

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**FINANCIAL STATEMENTS
DECEMBER 31, 2024**

**THE CONSERVATION ALLIANCE
BEND, OREGON**

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DECEMBER 31, 2024**

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Rojas & Associates, CPAs

1300 S Street, Sacramento, California 95811

www.rojascpa.com

Phone - 916-362-4040

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Conservation Alliance
Bend, Oregon

Opinion

We have audited the financial statements of The Conservation Alliance (a non-profit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and changes in net assets, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Conservation Alliance as of December 31, 2024, and the changes in its net assets, functional expenses and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Conservation Alliance and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Conservation Alliance's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

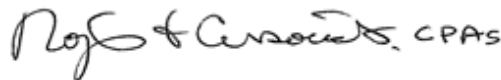
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Conservation Alliance's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Conservation Alliance's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

ROJAS & ASSOCIATES, CPAs



Rojas & Associates, CPAs

Sacramento, California
January 14, 2026

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2024**

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 1,891,959
Accounts receivable	<u>164,255</u>
Total current assets	<u>2,056,214</u>

FIXED ASSETS

Furniture and equipment, at cost	19,602
Less accumulated depreciation	<u>(18,514)</u>
Net fixed assets	<u>1,088</u>

OTHER ASSETS

Endowment fund - cash and cash equivalents	235,412
Endowment fund - investments	3,315,023
Intangible assets, net	59,941
Operating lease right-of-use assets	<u>12,014</u>
Total other assets	<u>3,622,390</u>

TOTAL ASSETS \$ 5,679,692

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 395,984
Credit cards payable	2,542
Accrued paid time off	27,888
Deferred revenue	110,000
Operating lease right-of-use liabilities	<u>9,893</u>
Total current liabilities	<u>546,307</u>

TOTAL LIABILITIES 546,307

NET ASSETS

Without donor restrictions	1,576,880
With donor restrictions:	
Purpose restrictions	6,070
Endowments	<u>3,550,435</u>
Total net assets without donor restrictions	<u>3,556,505</u>
Total net assets	<u>5,133,385</u>

TOTAL LIABILITIES AND NET ASSETS \$ 5,679,692

See accompanying independent auditors' report and notes to financial statements.

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUES AND SUPPORT			
Memberships	\$ 1,776,586	\$ -	\$ 1,776,586
Donations and contributions	341,276	50,000	391,276
Event revenue	5,244	-	5,244
Grants	635,000	-	635,000
Net investment earnings	-	409,398	409,398
Rental income	<u>4,550</u>	<u>-</u>	<u>4,550</u>
TOTAL REVENUES AND SUPPORT	2,762,656	459,398	3,222,054
Net assets released from restrictions	<u>643,235</u>	(<u>643,235</u>)	<u>-</u>
	3,405,891	(183,837)	3,222,054
EXPENSES			
Program expenses	2,151,562	-	2,151,562
Supporting services expenses:			
Management and general	698,469	-	698,469
Fundraising and development	<u>170,518</u>	<u>-</u>	<u>170,518</u>
Total supporting services expenses	<u>868,987</u>	<u>-</u>	<u>868,987</u>
TOTAL EXPENSES	<u>3,020,549</u>	<u>-</u>	<u>3,020,549</u>
CHANGE IN NET ASSETS	385,342	(183,837)	201,505
NET ASSETS			
BEGINNING OF THE YEAR	<u>1,191,538</u>	<u>3,740,342</u>	<u>4,931,880</u>
END OF THE YEAR	<u>\$ 1,576,880</u>	<u>\$ 3,556,505</u>	<u>\$ 5,133,385</u>

See accompanying independent auditors' report and notes to financial statements.

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>Program Services</u>	<u>Supporting Services</u>			<u>Total</u>
	<u>Grant Making</u>	<u>General and Administrative</u>	<u>Fundraising and Development</u>	<u>Total Supporting Services</u>	
Direct grants given	\$ 1,354,930	\$ -	\$ -	\$ -	\$ 1,354,930
Salaries	395,611	388,475	73,807	462,282	857,893
Contract services	131,483	42,594	8,093	50,687	182,170
Communications and marketing	5,866	61,324	56,655	117,979	123,845
Travel	45,249	41,321	7,850	49,171	94,420
Outreach events	90,960	1,752	333	2,085	93,045
Payroll taxes	37,131	36,461	6,928	43,389	80,520
Employee health benefits	27,396	26,901	5,111	32,012	59,408
Occupancy	16,930	16,625	3,159	19,784	36,714
401(k) plan expenses	16,057	15,767	2,995	18,762	34,819
Professional fees	-	24,920	-	24,920	24,920
Software	11,085	10,885	2,068	12,953	24,038
Amortization	6,258	6,145	1,168	7,313	13,571
Taxes, licenses and fees	-	12,920	-	12,920	12,920
Office supplies and expenses	3,690	3,624	688	4,312	8,002
Staff development	3,639	3,574	679	4,253	7,892
Insurance	3,140	3,083	586	3,669	6,809
Dues and subscriptions	1,875	1,841	349	2,190	4,065
Depreciation	<u>262</u>	<u>257</u>	<u>49</u>	<u>306</u>	<u>568</u>
Total expenses by function	<u>\$ 2,151,562</u>	<u>\$ 698,469</u>	<u>\$ 170,518</u>	<u>\$ 868,987</u>	<u>\$ 3,020,549</u>

See accompanying independent auditors' report and notes to financial statements.

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024**

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	\$ 201,505
Adjustments to reconcile increase in net assets to net cash used in operating activities:	
Net realized and unrealized gain on investments	(265,998)
Depreciation and amortization	14,139
Amortization of operating lease right-of-use assets	22,907
Changes in operating assets and liabilities:	
Accounts receivable	(31,387)
Prepaid expenses	87
Accounts payable	(186,372)
Credit card payable	(5,852)
Accrued payroll liabilities	(8,936)
Operating lease right-of-use liabilities	(23,028)
Deferred revenue	(<u>75,000</u>)
NET CASH USED IN OPERATING ACTIVITIES	(<u>357,935</u>)
CASH FLOWS FROM INVESTING ACTIVITIES	
Net proceeds from sales of investments	<u>262,554</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>262,554</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(<u>95,381</u>)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF YEAR	<u>2,222,752</u>
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, END OF YEAR	<u>\$ 2,127,371</u>
CASH, CASH EQUIVALENTS AND RESTRICTED CASH ON THE STATEMENT OF FINANCIAL POSITION	
Cash and cash equivalents	\$ 1,891,959
Endowment fund – cash and cash equivalents	<u>235,412</u>
Total	<u>\$ 2,127,371</u>

See accompanying independent auditors' report and notes to financial statements.

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 1. DESCRIPTION OF THE ORGANIZATION

The Conservation Alliance (the “Organization”) is a not-for-profit organization located in Bend, Oregon that was established in 1989 by outdoor businesses who shared the goal of increasing the outdoor industry’s support for conservation efforts to help protect and conserve threatened wild places for their habitat and recreational values. The Conservation Alliance collects annual membership dues from member companies and disburses those dues to grassroots environmental organizations. Presently, there are 171 member companies.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting and Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, and are presented in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958, Presentation of Financial Statements of Not-for-Profit Entities. The Organization is required to report its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions, based on the presence or absence of donor or grantor imposed restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to stipulations imposed by donors and grantors. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

Contributions with restrictions that are fulfilled in the same period in which the contributions are received are reported as without donor restrictions.

The Organization’s unspent contributions are reported as net assets with donor restrictions if the donor limited their use, as are promised contributions that are not yet due.

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions. Contributions of property and equipment or cash restricted to acquisition of property and equipment are reported as net assets with donor restrictions if the donor has restricted the use of the property or equipment to a particular program. Those restrictions expire when the assets are placed in service.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, deposits in banks and brokerage accounts, and short-term investments with initial maturities of 90 days or less. At various times throughout the year, the Organization may have cash balances at financial institutions which exceed Federal Deposit Insurance Corporation ("FDIC") limits. At December 31, 2024, there were \$1,624,604 in cash balances in excess of FDIC insured limits. The Organization has not experienced any loss in such accounts, and believes that the resulting risk is minimal. The Organization considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents on the statement of cash flows.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable relate to membership dues, grants and other support revenue earned but not yet collected. Management evaluates the collectability of accounts receivable based on historical experiences and projection of current trends, and develops an allowance for credit losses as necessary. Management believes that all accounts receivable balances are fully collectible; therefore, there was no allowance for credit losses at December 31, 2024 or 2023. Beginning and ending accounts receivable were \$132,868 and \$164,255, respectively.

Investments

Investments are reported at their fair market values in the Statement of Financial Position. Net investment gain is reported in the Statement of Activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Property and Equipment

Property and equipment are recorded at cost if purchased, or at fair value on the date of donation. Property and equipment over \$1,500 are capitalized, and are depreciated using the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from five to seven years.

See accompanying independent auditors' report.

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment are reviewed for impairment if the use of the asset significantly changes or another indicator of possible impairment is noted. If the carrying amount of the asset is not recoverable, the asset is written down to the asset's fair value. Depreciation expense amounted to \$568 for the year ended December 31, 2024.

Intangible Assets

The intangible asset consists of a website redesign, is stated at historical cost, and is amortized over an estimated useful life of 7 years. Amortization expense amounted to \$13,571 for the year ended December 31, 2024.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Contributions and Grants

Contributions, including unconditional promises to give, are recorded as made and are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions received that are designated for future periods or restricted by the donor for specific purposes are reported as support with donor restrictions and increase that net asset class. When a donor restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Donated Services and Equipment

Donated services are recognized as contributions if the service (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, are performed by people with those skills and would typically be purchased by the Organization, if not donated.

The Organization generally pays for services requiring specific expertise. However, individuals may volunteer their time and perform a variety of tasks related to grant making, fundraising and committee assignments. The services provided by these volunteers are not recognized as contributions in the financial statements since the recognition criteria above were not met.

See accompanying independent auditors' report.

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tax Exempt Status

The Organization is a non-profit corporation organized under the laws of the state of Oregon. The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provisions for income taxes or related credits are included in the accompanying financial statements. The Organization did not conduct unrelated business activities during the year ended December 31, 2024.

Functional Allocation of Expenses

The costs of providing the Organization's programs and other activities are reported on a functional basis in the statement of functional expenses. Expenditures that can be identified with a specific program or supporting service are recorded directly according to their purpose. Expenditures attributable to more than one program or supporting service require allocation on a reasonable basis that is consistently applied.

Program expenses consist of grants made and all expenses paid for those grant making activities. General and administrative expenses include oversight, business management, general recordkeeping, budgeting and other such management and administrative activities that support the primary service of grant making and the organization, overall. Fundraising expenses include the costs of conducting activities to solicit contributions from individuals and other organizations.

NOTE 3. FAIR VALUE MEASUREMENTS AND DISCLOSURES

We report certain assets 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 we can access at the measurement date.

See accompanying independent auditors' report.

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 3. FAIR VALUE MEASUREMENTS AND DISCLOSURES (CONTINUED)

Level 2 - Inputs other than quoted prices included within 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 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

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 entire measurement requires judgment considering factors specific to the asset or liability. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset or liability.

Investments measured at fair value on a recurring basis have been categorized into the fair value hierarchy as follows at December 31, 2024:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Government bonds	\$ 117,782	\$ 117,782	\$ -	\$ -
Corporate bonds	164,955	164,955	-	-
Stocks	<u>3,032,286</u>	<u>3,032,286</u>	<u>-</u>	<u>-</u>
	<u>\$ 3,315,023</u>	<u>\$ 3,315,023</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 4. EMPLOYEE RETIREMENT PLAN

The Conservation Alliance maintains a 401(k) Qualified Retirement Plan (the “Plan”) which allows employees to defer certain amounts of compensation for income tax purposes. The Plan allows for employees to make pre-tax contributions as a salary deferral up to 95% of their compensation. Employees are eligible to participate in the Plan after 1,000 hours of service and continue serving a minimum of 500 hours per year. All contributions immediately vest at 100%. The Conservation Alliance matches employee contributions to the plan up to 5% of the employee’s eligible salary. For the year ended December 31, 2024, the matching contribution was \$34,819.

See accompanying independent auditors’ report.

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 5. CONCENTRATIONS AND CONTINGENCIES

Concentrations

The Organization receives a substantial amount of its support from member companies. A significant reduction in the level of this support, if this were to occur, may have an effect on the Organization's programs and activities.

Contingencies

The Conservation Alliance receives grants from various governmental and private sources that require the fulfillment of certain conditions as set forth in the instrument of the grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization believes that the probability of this contingency is remote.

Regarding income tax and uncertain tax positions, The Conservation Alliance will recognize in the financial statements the benefit of the tax position when it believes that the tax position will more likely than not be sustained in an audit based on the technical merits of the position. For an exempt organization, uncertain tax positions could result from unrelated business income activities or actions that jeopardize its status as tax-exempt, such as political activities, substantial lobbying expenditures or excessive unrelated business activities. The Conservation Alliance has concluded it had no unrecognized tax liability as of December 31, 2024 and it has no tax positions for which it estimates a significant change during 2025.

NOTE 6. DEFERRED REVENUE

Deferred revenue consists of funds which have been received for specific projects for which the expenses have not yet been incurred, where funds not expended must be returned to the grantor.

NOTE 7. LEASES

The Organization entered into a license agreement to use furnished administrative offices located in Bend, Oregon with privileged access to certain office equipment and space under short-term operating lease agreements which are considered month-to-month. As such, no right-of-use assets and liabilities are recorded for this lease. The total expense under this lease was \$7,875 for the year ended December 31, 2024.

The Organization entered into a non-cancelable long-term operating lease for office space located in Missoula, Montana with a two-year term expiring at May 31, 2025. The Organization subleases the office space for \$650 per month.

See accompanying independent auditors' report.

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 7. LEASES (CONTINUED)

The following table provides supplemental balance sheet classification information related to leases:

	<u>Operating Leases</u> <u>December 31, 2024</u>
Assets	
Lease assets	\$ <u>12,014</u>
Liabilities	
Current portion of lease liabilities	\$ <u>9,893</u>

The following table provides the components of lease cost:

	<u>Year Ended</u> <u>December 31, 2024</u>
Operating lease costs	\$ <u>23,135</u>

Maturities of lease liabilities are listed below. Amounts in the table include options to extend lease terms that are reasonably certain of being exercised.

Fiscal Year	
2025	\$ 10,000
Less amount representing interest	<u>107</u>
Present value of lease liabilities	\$ <u>9,893</u>

The following table provides the weighted-average lease terms and discount rate for leases:

	<u>December 31, 2024</u>
Weighted-average remaining lease term (years)	0.42
Weighted-average discount rate	4.3%

See accompanying independent auditors' report.

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 7. LEASES (CONTINUED)

The following table provides supplemental cash flow information related to leases:

	<u>Year Ended December 31, 2024</u>
Cash paid for amounts included in measurement of lease liabilities	\$ 24,000

NOTE 8. ENDOWMENT FUND

The Organization's endowment consists of donor-restricted endowment funds, the principal of which is permanently restricted with excess earnings available to be used for the Organization's operating expenses. As required by generally accepted accounting principles, net assets associated with endowment funds, including funds designated by the governing Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Trustees of the Organization has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. In accordance with SPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Organization, and (7) the Organization's investment policies.

The balance in the endowment fund was \$3,550,435 at December 31, 2024.

See accompanying independent auditors' report.

**THE CONSERVATION ALLIANCE
BEND, OREGON**

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

NOTE 9. LIQUIDITY AND AVAILABILITY

Financial assets available for expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following at December 31, 2024:

Cash and cash equivalents	\$ 2,127,371
Accounts receivable	164,255
Investments	<u>3,315,023</u>
 Total Financial Assets	 <u>5,606,649</u>
 Less financial assets unavailable for general purpose	
Restricted by donor purpose restrictions	6,040
Restricted by donors for endowment	<u>3,550,435</u>
 Financial Assets Available to Meet Cash Needs for General Expenditures within One Year	 <u>\$ 2,050,174</u>

The Organization monitors liquidity and cash flows on an ongoing basis to ensure an appropriate amount of liquid assets are available to meet current needs.

NOTE 10. RESTATEMENT OF PRIOR YEAR FINANCIAL STATEMENTS

These financial statements reflect the correction of an error within the prior year financial statements previously issued on October 18, 2024. In the previously issued statements, certain unconditional grants made were not recorded as expenses when incurred. The effects of the change by financial statement line item are as follows:

<u>Financial Statement Line Item</u>	<u>As Previously Issued</u>	<u>As Restated</u>	<u>Change</u>
Accounts payable	390,750	590,750	200,000
Net assets without donor restrictions	5,131,880	4,931,880	(200,000)

NOTE 11. SUBSEQUENT EVENTS

Management evaluated subsequent events through January 14, 2026, the date on which these financial statements were available to be issued. Management represents that there are no other items or subsequent events requiring disclosure or recognition in the financial statements through the date of issuance.

See accompanying independent auditors' report.