



**THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT
FOR THE
YEARS ENDED DECEMBER 31, 2022 AND 2021**

**THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
FINANCIAL STATEMENTS**

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INDEPENDENT AUDITORS' REPORT

**To the Board of Directors
Theodore Roosevelt Conservation Partnership, Inc.
Washington, DC**

Opinion

We have audited the accompanying financial statements of **Theodore Roosevelt Conservation Partnership, Inc.** (a nonprofit organization), which comprise the statement of financial position as of December 31, 2022, 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 **Theodore Roosevelt Conservation Partnership, Inc.** as of December 31, 2022, 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of **Theodore Roosevelt Conservation Partnership, Inc.** 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.

Prior Period Financial Statements

The financial statements of **Theodore Roosevelt Conservation Partnership, Inc.** for the year ended December 31, 2021 were audited by other auditors whose report dated May 10, 2022 expressed an unmodified opinion on those statements.

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 **Theodore Roosevelt Conservation Partnership, Inc.**'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.

Independent Auditors' Report

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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 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 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 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 **Theodore Roosevelt Conservation Partnership, Inc.**'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 **Theodore Roosevelt Conservation Partnership, Inc.**'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.

DeLeon & Stang

DeLeon & Stang, CPAs and Advisors

Frederick, Maryland

April 25, 2023

THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
Statements of Financial Position
December 31, 2022 and 2021

	2022	2021
ASSETS		
Cash and cash equivalents	\$ 3,846,517	\$ 3,383,194
Promises to give - current portion	328,708	206,723
Grants receivable, net - current portion	253,291	1,033,249
Prepaid expenses	151,398	129,697
Other current asset	-	178,706
Total current assets	4,579,914	4,931,569
Investments	1,667,305	1,374,659
<u>Property, equipment and furniture:</u>		
Office furniture/website	138,892	138,548
Office equipment	41,504	41,504
	180,396	180,052
Less, accumulated depreciation	(118,392)	(96,748)
Total property, equipment and furniture, net	62,004	83,304
<u>Other assets:</u>		
Security deposit	45,210	45,210
Right-of-use asset - operating leases, net	866,054	-
Promises to give, net - long-term portion	213,195	396,644
Grants receivable, net - long-term portion	280,647	30,000
Total assets	\$ 7,714,329	\$ 6,861,386
LIABILITIES AND NET ASSETS		
<u>Current liabilities:</u>		
Accounts payable and accrued expenses	\$ 207,634	\$ 239,278
Accrued salaries and related benefits	364,748	285,669
Economic injury disaster loan - current portion	13,303	9,490
Lease liability - current portion	247,432	-
Conditional grant liability	1,000,488	713,584
Revenue received in advance	49,000	12,750
Total current liabilities	1,882,605	1,260,771
<u>Other liabilities:</u>		
Economic injury disaster loan	146,685	146,376
Lease liability - long-term portion	758,069	-
Deferred rent	-	154,802
Total liabilities	2,787,359	1,561,949
<u>Net assets:</u>		
<u>Without donor restrictions:</u>		
Undesignated	524,862	1,301,792
Board designated	1,921,787	1,619,171
Total net assets without donor restrictions	2,446,649	2,920,963
Net assets with donor restrictions	2,480,321	2,378,474
Total net assets	4,926,970	5,299,437
Total liabilities and net assets	\$ 7,714,329	\$ 6,861,386

THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
Statements of Activities
For the Years Ended December 31, 2022 and 2021

	2022			2021		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue:						
Grant revenue	\$ 1,715,626	\$ 3,439,600	\$ 5,155,226	\$ 2,072,359	\$ 3,223,000	\$ 5,295,359
Event sponsorships	374,147	-	374,147	400,272	-	400,272
Individual contributions	1,637,166	67,441	1,704,607	1,572,114	-	1,572,114
Corporate, non-profit and association contributions	1,008,680	75,000	1,083,680	785,016	-	785,016
Other revenue	38,604	-	38,604	15,696	-	15,696
Interest and dividend income, net	66,039	-	66,039	20,935	-	20,935
In-kind donations	206,903	-	206,903	152,781	-	152,781
Net assets released from restrictions	3,480,194	(3,480,194)	-	2,738,769	(2,738,769)	-
	<u>8,527,359</u>	<u>101,847</u>	<u>8,629,206</u>	<u>7,757,942</u>	<u>484,231</u>	<u>8,242,173</u>
						-
Expenses:						
Program services	7,198,229	-	7,198,229	6,024,848	-	6,024,848
<u>Supporting services:</u>						
Management and general	294,171	-	294,171	371,411	-	371,411
Fundraising	<u>1,252,352</u>	<u>-</u>	<u>1,252,352</u>	<u>886,942</u>	<u>-</u>	<u>886,942</u>
	<u>1,546,523</u>	<u>-</u>	<u>1,546,523</u>	<u>1,258,353</u>	<u>-</u>	<u>1,258,353</u>
Total expenses	<u>8,744,752</u>	<u>-</u>	<u>8,744,752</u>	<u>7,283,201</u>	<u>-</u>	<u>7,283,201</u>
Change in net assets before realized and unrealized gain (loss) on investments	(217,393)	101,847	(115,546)	474,741	484,231	958,972
Realized and unrealized gain (loss) on investments	<u>(256,921)</u>	<u>-</u>	<u>(256,921)</u>	<u>10,072</u>	<u>-</u>	<u>10,072</u>
Change in net assets	(474,314)	101,847	(372,467)	484,813	484,231	969,044
Net assets beginning of year	<u>2,920,963</u>	<u>2,378,474</u>	<u>5,299,437</u>	<u>2,436,150</u>	<u>1,894,243</u>	<u>4,330,393</u>
Net assets end of year	<u>\$ 2,446,649</u>	<u>\$ 2,480,321</u>	<u>\$ 4,926,970</u>	<u>\$ 2,920,963</u>	<u>\$ 2,378,474</u>	<u>\$ 5,299,437</u>

THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
Statements of Functional Expenses
For the Year Ended December 31, 2022

	Program Services	Supporting Services			Total
	Conservation Programs	Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 3,226,935	\$ 160,594	\$ 326,207	\$ 486,801	\$ 3,713,736
Employee benefits	822,761	38,517	78,236	116,753	939,514
Professional development	2,477	106	1,893	1,999	4,476
Administrative fee	-	25,259	-	25,259	25,259
Insurance	19,102	951	1,931	2,882	21,984
Dues and subscriptions	59,226	653	15,863	16,516	75,742
Postage/express mail	7,246	339	8,920	9,259	16,505
Printing and publications	11,678	311	9,440	9,751	21,429
Office expense	18,556	3,625	33,070	36,695	55,251
Telephone	10,103	420	853	1,273	11,376
Website and IT services	184,238	2,897	33,077	35,974	220,212
Rent	221,250	8,119	15,469	23,588	244,838
Bank service charges	17,101	878	44,086	44,964	62,065
Event promotion	7,570	277	63,486	63,763	71,333
Advertising and promotion	220,701	663	224,371	225,034	445,735
TV production and video	116,926	-	12,824	12,824	129,750
Donations to other organizations	14,564	356	1,725	2,081	16,645
Travel	291,315	986	31,244	32,230	323,545
Conferences and meetings	407,940	240	249,701	249,941	657,881
Media Summit	22,284	-	-	-	22,284
Consultants	1,208,453	4,504	90,072	94,576	1,303,029
Pass through grants	185,924	3,000	-	3,000	188,924
<u>Professional services:</u>					
Legal	15,000	444	-	444	15,444
Accounting	97,969	4,856	9,862	14,718	112,687
GIS - Mapping	8,487	-	-	-	8,487
Temporary services	9	-	-	-	9
State registrations and licenses	414	10	22	32	446
Depreciation and amortization	-	36,166	-	36,166	36,166
	<u>\$ 7,198,229</u>	<u>\$ 294,171</u>	<u>\$ 1,252,352</u>	<u>\$ 1,546,523</u>	<u>\$ 8,744,752</u>

THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
Statements of Functional Expenses
For the Year Ended December 31, 2021

	Program Services	Supporting Services			Total
	Conservation Programs	Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 3,032,457	\$ 125,362	\$ 98,372	\$ 223,734	\$ 3,256,191
Employee benefits	700,887	31,219	37,186	68,405	769,292
Professional development	1,327	16	17	33	1,360
Administrative fee	-	14,005	-	14,005	14,005
Insurance	21,338	1,226	1,301	2,527	23,865
Dues and subscriptions	53,305	1,141	20,481	21,622	74,927
postage/express mail	7,782	352	10,893	11,245	19,027
Printing and publications	10,188	12	2,710	2,722	12,910
Office expense	9,714	313	21,073	21,386	31,100
Telephone	9,342	412	753	1,165	10,507
Website and IT services	157,880	2,286	41,637	43,923	201,803
Rent	229,073	10,004	9,619	19,623	248,696
Bank service charges	19,794	1,137	28,863	30,000	49,794
Event promotion	1,494	50	201,108	201,158	202,652
Advertising & promotion	297,287	865	17,062	17,927	315,214
TV production & video	31,376	-	38,770	38,770	70,146
Donations to other organizations	12,452	273	290	563	13,015
Travel	188,917	1,826	45,267	47,093	236,010
Conferences and meetings	98,679	1,893	101,731	103,624	202,303
Media Summit	-	-	10,110	10,110	10,110
Consultants	719,039	3,912	153,198	157,110	876,149
Pass through grants	392,450	2,500	46,494	48,994	441,444
<u>Professional services:</u>					
Accounting	-	141,602	-	141,602	141,602
GIS - Mapping	19,195	-	-	-	19,195
Temporary services	10,125	-	-	-	10,125
State Registrations and licenses	747	7	7	14	761
Depreciation and amortization	-	30,998	-	30,998	30,998
	<u>\$ 6,024,848</u>	<u>\$ 371,411</u>	<u>\$ 886,942</u>	<u>\$ 1,258,353</u>	<u>\$ 7,283,201</u>

See Accompanying Notes to Financial Statements

THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
Statements of Cash Flows
For the Years Ended December 31, 2022 and 2021

	2022	2021
<u>Cash Flows From Operating Activities:</u>		
Change in net assets	\$ (372,467)	\$ 969,044
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	36,166	30,998
Amortization of right of use asset	223,159	-
Unrealized and realized (gain) loss on investments	256,921	(10,072)
Loss on equipment	3,451	-
Bad debt expense	19,000	-
Change in:		
Promises to give	61,464	321,621
Grants receivable	510,311	(908,485)
Prepaid expenses	(21,701)	68,900
Other current asset	178,706	(178,706)
Accounts payable and accrued liabilities	(31,644)	128,959
Accrued salaries and related benefits	79,079	23,733
Accrued interest on Economic Injury Disaster Loan	4,122	4,122
Lease liability	(238,514)	-
Conditional grant liability	286,904	106,651
Revenue received in advance	36,250	(34,050)
Deferred rent	-	(10,231)
	<u>1,031,207</u>	<u>512,484</u>
<u>Cash Flows From Investing Activities:</u>		
Net purchases of investments	(549,567)	(1,364,587)
Purchases of property and equipment	(18,317)	(21,634)
	<u>(567,884)</u>	<u>(1,386,221)</u>
Net cash used in investing activities		
Net change in cash and cash equivalents	463,323	(873,737)
Cash and cash equivalents, beginning of year	<u>3,383,194</u>	<u>4,256,931</u>
Cash and cash equivalents, end of year	<u>\$ 3,846,517</u>	<u>\$ 3,383,194</u>

THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
Notes to the Financial Statements
December 31, 2022 and 2021

NOTE 1 **ORGANIZATION AND NATURE OF ACTIVITIES**

Theodore Roosevelt Conservation Partnership, Inc. (TRCP) was incorporated on July 30, 2002 and began business on August 1, 2002. TRCP's primary purpose is to ensure that America's lands, both public and private, will always provide clean water, healthy habitat, bountiful fish and wildlife populations and opportunities to fish, hunt and enjoy the outdoors. TRCP is a non-profit corporation incorporated in Delaware and located in the District of Columbia.

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

The accompanying policies of TRCP are in accordance with accounting principles generally accepted in the United States of America applied on a basis consistent with that of the preceding years.

Basis of accounting

These financial statements are prepared on the accrual basis of accounting, whereby revenue is recognized when earned and expenses are recognized when incurred.

Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the financial statements. Such estimates and assumptions also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and assumptions.

Cash and cash equivalents

For the purposes of the statements of cash flows, TRCP considers all highly liquid instruments, which are to be used for current operations and which have an original maturity of three months or less, to be cash and cash equivalents.

Concentrations of credit risk

Financial instruments that potentially subject TRCP to concentration of credit risk consist primarily of cash and cash equivalents. TRCP maintains its cash and cash equivalents which at times may exceed the federally insured limit, in bank deposit accounts with high quality financial institutions. TRCP has not experienced any losses in such accounts. As of December 31, 2022, funds in excess of FDIC totaled \$1,301,563. As of December 31, 2021, funds in excess of FDIC totaled \$2,302,047. TRCP recognized the need to protect its assets and thus entered into a sweep agreement during 2022. Management does not, however, consider this to be a significant concentration of credit risk.

THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
Notes to the Financial Statements
December 31, 2022 and 2021

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Promises to give and grants receivable

Promises to give and grants receivable are recorded at estimated net realizable value. Management periodically reviews the status of all promises to give and grants receivable balances for collectability. Each receivable balance is assessed based on management's knowledge of and relationship with the grantor and the age of the receivable balance. As of December 31, 2022, the total discount recorded across promises to give and grants receivable was \$28,794; \$26,062 for grants receivable and \$2,732 for promises to give. In addition, a \$10,000 allowance for doubtful accounts was recorded for one of the promises to give as of December 31, 2022 as an account was determined uncollectible. As of December 31, 2021, the total discount recorded across promises to give and grants receivable was \$3,857; \$501 for grants receivable and \$3,356 for promises to give. There was no allowance for doubtful accounts as of December 31, 2021.

Investments

Investments in marketable securities with readily determinable fair values are valued at their fair values in the statement of financial position. Realized and unrealized gains and losses are included in the change in net assets. Investments consist of money market funds and mutual funds that are publicly traded.

Property and equipment

Acquisitions of property and equipment are stated at cost. Improvements and replacements of property and equipment are capitalized. Maintenance and repairs that do not improve or extend the lives of property and equipment are charged to expense as incurred, but renewals and betterments are capitalized. When assets are sold or retired, their cost and related accumulated depreciation are removed from the accounts and any gain or loss is reported in the statement of activities.

Depreciation is based on estimated useful service lives and is computed on the straight-line method, generally five to seven years. TRCP's policy is to capitalize property and equipment purchased with a cost greater than \$1,000. Leasehold improvements are amortized over the lease term.

Leases

TRCP assesses whether an arrangement qualifies as a lease (i.e., conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases are included in right-of-use (ROU) assets and lease liabilities in the statements of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term, using the risk-free discount rate based on the number of years of the lease term, and ROU assets also include prepaid or accrued rent.

Operating lease expense is recognized on a straight-line basis over the lease term. TRCP does not report ROU assets and leases liabilities for its short-term leases (leases with a term of 12 months or less).

THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
Notes to the Financial Statements
December 31, 2022 and 2021

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Conditional grant liability

Revenue received in advance of the period in which it is earned is deferred to subsequent periods. Grants are considered conditional when they include a barrier that must be overcome and either a right of return of assets transferred or a right of release of a donor's obligation to transfer assets.

Classification of net assets

TRCP reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions.

Net assets without donor restrictions – not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of TRCP. These net assets may be used at the discretion of TRCP's management. Net assets without donor restrictions also include board designated funds. Board designated net assets as of December 31, 2022 and 2021 totaled \$1,921,787 and \$1,619,171, respectively. See Note 11.

Net assets with donor restrictions – subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of TRCP or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. See Note 12.

Revenue recognition

Unconditional grants and contributions are recorded as revenue in the year notification is received from the donor. Grants and contributions considered to be nonexchange transactions that include donor-imposed conditions are recognized as revenue when the condition is met. Restricted grants and contributions are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the satisfaction of restrictions. Restricted grants and contributions received in excess of expenses incurred are included with net assets with donor restrictions.

In-kind contributions

Donated materials and services are recorded at fair value when an unconditional commitment is received and are recognized as an in-kind contribution as revenue and expense in the accompanying financial statements. Donated services are recognized when services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

Functional allocation of expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among program services, fundraising, and management and general benefited. Such allocations are determined by management on an equitable basis.

THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
Notes to the Financial Statements
December 31, 2022 and 2021

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional allocation of expenses (Continued)

Expenses are allocated by function based upon the following allocation methods:

<i>Expense</i>	<i>Method of Allocation</i>
Salaries/benefits	Time and effort
Dues/subscriptions	Shared services
Insurance	Shared services
Telephone/Web/IT	Shared services
Travel	Time and effort
Conferences	Time and effort
Equipment/maintenance	Shared services
Postage/express mail/printing/publications	Time and effort
Office expense	Time and effort
Rent	Shared services
Bank service charges/registrations and licenses	Shared services
Event promotion/advertising/promotional items	Time and effort
Donations to other organizations	Time and effort
Advertising and Promotion	Shared services

Advertising

TRCP expenses advertising costs as they are incurred. Advertising and promotion expense totaled \$439,917 and \$435,231 for the years ended December 31, 2022 and 2021, respectively.

Income taxes

TRCP is exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC).TRCP qualifies for the charitable contribution deduction under Section 170 and has been classified as an organization that is not a private foundation under Section 509(a)(1). There is no material net unrelated business income tax liability for the years ended December 31, 2022 and 2021.

TRCP follows accounting standards for dealing with uncertainty in accounting for income tax provisions. TRCP has determined that it does not have any material unrecognized tax benefits or obligations as of December 31, 2022 and 2021.

Tax returns are subject to examination by federal and state taxing authorities, generally for three years after filing. The Association’s returns for the fiscal years ended 2019 through 2021 are subject to such examination.

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THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
Notes to the Financial Statements
December 31, 2022 and 2021

NOTE 2 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Recent accounting pronouncements

Leases

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which changes the accounting for leases. While both lessees and lessors are affected by the new guidance, the effects on lessors is largely unchanged. Under the new guidance, there was a material impact on the statement of financial position, in the lessee will be required to recognize the following for all long- term leases: (1) a lease liability, which is the lessee’s obligation to make lease payments measured on a discounted basis and (2) a right-of-use (ROU) asset, which represents the lessee’s right to use (or control use of) a specified asset for the lease term. TRCP adopted this new standard using the effective method as of January 1, 2022 and elected to use all of the available practical expedients. TRCP recorded a right of use asset in the amount of \$1,089,213 and a corresponding operating lease liability in the amount of \$1,244,014 on January 1, 2022 in connection with the adoption of this standard.

Gifts in kind

The FASB issued ASU 2020-07, “Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets” to increase transparency related to contributed nonfinancial assets (gifts in kind) through enhancements to presentation and disclosures. TRCP has adopted ASU 2020-07 as of January 1, 2022.

NOTE 3 **UNCONDITIONAL PROMISES TO GIVE**

Unconditional promises to give are recorded as receivables and revenue when received. TRCP distinguishes between contributions received for each net asset category in accordance with donor-imposed restrictions. Promises to give are comprised of the following at December 31:

	<u>2022</u>	<u>2021</u>
<u>Unconditional promises to give expected in:</u>		
Less than one year	\$ 340,000	\$ 206,723
Two to five years	<u>214,635</u>	<u>400,000</u>
	554,635	606,723
Less: discount & allowance	<u>(12,732)</u>	<u>(3,356)</u>
Total promises to give, net	<u>\$ 541,903</u>	<u>\$ 603,367</u>

Unconditional promises to give are discounted to their present value using risk free rates of return ranging from 0.28% to 3.45% for both December 31, 2022 and 2021.

As of December 31, 2022 and 2021, one donor had a pledge balance outstanding which represented 74% and 99% of total promises to give, respectively.

THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
Notes to the Financial Statements
December 31, 2022 and 2021

NOTE 4 **GRANTS RECEIVABLE**

As of December 31, 2022 and 2021, TRCP has grants receivable due within one year totaling \$253,291 and \$1,033,249, respectively. As of December 31, 2022 and 2021, TRCP has grants receivable due after one year totaling \$280,647 and \$30,000, respectively.

NOTE 5 **FAIR VALUE MEASUREMENTS**

Fair value, as defined under Generally Accepted Accounting Principles (GAAP), is an exit price representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. GAAP establishes a three-tier fair value hierarchy that prioritizes the inputs used in measuring fair value. These tiers include:

- Level 1* Observable inputs such as quoted prices in active markets.
- Level 2* Inputs other than quoted prices in active markets that are either directly or indirectly observable.
- Level 3* Unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions.

Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. TRCP's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy levels.

There have been no changes in the methodologies used at December 31, 2022. The following is a description of the valuation methodologies used for instruments measured at fair value:

Money market funds and cash equivalents – Recorded at cost which approximates fair value. Both observable inputs are used to value these investments.

Mutual funds – Valued using quoted market prices.

All of TRCP's assets accounted for at fair value on a recurring basis fall of within Level 1 of the fair value hierarchy as of December 31, 2022 and 2021.

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THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
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NOTE 6 **INVESTMENTS**

Marketable securities at December 31, 2022 and 2021 carried at fair value as determined by quoted market prices are as follows:

	<u>2022</u>	<u>2021</u>
Money market funds and cash equivalents	\$ 1,520	\$ 1,847
Mutual funds	<u>1,665,785</u>	<u>1,372,812</u>
	<u>1,667,305</u>	<u>1,374,659</u>

The following schedule summarizes investment income (loss), in the statement of activities at December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Interest and dividends	\$ 74,784	\$ 24,666
Realized and unrealized gains (losses)	<u>(256,921)</u>	<u>10,072</u>
	(182,137)	34,738
Less: investment fees	<u>(8,745)</u>	<u>(3,731)</u>
	<u>\$ (190,882)</u>	<u>\$ 31,007</u>

NOTE 7 **PROPERTY AND EQUIPMENT**

Major classes of property and equipment consisted of the following at December 31, 2022 and 2021:

	<u>2022</u>	<u>2021</u>
Furniture and fixtures	\$ 93,829	\$ 98,548
Computer equipment	41,504	41,504
Website	45,063	40,000
Less: accumulated depreciation & amortization	<u>(118,392)</u>	<u>(96,748)</u>
	<u>\$ 62,004</u>	<u>\$ 83,304</u>

Depreciation and amortization expense on property and equipment was \$36,166 and \$30,998 for the years ended December 31, 2022 and 2021, respectively.

NOTE 8 **ECONOMIC INJURY DISASTER LOAN**

In response to the COVID-19 pandemic, the Small Business Administration (SBA) allowed small businesses and nonprofit organizations to apply for Economic Injury Disaster Loans to provide economic relief to businesses that were experiencing a temporary loss of revenue due to COVID-19. TRCP received a loan of \$150,000 on May 30, 2020 with an annual interest rate of 2.75% that matures in 30 years.

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NOTE 8 **ECONOMIC INJURY DISASTER LOAN** (Continued)

Payments on the loan were originally scheduled to start one year after receipt. During 2021, the SBA extended the deferment period for all disaster loans, including COVID-19 Economic Disaster Loans to 2 years after receipt. During March 2022, the SBA once again extended the deferral period to 30 months. Payments on the loan will start 30 months from the date of the note.

Principal maturities of long-term debt for future years are as follows:

For the Year Ended December 31,

2023	\$	3,315
2024		3,407
2025		3,502
2026		3,599
2027		3,700
Thereafter		<u>132,377</u>
	\$	<u>149,900</u>

Accrued interest included in Economic injury disaster loan – current portion on the statements of financial position as of December 31, 2022 and 2021 amounted to \$10,088 and \$5,966, respectively.

NOTE 9 **OPERATING LEASES**

On November 1, 2016, TRCP entered into an office lease agreement in the District of Columbia that is scheduled to expire on October 31, 2027. The first 12 months of lease payments are abated. The lease agreement contains an escalation clause whereby rent is increased by 2.5% each year. The agreement includes an option to renew the lease for a term of five additional years, which is not guaranteed and, therefore not considered likely to be exercised.

On February 28, 2020, TRCP entered into an office lease agreement in Denver, Colorado (the Spectrum Office) with an original term of three years. The lease agreement contains an escalation clause whereby rent is increased by 2.1% each year. On December 13, 2022, the original lease agreement was amended to extend the term by one year. This additional year is not subject to the escalation clause and base rent is, therefore, at the same amount as the third year of the initial term. The lease does not include any option to renew or extend.

On December 13, 2021, TRCP entered into an operating lease agreement for office space in Montana (the Missoula Warehouse) with a commencement date of February 1, 2022 for a two year term. The lease requires monthly payments of \$1,150 with no escalations. The lease includes an option to renew the lease for a two-year term at a rate not yet negotiated.

Rent expense was \$244,838 and \$248,696 for the years ended December 31, 2022 and 2021, respectively.

The weighted average remaining lease term is 3.6 years and the weighted average discount rate is 1.33%.

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Notes to the Financial Statements
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NOTE 9 **OPERATING LEASES** (Continued)

Future maturities of lease liabilities at December 31, 2022 are as follows:

	<u>D.C.</u>	<u>Spectrum</u>	<u>Missoula</u>	<u>Total</u>
Total lease payments for the year ended December 31,				
2023	\$188,559	\$ 56,784	\$ 13,800	\$ 259,143
2024	193,261	9,464	1,150	203,875
2025	198,100	-	-	198,100
2026	203,047	-	-	203,047
2027	<u>172,704</u>	<u>-</u>	<u>-</u>	<u>172,704</u>
	955,671	66,248	14,950	1,036,869
Less: present value discount	<u>(31,001)</u>	<u>(279)</u>	<u>(88)</u>	<u>(31,368)</u>
	<u>\$ 924,670</u>	<u>\$ 65,969</u>	<u>\$ 14,862</u>	<u>\$ 1,005,501</u>

NOTE 10 **LINE OF CREDIT**

TRCP has a \$350,000 revolving line of credit from Truist Bank, which expires on September 20, 2024. The line of credit bears interest at a rate of Prime plus 2.0% per annum and is due on demand. Advances under the line of credit are unsecured. The Board of Directors of TRCP limits the use of the line of credit for operating expenses. There was no outstanding balance as of December 31, 2022 and 2021.

NOTE 11 **NET ASSETS WITHOUT DONOR RESTRICTIONS – BOARD DESIGNATED**

During fiscal year 2009, TRCP established the Jim Range Conservation Fund, which would be used at the discretion of TRCP's Board of Directors to provide general operating support, particularly in the capacity building areas of communications and development, enhance TRCP's flexibility to seize unexpected opportunities or confront sudden challenges pertaining to TRCP's legislative agenda, and to supplement funding to TRCP's signature conservation programs in four major areas: western public lands, agricultural private lands, responsible energy development and marine fisheries. The amount recognized as Board-designated as of December 31, 2022 and 2021 is \$1,921,787 and \$1,619,171, respectively.

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Notes to the Financial Statements
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NOTE 12 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions at December 31, 2022 and 2021 are as follows:

	<u>2022</u>	<u>2021</u>
<u>Purpose restricted:</u>		
The Coca-Cola Company	\$ 75,000	\$ -
Margaret Oliva	50,941	-
Paul Moseley	16,500	-
Buchanan Family Foundation	-	15,000
	<u>142,441</u>	<u>15,000</u>
<u>Time restricted:</u>		
Bass Pro	-	33,333
Buchanan	15,000	-
Bur Oak	45,833	-
Campbell Foundation	48,750	-
Charles Stewart Mott Foundation	220,833	93,750
Colorado DNR	10,025	-
Curtis and Edith Munson	-	20,000
Doris Duke	150,000	30,000
Everglades	-	20,000
Gates Family Foundation	25,000	-
George B. Storer Foundation	-	87,500
George L. Ohrstrom, Jr. Foundation	25,000	-
High Stakes Foundation	3,750	-
Hutchins	-	5,000
Ishiyama Foundation	-	150,000
Ishyama Foundation	150,000	-
James K. and Joan A. Gardner Family Foundation	466,667	-
Jim Range Conservation Fund	394,635	602,723
John Ben Snow Memorial Trust	2,500	-
Knobloch Family Foundation	16,667	6,250
Mighty Arrow	-	50,000
Moore Charitable Foundation	108,333	25,000
Nevada Energy Foundation	13,636	10,000
Ohrstrom Foundation	120,000	38,334
REI Co-op	48,750	2,083
Resources Legacy Fund	15,000	-
Richard King Mellon Foundation	-	25,000
S. Kent Rockwell Foundation	36,667	36,667
Sarah de Coizert	-	75,000
Shell Oil Company	25,000	-
The Burning Foundation	-	13,750
The Campbell Foundation	-	32,500
The Conservation Alliance	11,250	9,500
Thornburg Foundation	56,250	-
Walton Conservation Coalition (C4)	-	37,500
Water Foundation	225,000	65,000
Weeden Foundation	4,167	2,500
Western Conservation Foundation	-	8,750
Weyerhaeuser	-	15,000
Wilburforce Alaska	29,167	29,167
Wilburforce Idaho	35,000	29,167
William and Flora Hewlett Foundation	5,000	750,000
Williams Family Foundation of Georgia	30,000	60,000
	<u>2,337,880</u>	<u>2,363,474</u>
Total net assets with donor restrictions	<u>\$ 2,480,321</u>	<u>\$ 2,378,474</u>

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NOTE 13 **DONATED GOODS AND SERVICES**

During the years ended December 31, 2022 and 2021, TRCP received donated goods consisting primarily of Capital Conservation Dinner auction items valued at \$206,903 and \$145,505, respectively. TRCP also received donated legal services valued at \$7,276 during 2021. All in-kind contributions were utilized by TRCP's programs and supporting services. All in-kind contributions have been recorded at their fair market value as of the date of the gift.

The value of the goods and services are recorded in the accompanying statements of functional expenses in advertising and promotion and event promotion for the years ended December 31, 2022 and 2021 as follows:

	<u>Program Services</u>	<u>Fundraising</u>	<u>Total</u>
<u>For the Year Ended December 31, 2022:</u>			
Monetized In-Kind ;			
Donated Goods - Auction Items	\$ 102,748	\$ 104,155	\$ 206,903
	<u>\$ 102,748</u>	<u>\$ 104,155</u>	<u>\$ 206,903</u>
	<u>Program Services</u>	<u>Fundraising</u>	<u>Total</u>
<u>For the Year Ended December 31, 2021:</u>			
Monetized In-Kind;			
Donated Goods - Auction Items	\$ 72,316	\$ 73,189	\$ 145,505
Utilized In-Kind;			
Donated Legal Services	3,616	3,660	7,276
	<u>\$ 75,932</u>	<u>\$ 76,849</u>	<u>\$ 152,781</u>

NOTE 14 **RETIREMENT PLAN**

TRCP has a 401(k) plan which covers all employees who meet certain eligibility requirements. TRCP contributes a matching component on an annual basis. Employer contributions and related expenses for the years ended December 31, 2022 and 2021 were \$154,321 and \$104,989, respectively.

NOTE 15 **LIQUIDITY AND FUNDS AVAILABLE**

The following represents TRCP's financial assets as of December 31, 2022 and 2021, reduced by amounts not available for general expenditure within one year, if any. Financial assets are considered unavailable when illiquid or not convertible to cash within one year, trust assets, assets held for others, endowments and accumulated earnings net of appropriations within one year and board designated endowments. These board designations could be drawn upon if the board approves that action.

THEODORE ROOSEVELT CONSERVATION PARTNERSHIP, INC.
Notes to the Financial Statements
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NOTE 15 **LIQUIDITY AND FUNDS AVAILABLE** (Continued)

Financial assets available to meet cash needs for general expenditures within one year are as follows:

	<u>2022</u>	<u>2021</u>
<u>Financial assets:</u>		
Cash and cash equivalents	\$ 3,846,517	\$ 3,383,194
Investments	1,667,305	1,374,659
Promises to give - current portion	328,708	206,723
Grants receivable, net - current portion	253,291	1,033,249
Prepaid expenses	151,398	129,697
Other current asset	-	178,706
	<u>6,247,219</u>	<u>6,306,228</u>
<u>Less amounts not available to be used</u> <u>within one year due to:</u>		
Long term pledges and grants	514,635	426,644
Board designated funds	<u>1,921,787</u>	<u>1,619,171</u>
 Financial assets available to meet general expenditures within one year	 <u>\$ 3,810,797</u>	 <u>\$ 4,260,413</u>

TRCP can make additional draws from the line of credit through September 20, 2024; see Note 10 for further detail.

NOTE 16 **SUBSEQUENT EVENTS**

In preparing these financial statements, TRCP has evaluated subsequent events for potential required disclosure through April 25, 2023, which is the date the financial statements were available to be issued. There were no subsequent events identified requiring disclosure or recognition in the financial statements.