

WILDLIFE FOREVER  
INDEPENDENT AUDITOR'S REPORT AND  
FINANCIAL STATEMENTS  
DECEMBER 31, 2021  
(With Comparative Totals for  
the Year Ended December 31, 2020)

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT	1
FINANCIAL STATEMENTS	
Statements of Financial Position	3
Statement of Activities (with Comparative Totals for the Year Ended December 31, 2020)	4
Statement of Functional Expenses (with Comparative Totals for the Year Ended December 31, 2020)	5
Statements of Cash Flows	6
NOTES TO FINANCIAL STATEMENTS	7

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Wildlife Forever

### Opinion

We have audited the accompanying financial statements of Wildlife Forever (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Wildlife Forever as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Wildlife Forever 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 Wildlife Forever's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### Auditor's 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 auditor's 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 generally accepted auditing standards 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, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 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 Wildlife Forever'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 Wildlife Forever'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.

#### **Report on Summarized Comparative Information**

We have previously audited Wildlife Forever's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 21, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it is derived.

Respectfully submitted,

*Lewis, Kisch & Associates, Ltd.*

April 13, 2022

STATEMENTS OF FINANCIAL POSITIONDECEMBER 31, 2021 AND 2020

<u>ASSETS</u>	<u>2021</u>	<u>2020</u>
<u>Current Assets</u>		
Cash and Cash Equivalents	\$ 122,186	\$ 134,353
Cash and Cash Equivalents - Reserved	19,731	14,134
Total Cash and Cash Equivalents	141,917	148,487
Accounts Receivable	104,329	81,954
Prepaid Expenses	4,251	4,284
Total Current Assets	<u>250,497</u>	<u>234,725</u>
<u>Property and Equipment</u>		
Furniture and Equipment	57,865	57,865
Less: Accumulated Depreciation	(55,409)	(51,355)
Net Property and Equipment	<u>2,456</u>	<u>6,510</u>
<u>Other Assets</u>		
Lease Deposit	2,417	2,417
Total Assets	<u><u>\$ 255,370</u></u>	<u><u>\$ 243,652</u></u>
<u>LIABILITIES AND NET ASSETS</u>		
<u>Current Liabilities</u>		
Accounts Payable	\$ 41,836	\$ 56,293
Accrued Expenses	9,632	8,344
Refundable Advances		43,800
Deferred Revenue		29,605
Note Payable, Current Portion	2,275	3,900
Total Current Liabilities	<u>53,743</u>	<u>141,942</u>
<u>Other Liabilities</u>		
Note Payable, Net of Current Portion		2,275
Total Liabilities	<u>53,743</u>	<u>144,217</u>
<u>Net Assets</u>		
Without Donor Restrictions	165,760	90,823
With Donor Restrictions	35,867	8,612
Total Net Assets	<u>201,627</u>	<u>99,435</u>
Total Liabilities and Net Assets	<u><u>\$ 255,370</u></u>	<u><u>\$ 243,652</u></u>

See accompanying notes to financial statements.

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2021

(With Comparative Totals for the Year Ended December 31, 2020)

<u>SUPPORT AND REVENUE</u>	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<u>Support</u>				
Contributions	\$ 124,559	\$ 27,742	\$ 152,301	\$ 187,560
Government Grants	845,316	8,125	853,441	613,440
Membership Dues	78,862		78,862	87,721
In-Kind Contributions	642,039		642,039	621,840
Total Support	1,690,776	35,867	1,726,643	1,510,561
<u>Revenue</u>				
Merchandise Sales	153,666		153,666	102,096
Less: Direct Expenses	(28,349)		(28,349)	(31,423)
Net	125,317		125,317	70,673
Royalties and Licensing	12,894		12,894	
Interest and Dividends	6		6	4
Total Revenue	138,217		138,217	70,677
Net Assets Released from Restriction	8,612	(8,612)		
Total Support and Revenue	1,837,605	27,255	1,864,860	1,581,238
<u>FUNCTIONAL EXPENSES</u>				
Program Services	1,695,045		1,695,045	1,487,409
Management and General	25,537		25,537	26,250
Fundraising	42,086		42,086	37,990
Total Functional Expenses	1,762,668		1,762,668	1,551,649
Change in Net Assets	74,937	27,255	102,192	29,589
Net Assets - Beginning of Year	90,823	8,612	99,435	69,846
Net Assets - End of Year	\$ 165,760	\$ 35,867	\$ 201,627	\$ 99,435

See accompanying notes to financial statements.

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2021

(With Comparative Totals for the Year Ended December 31, 2020)

	2021				2020			
	Program Services						Grand	
	Invasive Species	Prairie Restoration	State-Fish Art	Total	Management and General	Fundraising	Total	Total
Grants and Support	\$ 1,260,488	\$ 30,493	\$ 85,423	\$ 1,376,404			\$ 1,376,404	\$ 1,177,450
Education and Mailings	27,783	2,600	2,112	32,495	\$ 26	\$ 13,329	45,850	38,029
Salaries and Benefits	148,071	13,855	53,917	215,843	21,014	21,294	258,151	250,466
Occupancy	20,476	1,916	1,557	23,949	1,711	2,851	28,511	33,410
Outside Services	1,250	117	95	1,462	105	174	1,741	1,686
Equipment and Maintenance	10,673	999	811	12,483	892	1,486	14,861	13,456
Supplies and Other	12,119	1,133	923	14,175	483	781	15,439	15,510
Insurance	4,898	458	372	5,728	410	682	6,820	6,775
Telephone	1,768	165	134	2,067	149	246	2,462	2,432
Professional Services	6,015	563	457	7,035	502	838	8,375	8,382
Depreciation	2,911	272	221	3,404	245	405	4,054	4,053
Direct Merchandise Expenses	15,926	1,490	1,211	18,627		9,722	28,349	31,423
Total Expenses	1,512,378	54,061	147,233	1,713,672	25,537	51,808	1,791,017	1,583,072
Less Expenses Included With Revenues on the Statements of Activities:								
Direct Merchandise Expenses	(15,926)	(1,490)	(1,211)	(18,627)		(9,722)	(28,349)	(31,423)
Total Expenses	<u>\$ 1,496,452</u>	<u>\$ 52,571</u>	<u>\$ 146,022</u>	<u>\$ 1,695,045</u>	<u>\$ 25,537</u>	<u>\$ 42,086</u>	<u>\$ 1,762,668</u>	<u>\$ 1,551,649</u>

See accompanying notes to financial statements.

STATEMENTS OF CASH FLOWS  
YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<u>CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES</u>		
Change in Net Assets	\$ 102,192	\$ 29,589
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	4,054	4,053
(Increase) Decrease in Current Assets:		
Accounts Receivable	(22,375)	(61,445)
Bequest Receivable		24,505
Prepaid Expenses	33	(1,964)
Increase (Decrease) in Current Liabilities:		
Accounts Payable	(14,457)	34,930
Accrued Expenses	1,288	1,969
Refundable Advances	(43,800)	18,990
Deferred Revenue	(29,605)	29,605
Net Cash Flows from (Used in) Operating Activities	<u>(2,670)</u>	<u>80,232</u>
<u>CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES</u>		
Payments on Notes Payable	(3,900)	(3,900)
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(6,570)</u>	<u>76,332</u>
Cash and Cash Equivalents - Beginning of Year	148,487	72,155
Cash and Cash Equivalents - End of Year	<u><u>\$ 141,917</u></u>	<u><u>\$ 148,487</u></u>

See accompanying notes to financial statements.



NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

**1. The Organization**

Wildlife Forever (the “Organization”) is a nonprofit corporation established to conserve America’s wildlife heritage through conservation education, preservation of habitat, and management of fish and wildlife. Since 1987, Wildlife Forever has funded conservation works in all 50 states and Canada, with more than 1,500 projects throughout North America.

The Organization’s major programs include:

Invasive Species – Wildlife Forever has teamed up with more than 2,500 organizations across the nation, including federal, state, and Canadian organizations, to stop the spread of invasive species with the Clean Drain Dry (“CD2”) initiative, which reaches millions of outdoor enthusiasts each year. CD2 uses the common denominator found in outreach education to generate behavior-changing practices in recreational users that help protect natural resources from invasive species.

Prairie Restoration – In partnership with other conservation nonprofits and federal, state, and local governments, Wildlife Forever works to restore and prevent commercial development of critical habitats of wildlife species throughout the US and Canada. Restoration efforts include performing prescribed burns, cultivating native plant species, and constructing wetlands to provide habitat for shorebirds and waterfowl.

Prairie City USA is a municipal certification and organizing program designed to complement existing community conservation activities that integrate prairie and pollinator best practices. Prairie City USA communities work to enhance and restore commercial, residential, and industrial green spaces into native prairie and pollinator habitat, achieving benefits in three key areas: financial savings, ecological function, and civic engagement.

State-Fish Art – The State-Fish Art Project is an exciting, multimedia education program designed to increase awareness of and respect for aquatic resources. Interdisciplinary in nature, the program uses art as a springboard into the fascinating world of fish. The project has two primary components:

*Fish On! Lesson Plan* – The lesson plan includes information about fish species, their habitat, and conservation needs, as well as a profile of each state fish, containing a beautifully illustrated physical description, reproductive and feeding behaviors, and habitat requirements.

*State-Fish Art Contest* – The project culminates in a national art contest for children who have actively participated in the Fish On! lesson. Students use their newly acquired knowledge to create a learning portfolio, which includes an original state-fish art illustration and a related composition/essay about their chosen state fish.

The Organization obtains revenue through individual memberships and contributions, grants from governments, foundations, and corporations, royalties and licensing fees, and sales of merchandise bearing the Organization’s logo.

**2. Summary of Significant Accounting Policies**

Comparative Financial Information – The accompanying financial statements include certain prior-year summarized comparative information in total but not by net asset class and functional allocation. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organization’s financial statements for the year ended December 31, 2020, from which the summarized information was derived.

Basis of Accounting – 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 (“GAAP”) applicable to not-for-profit organizations. Net assets, revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Organization and the changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Net assets without donor restrictions may be designated for specific purposes by action of the board of directors.

NOTES TO FINANCIAL STATEMENTSDECEMBER 31, 2021 AND 2020**2. Summary of Significant Accounting Policies (Continued)**

*Net Assets With Donor Restrictions* – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

The Organization reports contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Organization considers all cash and highly liquid financial instruments with original maturities of three months or less that are neither held for nor restricted by donors for long-term purposes to be cash and cash equivalents.

Reserved Cash and Cash Equivalents – Amounts reported on the statements of financial position as reserved cash and cash equivalents are related to income from and expenses for the Minnesota Invasive Species Advisory Council (“MISAC”). See Note 4 for a description of the Organization’s fiscal sponsorship agreement with MISAC.

Accounts Receivable – Accounts receivable represent contribution, grant, and contract receivables, which are all receivable in less than one year. The Organization periodically reviews individual accounts, and as of December 31, 2021 and 2020, no allowance for uncollectible accounts was considered necessary.

Property and Equipment – Property and equipment are recorded at cost, or if donated, at fair market value at the date of donation. Items costing \$500 or less are expensed in the year purchased. Depreciation is computed using the straight-line method and is charged to expense over the estimated useful lives of the assets, which range from five to seven years for furniture and equipment. Costs of maintenance and repairs that do not improve or extend the useful life of the respective assets are expensed as incurred.

Revenues and Revenue Recognition – The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. Contributions received are recorded as with donor restrictions or without donor restrictions depending on the existence and/or nature of any donor stipulations for their use.

The Organization recognizes revenue from merchandise sales at the time the merchandise is transferred to the customer. Payments received in advance of transfer to the customer are reported as deferred revenue on the statements of financial position.

Membership dues, which are nonrefundable, are considered contributions, as the value of any benefits provided to members is trivial. Therefore, revenue from membership dues is recognized in the same manner as other contribution revenue, described above.

A portion of the Organization’s revenue is derived from cost-reimbursable federal, state, and county contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. In 2021, the Organization received cost-reimbursable grants of \$73,341 that have not been recognized as revenue at December 31, 2021, because qualifying expenditures have not yet been incurred. In 2020, the Organization received cost-reimbursable grants of \$313,517 that were not recognized at December 31, 2020, with advance payments of \$5,000, which were reported as revenue during the year ended December 31, 2021.

NOTES TO FINANCIAL STATEMENTSDECEMBER 31, 2021 AND 2020**2. Summary of Significant Accounting Policies (Continued)**

Revenue and Revenue Recognition (Continued) – The Organization also received forgivable loans during the years ended December 31, 2021 and 2020. These loans, which are accounted for as conditional contributions from the lender, are described in detail in Note 14.

In-Kind Contributions – The Organization receives in-kind contributions, including contracted program-related services and informative and educational content on billboards, television, print, and radio. Donated services are recognized at fair value if the services meet the recognition criteria prescribed by generally accepted accounting principles, which include: a) requiring specialized skills; b) provided by someone with those skills; and c) would have to be purchased if they were not donated. Donations of supplies, materials, and advertising are recorded as contributions at their estimated fair value at the date of donation.

Advertising – Advertising costs are expensed as incurred. Advertising costs, excluding in-kind, for the years ended December 31, 2021 and 2020, were \$287,963 and \$230,628, respectively. In-kind advertising is detailed in Note 10. The majority of the Organization’s advertising consists of public awareness and education campaigns funded by donors, which are included in grants and support on the statement of activities.

Functional Allocation of Expenses – The costs of providing the Organization’s various programs and supporting services have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Income Taxes – The Organization is exempt from federal income tax under Internal Revenue Code Section 501(c)(3) and similar state statutes and is not considered a private foundation. Management has evaluated for uncertain tax positions and has determined there are no uncertain tax positions as of December 31, 2021. Tax returns for the past three years remain open for examination by tax jurisdictions.

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

Concentration of Credit Risk – Financial instruments, which potentially subject the Organization to credit risk, consist primarily of cash and cash equivalents. The Organization’s cash and cash equivalents have been placed with major financial institutions. At times, such amounts may exceed Federal Deposit Insurance Corporation (“FDIC”) limits. The Organization closely monitors these balances and has not experienced credit losses.

Subsequent Events – The Organization has performed an evaluation of subsequent events through April 13, 2022, which is the date the financial statements were available to be issued.

**3. Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of December 31, 2021 and 2020, comprise the following:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 141,917	\$ 148,487
Less: Cash and cash equivalents - reserved	(19,731)	(14,134)
Available cash and cash equivalents	122,186	134,353
Accounts receivable	104,329	81,954
Less: Net assets with donor restrictions for purpose	(35,867)	(8,612)
Total	<u>\$ 190,648</u>	<u>\$ 207,695</u>

The Organization’s reserved cash and cash equivalents consist of amounts held for MISAC, which are not available for general expenditure. See Note 4 for more details regarding this arrangement.

As part of the Organization’s liquidity management plan, the Organization invests cash in excess of daily requirements in an interest-earning savings account. Additionally, the Organization has a line of credit available from a local bank, described in Note 5.

NOTES TO FINANCIAL STATEMENTSDECEMBER 31, 2021 AND 2020**4. Fiscal Sponsorship**

On October 31, 2017, the Organization entered into a formalized fiscal sponsorship agreement with MISAC, an unincorporated council composed of various incorporated and unincorporated entities involved with invasive species education, control, and remediation. Per the fiscal sponsorship agreement, Wildlife Forever provides fiduciary oversight, financial management, and other administrative services to support the charitable projects of MISAC. In 2020, expenses incurred related to MISAC totaled \$6,714. Support received and expenses incurred during 2021 related to MISAC totaled \$14,546 and \$8,949, respectively.

**5. Line of Credit**

In 2018, the Organization opened a \$50,000 renewable line of credit with a bank through June 7, 2019, with a variable interest rate of 0.075 percentage points under index, with a minimum rate of 4.75% per annum based on a year of 360 days. In 2019, the Organization renewed this line of credit, resulting in a new maturity date of September 20, 2020. The interest rate for the year ended December 31, 2020, was 4.74%. In 2020, the Organization renewed this line of credit again, resulting in a new maturity date of October 2, 2022. The interest rate for the year ended December 31, 2021, was 4.74%. All business assets of the Organization are collateral on this line when it is used. The Organization had no outstanding balance on the line of credit at December 31, 2021 and 2020.

**6. Note Payable**

On July 10, 2017, the Organization purchased \$19,500 of computers and related equipment with a note payable over 60 months at 0% interest. The Organization is required to make monthly payments of \$325. As of December 31, 2021, future minimum payments on the note are as follows:

2022	<u>\$ 2,275</u>
Total	<u><u>\$ 2,275</u></u>

**7. Commitments**

On May 1, 2017, the Organization began leasing facilities in White Bear Lake, Minnesota, under a thirty-six-month lease, with options to extend the lease for two additional twelve-month terms. On April 30, 2020, the lease was extended for one year, until April 30, 2021, with monthly rental payments of \$2,514. In 2021, the lease was extended for another year, to April 30, 2022. At October 1, 2021, the monthly rental payments increased to \$2,600. During the years ended December 31, 2021 and 2020, rents under this lease were \$28,511 and \$33,410, respectively. As of December 31, 2021, future minimum payments related to this lease are as follows:

2022	<u>\$ 10,400</u>
Total	<u><u>\$ 10,400</u></u>

On July 10, 2017, the Organization entered into a 60-month service contract with an IT support firm. As of December 31, 2021, future minimum payments related to this agreement are as follows:

2022	<u>\$ 2,800</u>
Total	<u><u>\$ 2,800</u></u>

**8. Net Assets With Donor Restrictions**

Net assets with donor restrictions are restricted for the following purposes or periods at December 31:

	<u>2021</u>	<u>2020</u>
Subject to expenditure for specified purpose:		
Clean Drain Dry	\$ 10,000	
State-Fish Art	17,742	\$ 8,612
Invasive Species PSAs	1,375	
Promises to give, the proceeds from which have been restricted by donors for Prairie City USA	<u>6,750</u>	
Total	<u><u>\$ 35,867</u></u>	<u><u>\$ 8,612</u></u>

NOTES TO FINANCIAL STATEMENTSDECEMBER 31, 2021 AND 2020**8. Net Assets With Donor Restrictions (Continued)**

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows during the years ended December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Satisfaction of purpose restrictions		
State-Fish Art Program	\$ 8,612	\$ 14,968
Total released	<u>\$ 8,612</u>	<u>\$ 14,968</u>

**9. Refundable Advances**

The following table provides information about significant changes in refundable advances for the years ended December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Refundable advances, beginning of year	\$ 43,800	\$ 24,810
Revenue recognized that was included in refundable advances at the beginning of the year	(43,800)	(24,810)
Increase in refundable advances due to cash received during the period	<u>43,800</u>	<u>43,800</u>
Refundable advances, end of year	<u>\$ 43,800</u>	<u>\$ 43,800</u>

**10. Donated Professional Services and Materials**

The Organization received donated professional services and materials as follows during the years ended December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Advertising	\$ 543,189	\$ 506,882
Contracted Work	11,976	22,250
State-Fish Art	80,625	71,682
Internet, Merchandise, Etc.	6,249	21,026
Total	<u>\$ 642,039</u>	<u>\$ 621,840</u>

**11. Functionalized Expenses**

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. All expenses of the Organization are allocated based on estimates of time and effort.

For the years ended December 31, 2021 and 2020, the Organization's expenses were allocated as follows:

	<u>2021</u>		<u>2020</u>	
Program Services				
Invasive Species	\$ 1,496,452	84.90%	\$ 1,139,495	73.44%
Prairie Restoration	52,571	2.98%	200,552	12.93%
State-Fish Art	146,022	8.28%	147,362	9.49%
Total Program Services	<u>1,695,045</u>	<u>96.16%</u>	<u>1,487,409</u>	<u>95.86%</u>
Management and General	25,537	1.45%	26,250	1.69%
Fundraising	42,086	2.39%	37,990	2.45%
Total	<u>\$ 1,762,668</u>	<u>100.00%</u>	<u>\$ 1,551,649</u>	<u>100.00%</u>

**12. Retirement Plan**

The Organization has adopted a SIMPLE IRA plan for all eligible employees. The Organization will match up to 3% of the employee's pay contributed to the plan. The expense to the Organization was \$5,099 and \$6,363 for the years ended December 31, 2021 and 2020, respectively.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2021 AND 2020

**13. Concentrations**

During the year ended December 31, 2021, 13.4% of the Organization's revenues were from one entity. In 2020, 13.5% of the Organization's revenues were from one entity, and 16.7% of its expenses were related to one entity. Loss of any of these supporters or vendors could have a major impact on the Organization's activities.

At December 31, 2021, 40.6% and 36.4% of the Organization's accounts receivable were due from each of two entities, respectively. At December 31, 2020, 67.2% and 16.5% of the Organization's accounts receivable were due from each of two entities, respectively. Default on any of these accounts could have a significant effect on the Organization's cash flows.

Additionally, the Organization receives the majority of its funding through various grants from governmental entities. The non-renewal of any of these major grants could substantially affect the Organization's operations.

**14. Paycheck Protection Program**

During the year ended December 31, 2020, the Organization was granted a \$38,800 loan administered by a Small Business Administration ("SBA") approved partner under the Paycheck Protection Program ("PPP") created as part of the relief efforts related to COVID-19. The loan was uncollateralized and fully guaranteed by the federal government. The Organization was eligible for forgiveness of up to 100% of the loan, upon meeting certain requirements. The Organization reported the loan as a refundable advance at December 31, 2020.

On January 22, 2021, the Organization received notification that this loan had been fully forgiven. The forgiveness is reported as grant revenue on the statement of financial activities for the year ended December 31, 2021, in accordance with the Organization's accounting policy for conditional contributions, described in Note 2 to the financial statements.

During 2021, the Organization applied and was approved for an additional \$42,700 loan under the Paycheck Protection Program, under similar terms to the loan described above. This loan was fully forgiven on August 3, 2021, and is included in grant revenue on the statement of financial activities for the year ended December 31, 2021.