339,419. | 302,503. | 28,916. | 8,000. | |
| Heat | 164,200. | 156,117. | 8,083. | | |
| Membership Premiums | 65,222. | 59,347. | 875. | 5,000. | |
| Permits, Licenses & Taxes | 37,332. | 36,732. | 600. | | |
| Program Supplies & Materials | 214,424. | 207,065. | 755. | 6,604. | |
| Service Contracts | 224,919. | 165,942. | 45,961. | 13,016. | |
| Subscription and Library | 32,319. | 28,352. | 1,850. | 2,117. | |
| Water | 29,582. | 28,305. | 1,277. | | |
| Capital Asset Expenses | 1,998,530. | 1,158,541. | 359,384. | 480,605. | |
| Other Professional Fees | 606,774. | 526,564. | 51,214. | 28,996. | |
| Photographic Suppliers | 3,032. | 3,032. | | | |
| Total to Fm 990, ln 43 | 4,927,468. | 3,743,232. | 622,549. | 561,687. | |

Description of Program Service One

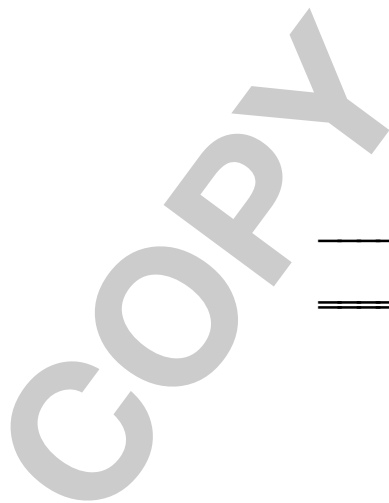
Wildlife Sanctuary Stewardship and Environmental Education: Mass Audubon maintains twenty three staffed wildlife sanctuaries with nature centers and field offices and an additional twenty-two unstaffed wildlife sanctuaries, which are open to the public. Our sanctuaries serve as the base for nature and environmental education courses, programs, scientific research and other conservation related activities. As of June 30, 2008, Mass Audubon protects 33,716 acres of open space in Massachusetts, owning approximately 28,950 acres in fee and protecting the remainder with conservation easements. These diverse protected habitats range from the Berkshires to Cape Cod and the Islands and help preserve the biodiversity of Massachusetts. Mass Audubon actively pursues donations and purchases of additional conservation land and is one of the largest conservation landowners in the Commonwealth. Approximately 542,000 visitors came to enjoy Mass Audubon properties in FY 2008. Mass Audubon develops educational materials and environmental policy materials for schools, teachers, legislators and the general public. In FY 2008 Mass Audubon taught nature programs to more than 216,000 children and adults, enrolled 6,705 children in its day and residential nature camps, conducted science/nature training for 2,383 teachers, and ran 3,398 programs for adults and families. Special events attracted another 24,000 participants. Mass Audubon is the largest non-profit provider of nature education in the state.

| | Grants | Expenses |
|-------------------------------|--------|-------------|
| To Form 990, Part III, line a | | 13,857,695. |

Description of Program Service Two

Member Services: Mass Audubon produces a quarterly nature magazine for members ("Sanctuary"), a quarterly newsletter for members ("Connections"), promotional materials, and publications to increase public awareness of wildlife, nature and environmental issues. For example, Mass Audubon is currently updating for publication in FY 2009 our definitive report entitled "Losing Ground" which calculates the loss of open space in Massachusetts each year. In addition, our website (www.massaudubon.org) offers a variety of information on conservation, land protection, advocacy and the natural world. Mass Audubon also operates a retail outlet in Lincoln which sells merchandise related to nature and nature education to both members and non-members.

To Form 990, Part III, line b



| Grants | Expenses |
|--------|----------|
| _____ | _____ |
| _____ | 972,401. |

Description of Program Service Three

Advocacy: Mass Audubon educates local, state and federal officials, citizens and our members to the value and condition of the state's natural resources, motivating and assisting them to make decisions that promote the conservation of the Commonwealth's natural heritage. In doing so, Mass Audubon focuses on several key programmatic areas: the establishment and enforcement of sound conservation laws and regulations, land and water resource planning, and municipal and regional coordination with public and private conservation organizations. For example, in FY 2008 Mass Audubon public policy initiatives included helping draft and support the adoption of new legislation regarding the protection and management of the state's marine resources. Additional activities include working with cities and towns in assessing the options relating to the local adoption of the state Community Preservation Act and drafting or updating Open Space and Recreation Plans. Mass Audubon also shares its expertise through participation as members of various advisory or working committees including the US Offshore Wind Collaborative and the State Department of Conservation and Recreation.

| | Grants | Expenses |
|-------------------------------|--------|----------|
| To Form 990, Part III, line c | | 613,552. |

Description of Program Service Four

Conservation Science and Land Protection: Mass Audubon utilizes and develops scientific knowledge to support a longstanding tradition as a science-based organization for its advocacy, education, land protection and stewardship activities. Current research and/or ecological management work focuses on the protection and stewardship of selected Massachusetts habitats such as tidal flats, coastal heathlands and salt marshes. In addition, statewide monitoring of key groups of organisms like birds, amphibians, invertebrates and plants continues across the state in order to provide an important baseline to evaluate changing environmental conditions associated with climate change and land development. Mass Audubon has also developed and implements an Invasive Species management strategy to protect the integrity of its lands as well as to provide guidance for other landowners throughout the state. Mass Audubon lands play a critical role in the delivery of our mission and our land protection efforts focus on conserving ecologically significant tracts of land adjacent to our wildlife sanctuaries, thereby protecting and enhancing their biological integrity and viability as program sites. As reflected in Mass Audubon's Land Protection Strategy, we also direct our attention to advancing the protection of selected high priority focus areas beyond our existing wildlife sanctuaries. Collectively, these protection priorities include a wide range of Massachusetts habitats including rich mesic woodlands, significant freshwater wetlands and intertidal lands.

| | Grants | Expenses |
|-------------------------------|--------|------------|
| To Form 990, Part III, line d | | 1,406,987. |

| Description | Valuation Method | Amount |
|--------------------------------|------------------|-------------|
| Bank Variable Interest Notes | Market Value | 2,546,873. |
| Life Income Funds | Market Value | 1,095,410. |
| Gift Annuities | Market Value | 2,709,196. |
| Limited Partnerships | Market Value | 23,868,030. |
| Charitable Remainder Unitrusts | Market Value | 5,082,716. |

| | | |
|---|--------------|-------------|
| Accumulated other comprehensive loss | Market Value | 861,405. |
| Total to Form 990, Part IV, line 56, Column B | | 36,163,630. |

| | | |
|----------|-------------------|--------------|
| Form 990 | Other Liabilities | Statement 13 |
|----------|-------------------|--------------|

| Description | Beginning of Year | End of Year |
|--------------------------------------|-------------------|-------------|
| Split-interest agreement liabilities | 3,961,628. | 4,936,845. |
| Accrued pension benefit liability | 1,018,084. | 218,751. |
| Total to Form 990, Part IV, line 65 | 4,979,712. | 5,155,596. |

| | | |
|----------|---------------------------|--------------|
| Form 990 | Non-Government Securities | Statement 14 |
|----------|---------------------------|--------------|

| Security Description | Cost/FMV | Corporate Stocks | Corporate Bonds | Other Publicly Traded Securities | Total Non-Gov't Securities |
|----------------------------------|----------|------------------|-----------------|----------------------------------|----------------------------|
| Corporate Stocks, Bonds, & Notes | FMV | 73476593. | | | 73476593. |
| Foreign Stocks, Bonds and Notes | FMV | 16999484. | | | 16999484. |
| To Form 990, line 54a, Col B | | 90476077. | | | 90476077. |

| | | |
|----------|--|--------------|
| Form 990 | Other Revenue Not Included on Form 990 | Statement 15 |
|----------|--|--------------|

| Description | Amount |
|--|-------------|
| Unrealized appreciation of investments | -8,955,710. |
| Change in split-interest agreements | -910,541. |
| Total to Form 990, Part IV-A | -9,866,251. |

Form 990 Part V-A - List of Current Officers, Directors, Trustees and Key Employees Statement 16

| Name and Address | Title and Avrg Hrs/Wk | Compen- sation | Employee Ben Plan Contrib | Expense Account |
|--|--|-------------------|---------------------------------|--------------------|
| Laura A. Johnson MA Audubon Society 208 So. Great Rd. Lincoln, MA 01773 | President 40.00 | 161,518. | 29,881. | 1,024. |
| Bancroft Poor MA Audubon Society 208 So. Great Rd. Lincoln, MA 01773 | VP for Ops/Assistant Treasurer 40.00 | 126,604. | 23,422. | 0. |
| Gary Clayton MA Audubon Society 208 So. Great Rd. Lincoln, MA 01773 | VP for Prog/Assistant Treasurer 40.00 | 128,220. | 23,721. | 0. |
| Nora Frank MA Audubon Society 208 So. Great Rd. Lincoln, MA 01773 | Dir Philanth/Assist Treas 40.00 | 114,400. | 21,164. | 0. |
| Kristin Barr MA Audubon Society 208 So. Great Rd. Lincoln, MA 01773 | Secretary 40.00 | 55,545. | 10,276. | 0. |
| Elaine Kile MA Audubon Society 208 So. Great Rd. Lincoln, MA 01773 | Assistant Secretary 40.00 | 49,061. | 9,076. | 0. |
| Helen Pounds 83 Cambridge Parkway Cambridge, MA 02138 | Director 0.00 | 0. | 0. | 0. |
| Alfred D. Chandler III Sawyer's Island Rowley, MA 01969 | Director 0.00 | 0. | 0. | 0. |
| Jared Chase State Street Financial 1 Lincoln Street Boston, MA 02111 | Director 0.00 | 0. | 0. | 0. |

| | | | | |
|--|-------------------------------|----|----|----|
| Richard S. Chute 108 Brattle Street Cambridge, MA 02138 | Director 0.00 | 0. | 0. | 0. |
| William Coady 750 Washington Street, Suite 3345 Boston, MA 02108 | Director 0.00 | 0. | 0. | 0. |
| Franz Colloredo-Mansfield Cabot Properties One Beacon Street, Suite 1700 Boston, MA 02109 | Director 0.00 | 0. | 0. | 0. |
| Nina Doggett 49 Inlet Road Chatham, MA 02633 | Director 0.00 | 0. | 0. | 0. |
| Walter (Jerry) Bird MTDC 40 Broad St, Suite 818 Boston, MA 02108 | Director 0.00 | 0. | 0. | 0. |
| Thomas French McKinsey & Co. 75 Park Plaza 3rd Floor Boston, MA 02116 | Director 0.00 | 0. | 0. | 0. |
| Thaddeus R. Gillespie 15 Follett Street Marblehead, MA 01945 | Director 0.00 | 0. | 0. | 0. |
| Terilyn A. Henderson Two Arborwood Road Acton, MA 01720 | Director 0.00 | 0. | 0. | 0. |
| Nora F. Huvelle 150 Somerset Street Belmont, MA 02478 | Vice Chair / Director 0.00 | 0. | 0. | 0. |
| Erik Knutzen NEPC One Main Street Cambridge, MA 02138 | Director 0.00 | 0. | 0. | 0. |
| James N. Levitt 25 Juniper Road Belmont, MA 02478 | Vice Chair / Director 0.00 | 0. | 0. | 0. |
| Scott Edwards Harvard University 26 Oxford St Cambridge, MA 02138 | Director 0.00 | 0. | 0. | 0. |

| | | | | |
|---|----------------------------|----|----|----|
| George C. Lodge Wellington Management Co. 75 State Street Boston, MA 02111 | Director 0.00 | 0. | 0. | 0. |
| Ronald P. O'Hanley BNY Mellon Asset Management One Boston Place Boston, MA 02108 | Director 0.00 | 0. | 0. | 0. |
| Jonathan Panek 16 West Bare Hill Road Harvard, MA 01451 | Chair / Director 0.00 | 0. | 0. | 0. |
| Jeffrey Peters Putnam Investments One Post Office Square Boston, MA 02109 | Treasurer/Director 0.00 | 0. | 0. | 0. |
| John W. Riehl 50 Commonwealth Avenue Boston, MA 02116 | Director 0.00 | 0. | 0. | 0. |
| Judy A. Samelson 75 Wilson Lane Needham, MA 02492 | Director 0.00 | 0. | 0. | 0. |
| Edgar Schein One Parkway Terrace Cambridge, MA 02138 | Director 0.00 | 0. | 0. | 0. |
| Brooke Stevens Five Hemlock Road Cambridge, MA 02138 | Director 0.00 | 0. | 0. | 0. |
| Jennifer Charles Charles Consulting, PO Box 1024 Cambridge, MA 02138 | Director 0.00 | 0. | 0. | 0. |
| Christopher Klem Ropes & Gray, One International Place Boston, MA 02108 | Director 0.00 | 0. | 0. | 0. |
| James Sperling Rubon & Rudman, 50 Rowe's Wharf Boston, MA 02108 | Director 0.00 | 0. | 0. | 0. |
| David Straus 8 Lincoln Lane Cambridge, MA 02138 | Director 0.00 | 0. | 0. | 0. |

| | | | | |
|---------------------|----------|----|----|----|
| Daniel S. Cheever | Director | | | |
| 248 Great Neck Road | 0.00 | 0. | 0. | 0. |
| Wareham, MA 02571 | | | | |

| | | | | |
|---------------------------------------|--|-----------------|----------------|---------------|
| Totals Included on Form 990, Part V-A | | <u>635,348.</u> | <u>117540.</u> | <u>1,024.</u> |
|---------------------------------------|--|-----------------|----------------|---------------|

Form 990 Part VIII - Relationship of Activities to Statement 17
 Accomplishment of Exempt Purposes

| Line | Explanation of Relationship of Activities |
|------|---|
| 93 | Services provided to the general public and members in |
| 94 | the areas of conservation, education and research on wildlife, |
| 97 | and environmental topics and issues. For example, courses |
| 100 | offered on nature to families, school children, teachers and adults; |
| 101 | opportunities to visit Mass Audubon's system of wildlife sanctuaries; |
| | and production of books and pamphlets on natural history and |
| | the environment. |



| | | |
|------------|--|--------------|
| Schedule A | Explanation of Transactions Part III, Line 2c | Statement 18 |
|------------|--|--------------|

Mass Audubon engaged Goodwin Procter LLP for various legal services related to Human Resources issues in FY 2008 and paid the firm \$2,560 in this period. All transactions and invoices were reviewed and authorized by the Assistant Treasurer/CFO or the Director of Human Resources, and all payments were approved by the Assistant Treasurer/CFO. George W Butterworth III, former Mass Audubon Director and Chairman of the Auditing Committee, is a partner in this firm. His address is Goodwin Procter LLP, Exchange Place, Boston, MA.

COPY

| Schedule A | Explanation of Transactions Part III, Line 2d | Statement 19 |
|------------|--|--------------|
|------------|--|--------------|

Mass Audubon invested a portion of its endowment fund and a portion of its defined benefit retirement fund with Wellington Management Company in FY 2008, as it has for many years. The Investment Committee of the Mass Audubon Board of Directors reviews the investment managers of these two funds on a periodic basis. Total fees paid to Wellington for managing these two pools of money equaled \$116,440 in FY 2008. All fee payments are reviewed and authorized by the Assistant Treasurer/CFO. George Lodge, a Mass Audubon Director, is a Senior Vice President at Wellington and is Director of Global Business Development. He does not serve on the Mass Audubon Investment Committee, nor does he influence Mass Audubon investment decisions. Mass Audubon's investments with Wellington pre-date his election to the Board of Directors. His address is Wellington Management Company, 75 State Street, Boston, MA.

Mass Audubon invested a portion of its endowment fund and a portion of its defined benefit retirement fund with State Street Global Advisors in FY 2008. State Street Global Advisors and related companies also have managed Mass Audubon's deferred income investments since the early 1990s, serve as co-trustee for some of these investments, and act as a custodian for two endowment funds (the custody relationship dates to 1955). All fee payments are reviewed and authorized by the Assistant Treasurer/CFO. The Investment Committee of the Mass Audubon Board of Directors reviews the investment managers of the various funds on a periodic basis. Total fees directly paid to State Street Global Advisors for managing the pools of money equaled \$57,761 in FY 2008. Jared Chase, a Mass Audubon Director and a member of the Investment Committee, serves as the Senior Managing Director of State Street Global Advisors and Chairman of State Street Global Alliance, LLC. Many of Mass Audubon's investments with and relationships with State Street Global Advisors pre-date his election to the Board of Directors. His address is State Street Financial Center, 1 Lincoln Street, Boston, MA.

Mass Audubon uses Bank of America's Columbia Money Market Funds to invest a portion of its cash balances. Fee payments are embedded in the expense ratio of the funds. Use of the fund and the fees are reviewed periodically by the Assistant Treasurer/CFO. Jeffrey Peters, Mass Audubon Treasurer, recently joined Columbia Management as Managing Director/Head of Global Institutions. He does not serve on the Mass Audubon Investment Committee, nor does he influence Mass Audubon investment decisions. His address is Columbia Management, One Financial Center, Boston, MA.

Schedule A Explanation of Qualifications to Receive Payments Statement 20
Part III, Line 3a

Recipients are determined by financial need.

COPY

| | | |
|------------|--|--------------|
| Schedule A | Conservation Easement Statement Part III, Line 3c | Statement 21 |
|------------|--|--------------|

As of June 30, 2008 Mass Audubon holds 93 conservation easements covering approximately 4,766 acres of land in Massachusetts, of which 7 easements of 274 acres were received during FY 2008. Mass Audubon monitored 92 of these easements during FY 2008, incurring expenses of approximately \$39,900.

COPY