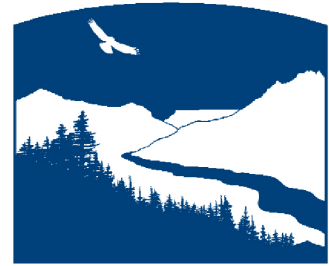


OREGON NATURAL RESOURCES  
COUNCIL FUND dba

OREGON WILD

FINANCIAL STATEMENTS

Year Ended September 30, 2020



**OREGON WILD**

**KERN ▲ THOMPSON**  
CERTIFIED PUBLIC ACCOUNTANTS

**Mission Statement:**

Founded in 1974, Oregon Wild works to protect and restore Oregon's wildlands, wildlife and waters as an enduring legacy for future generations.

**OREGON NATURAL RESOURCES COUNCIL FUND, dba OREGON WILD**

**FINANCIAL STATEMENTS**

**Year Ended September 30, 2020**

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## Executive Director's Message

What is there to say about the year 2020? Like everyone else that shares this planet, the team at Oregon Wild faced adversity and uncertainty like we have never before experienced in our lives. As an organization, we persevered through what turned out to be the final year of the Trump Administration, built the foundation for a once-in-a-generation scale protective campaign, and had perhaps our most successful fundraising year in the organization's history.

We are incredibly grateful to the thousands of Oregonians (and Oregonians at heart) who waded through their own pandemic year chaos to donate time, energy, passion, and money to power our mission in fiscal year 2019-2020.

Alongside our on-the-ground accomplishments (outlined below), this year saw continued growth in our partnerships aimed at making the outdoors and the conservation movement more diverse, inclusive, and equitable. Through key partnerships with Soul River Inc., Vive Northwest, and others we helped to lift up the essential work of BIPOC-led organizations. At the same time, we spearheaded a coalition of racial justice and rural community organizations that collectively published *Smokescreen* – a report exposing how Timber Unity has helped mainstream conspiracy theories, militia groups, and white supremacists into Oregon politics.

Our work to modernize the weakest private lands logging laws in the West – nearly a decade in the making – reached a critical milestone of success this year. In February, Governor Kate Brown announced an historic agreement between the state's leading conservation organizations and Oregon's largest logging corporations. This agreement saw immediate upgrades to no-cut and no-spray buffers along streams as well as a first-in-the-nation 24-hour aerial spray notification system to better inform those living in forest communities of industrial logging activities nearby. The next step is negotiations that will produce a huge leap forward in protections for aquatic ecosystems under the Oregon Forest Practices Act.

In partnership with Senator Ron Wyden, we have also set the stage for an unprecedented campaign to protect thousands of miles of Wild & Scenic Rivers across the state. Together with allies, we helped to deliver 15,000 river nominations to the Senator after he put out the call and now we stand ready to move this epic bill in the coming Congress.

Of course, we had to make real changes in how we went about our work this year. To stay connected to our supporters and Oregonians who love wildlands and wildlife, we launched a series of webcasts on topics ranging from sea otters to racism in the outdoors. To date, we have hosted nearly 30 community presentations with over 10,000 signups. We have always considered Oregon Wild to be an organization that uses every tool in the toolbox – from grassroots education to litigation. And this year, we added more digital organizing tools to our repertoire.

While much of our advocacy plays out over years and decades of hard work, we still see concrete victories every passing year. Here is a snapshot of our accomplishments from the last fiscal year.

### Protecting Special Places

Decades of resource extraction and development have irrevocably changed large swaths of the Oregon landscape. Still, many special places untarnished by human activity remain. These pristine backcountry gems and free-flowing rivers represent our last, best hope for preserving a significant part of Oregon in its natural state. With only 4% of our state permanently protected as Wilderness, there is much work left to be done to ensure a slice of Oregon remains wild for future generations.

- Led the grassroots coalition that helped garner 15,000 nominations to Senator Wyden for his Wild & Scenic Rivers campaign, including a wildly successful showing of support at Wyden town halls. We now stand primed for an unprecedented Wild & Scenic Rivers bill in the coming Congress.
- Led the coalition to increase protections for Mount Hood and the Columbia River Gorge closer to introduction of legislation that will set a new vision for conservation and recreation.

- Launched an exciting and timely new Forest Climate Program to help advance smart climate policy at the federal and state level and defend carbon-storing old-growth forests.
- Continued our court fight with allies to keep Cascade Siskiyou National Monument protections in place.

### **Defending and Restoring Oregon's Forests and Waters**

Between the isolated remaining pockets of pristine wilderness lies the vast network of managed landscapes. These forests, watersheds, refuges, lakes, and wetlands are critical corridors for wildlife and sources of clean water. Furthermore, they are important for our efforts to attain climate resilience. As we continue to defend our forests and waters by holding land management agencies accountable to the law, it is imperative that we break free from the current paradigm of treating much of our state as an asset to be exploited. From bloated fire suppression budgets to the crop-centered notion of sustained yield forestry, the undergirding principles of land management in Oregon are relics of the past that must be discarded. To restore landscapes to ecological health so that natural processes can dominate, we need fresh ways of thinking and new laws that put climate stabilization, wildlife, and watershed health at the center of policymaking.

- After years of pressure, we struck an historic agreement to limit aerial pesticide spray in private forests and chart the path for a huge leap forward in protections for rivers and wildlife in the Oregon Forest Practices Act.
- With allies, emerged victorious in two lawsuits:
  - Halting the Thurston Hills Project near Springfield and helping to protect a BLM recreation area from logging and reduce fire hazard to local residents.
  - Stopping the Crystal Clear timber sale on Mount Hood and keeping the Forest Service from logging older forests under the guise of restoration.
- Launched a new coalition to defend big trees and wildlife in eastern Oregon from Trump administration efforts to dismantle the two-decade old “eastside screens” protections.
- Responded to the historic 2020 fire season, and ensuing efforts from the logging industry to cynically attempt to increase logging, by successfully shifting the media narrative around wildfire and telling the story of the fires through mapping, presentations, and digital media.
- Continued to be a vigilant watchdog for our public lands by monitoring, submitting formal comments on, and/or objecting to more than 150 timber sales and other proposed projects, including:
  - Reducing the size and negative impacts of an industrial logging sale in the Lostine Wild & Scenic River corridor.
  - Getting BLM to drop 178 acres of logging in suitable owl habitat in the Beaty Ryder Project and 103 acres in the Stag Timber Sale

### **Helping Native Species Thrive**

Trends across the planet confirm that we are in the midst of a global extinction crisis. While we make all efforts to reverse habitat degradation and protect high quality core habitat where it still exists, we must also demand that agencies charged with the management of at-risk species prioritize their protection and recovery. Oregon Wild will continue to push for a new model for wildlife management that deprioritizes the exalted position of consumptive interests and centers the needs of species put at direct risk for survival through human actions.

- Helped create and co-coordinate the Oregon Wildlife Coalition – a group of nine organizations in Oregon working together to advocate for better wildlife conservation policies.
- Stood up for gray wolves by joining a lawsuit to stop a Trump Administration plan to remove their Endangered Species protections.
- Worked with partners to advance legislation in the Oregon Legislature to end coyote killing contests throughout the state (the House passed the bill before the Senate walked out before a vote).

- Led the “Stop Extinction Challenge” in Oregon, a national lobby day for Congress about wildlife conservation policy.
- Continued to monitor a network of wildlife cameras throughout the state to document wildlife – in part to support an OSU study – and other public lands activity.


### **The Oregon Wild team**

The Oregon Wild staff is extremely dedicated and has knowledge of Oregon’s political and ecological landscape that is unmatched. With our main offices in Portland, and three satellite offices (in Eugene, Bend, and Enterprise) we cover the whole state with deep experience in environmental policy, law, and organizing.

We are fortunate to have a volunteer Board of Directors that bring their diverse experience to the table in guiding our strategic direction. While they represent unique geographic corners of the state and bring distinct perspectives to the board, they share a passion for protecting Oregon.

Of course, the staff and board are only able to accomplish our mission with the steadfast support of thousands of donors, businesses, and foundations that give generously of their time and money.

Sean Stevens

A handwritten signature in black ink, consisting of stylized, cursive letters that appear to be 'S' and 'S'.

Executive Director

**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
Oregon Natural Resources Council Fund  
dba Oregon Wild  
Portland, Oregon

We have audited the accompanying financial statements of Oregon Natural Resources Council Fund dba Oregon Wild (a non-profit organization), which comprise the statement of financial position as of September 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

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

***Auditors' Responsibility***

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

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

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

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Oregon Natural Resources Council Fund dba Oregon Wild as of September 30, 2020, 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.

***Other Matters***

***Report on Summarized Comparative Information***

We have previously audited Oregon Natural Resources Council Fund dba Oregon Wild's 2019 financial statements, and we expressed an unmodified opinion on those financial statements in our report dated April 3, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.



Portland, Oregon  
February 18, 2021

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**STATEMENT OF FINANCIAL POSITION**

**September 30, 2020**

(With Comparative Totals as of September 30, 2019)

**ASSETS**

|                                   | <u>2020</u>                | <u>2019</u>                |
|-----------------------------------|----------------------------|----------------------------|
| Cash and cash equivalents         | \$ 637,348                 | \$ 120,488                 |
| Investments                       | 1,160,158                  | 944,080                    |
| Grants receivable                 | -                          | 95,000                     |
| Inventory                         | 9,437                      | 18,087                     |
| Prepaid expenses and other assets | 32,365                     | 32,271                     |
| Property and equipment - net      | <u>256,327</u>             | <u>256,875</u>             |
| <b>Total assets</b>               | <b><u>\$ 2,095,635</u></b> | <b><u>\$ 1,466,801</u></b> |

**LIABILITIES AND NET ASSETS**

|                                      |                       |                       |
|--------------------------------------|-----------------------|-----------------------|
| Accounts payable                     | \$ 12,081             | \$ 29,491             |
| Accrued payroll and related expenses | 172,406               | 149,002               |
| Deposits                             | 1,392                 | 9,222                 |
| Refundable advance                   | <u>160,100</u>        | <u>-</u>              |
| <b>Total liabilities</b>             | <b><u>345,979</u></b> | <b><u>187,715</u></b> |

**Net assets**

|   |                            |                            |
|---|----------------------------|----------------------------|
| Without donor restrictions              |                            |                            |
| Special projects and reserve funds      | 337,440                    | 240,489                    |
| Board-designated endowment              | 820,282                    | 701,156                    |
| Available for operations                | <u>589,499</u>             | <u>240,006</u>             |
| Total without donor restrictions        | 1,747,221                  | 1,181,651                  |
| With donor restrictions                 | <u>2,435</u>               | <u>97,435</u>              |
| <b>Total net assets</b>                 | <b><u>1,749,656</u></b>    | <b><u>1,279,086</u></b>    |
| <b>Total liabilities and net assets</b> | <b><u>\$ 2,095,635</u></b> | <b><u>\$ 1,466,801</u></b> |

See notes to financial statements.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**STATEMENT OF ACTIVITIES**

**Year Ended September 30, 2020**

(With Comparative Totals for the Year Ended September 30, 2019)

|  | <b>Without<br/>Donor<br/>Restrictions</b> | <b>With<br/>Donor<br/>Restrictions</b> | <b>Total</b>               |                            |
|--|---|--|----------------------------|----------------------------|
|  |   |  | <b>2020</b>                | <b>2019</b>                |
| <b>Revenues, gains and other support</b>               |   |  |                            |                            |
| Contributions and memberships                          | \$ 948,153                                | \$ -                                   | \$ 948,153                 | \$ 630,472                 |
| Grants and contracts                                   | 260,929                                   | 169,000                                | 429,929                    | 557,000                    |
| Bequests   | 155,087                                   | -                                      | 155,087                    | 130,656                    |
| In-kind contributions                                  | 25,945                                    | -                                      | 25,945                     | 44,048                     |
| Investment income                                      | 37,835                                    | -                                      | 37,835                     | 43,294                     |
| Realized/unrealized gain (loss) on<br>investments      | 61,403                                    | -                                      | 61,403                     | 16,482                     |
| Other  | 109,472                                   | -                                      | 109,472                    | 86,121                     |
|  | <u>1,598,824</u>                          | <u>169,000</u>                         | <u>1,767,824</u>           | <u>1,508,073</u>           |
| Net assets released from restrictions                  | <u>264,000</u>                            | <u>(264,000)</u>                       | <u>-</u>                   | <u>-</u>                   |
| <b>Total revenues, gains and<br/>other support</b>     | <b><u>1,862,824</u></b>                   | <b><u>(95,000)</u></b>                 | <b><u>1,767,824</u></b>    | <b><u>1,508,073</u></b>    |
| <b>Expenses</b>  |   |  |                            |                            |
| Program services                                       |   |  |                            |                            |
| Protecting Special Places                              | 380,204                                   | -                                      | 380,204                    | 401,207                    |
| Defending and Restoring Oregon's<br>Forests and Waters | 505,450                                   | -                                      | 505,450                    | 438,480                    |
| Helping Native Species Thrive                          | 137,904                                   | -                                      | 137,904                    | 165,947                    |
| Total program services                                 | <u>1,023,558</u>                          | <u>-</u>                               | <u>1,023,558</u>           | <u>1,005,634</u>           |
| Supporting services                                    |   |  |                            |                            |
| Management and general                                 | 68,992                                    | -                                      | 68,992                     | 72,860                     |
| Fundraising  | 204,704                                   | -                                      | 204,704                    | 197,803                    |
| <b>Total expenses</b>                                  | <b><u>1,297,254</u></b>                   | <b><u>-</u></b>                        | <b><u>1,297,254</u></b>    | <b><u>1,276,297</u></b>    |
| <b>Change in net assets</b>                            | <b>565,570</b>                            | <b>(95,000)</b>                        | <b>470,570</b>             | <b>231,776</b>             |
| Net assets, beginning of year                          | <u>1,181,651</u>                          | <u>97,435</u>                          | <u>1,279,086</u>           | <u>1,047,310</u>           |
| <b>Net assets, end of year</b>                         | <b><u>\$ 1,747,221</u></b>                | <b><u>\$ 2,435</u></b>                 | <b><u>\$ 1,749,656</u></b> | <b><u>\$ 1,279,086</u></b> |

See notes to financial statements.



**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**STATEMENT OF FUNCTIONAL EXPENSES**

**Year Ended September 30, 2020**

(With Comparative Totals for the Year Ended September 30, 2019)

|                                  | <b>PROGRAM SERVICES</b>                  |  |  |                     | <b>SUPPORTING SERVICES</b>        |                          | <b>Total</b>        |                     |
|----------------------------------|--|--|--|---------------------|-----------------------------------|--------------------------|---------------------|---------------------|
|                                  | <b>Protecting<br/>Special<br/>Places</b> | <b>Defending<br/>and<br/>Restoring<br/>Oregon's<br/>Forests<br/>and Waters</b> | <b>Helping<br/>Native<br/>Species<br/>Thrive</b> | <b>Total</b>        | <b>Management<br/>and General</b> | <b>Fund-<br/>Raising</b> | <b>2020</b>         | <b>2019</b>         |
| Salaries                         | \$ 212,288                               | \$ 300,407   | \$ 89,169  | \$ 601,864          | \$ 38,539                         | \$ 82,126                | \$ 722,529          | \$ 684,689          |
| Payroll taxes and benefits       | 37,501                                   | 53,284   | 16,125   | 106,910             | 7,342                             | 14,868                   | 129,120             | 133,000             |
| Professional services            | 64,993                                   | 52,176   | 2,470  | 119,639             | 1,783                             | 9,910                    | 131,332             | 59,377              |
| Telephone and website            | 9,261                                    | 12,915   | 4,350  | 26,526              | 1,634                             | 3,567                    | 31,727              | 36,815              |
| Occupancy                        | 8,006                                    | 11,406   | 3,363  | 22,775              | 1,447                             | 3,158                    | 27,380              | 29,557              |
| Subgrants                        | 16,631                                   | 34,709   | 6,986  | 58,326              | 3,005                             | 6,559                    | 67,890              | 51,350              |
| Oregon Wild Newsletter           | 5,705                                    | 8,093  | 2,396  | 16,194              | 1,031                             | 2,519                    | 19,744              | 18,731              |
| Office supplies                  | 568                                      | 762  | 307  | 1,637               | 96                                | 1,279                    | 3,012               | 5,214               |
| Equipment                        | 1,411                                    | 2,002  | 2,081  | 5,494               | 255                               | 556                      | 6,305               | 7,983               |
| Insurance                        | 7,177                                    | 5,083  | 1,505  | 13,765              | 647                               | 1,413                    | 15,825              | 16,467              |
| Direct mail                      | 1,791                                    | 2,467  | 714  | 4,972               | 307                               | 3,935                    | 9,214               | 17,767              |
| Conferences, training and travel | 2,127                                    | 5,054  | 2,626  | 9,807               | 19                                | 552                      | 10,378              | 45,539              |
| Program expenses                 | 5,051                                    | 7,042  | 2,789  | 14,882              | 592                               | 57,152                   | 72,626              | 109,619             |
| Miscellaneous expenses           | 1,484                                    | 1,237  | 414  | 3,135               | 11,173                            | 14,661                   | 28,969              | 39,365              |
| Depreciation                     | 6,210                                    | 8,813  | 2,609  | 17,632              | 1,122                             | 2,449                    | 21,203              | 20,824              |
|                                  | <b>\$ 380,204</b>                        | <b>\$ 505,450</b>  | <b>\$ 137,904</b>                                | <b>\$ 1,023,558</b> | <b>\$ 68,992</b>                  | <b>\$ 204,704</b>        | <b>\$ 1,297,254</b> | <b>\$ 1,276,297</b> |

See notes to financial statements.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**STATEMENT OF CASH FLOWS**

**Year Ended September 30, 2020**

(With Comparative Totals for the Year Ended September 30, 2019)

|  | <u>2020</u>              | <u>2019</u>              |
|--|--------------------------|--------------------------|
| <b>Cash flows from operating activities:</b>   |                          |                          |
| Change in net assets   | \$ 470,570               | \$ 231,776               |
| Adjustments to reconcile change in net assets to<br>net cash provided by (used in) operating activities: |                          |                          |
| Depreciation   | 21,203                   | 20,824                   |
| Gain (loss), reinvestment of interest and dividends from investments                                     | (99,238)                 | (52,501)                 |
| Changes in assets and liabilities:   |                          |                          |
| Grants receivable  | 95,000                   | (91,006)                 |
| Inventory  | 8,650                    | (11,258)                 |
| Prepaid expenses and other assets  | (94)                     | (8,562)                  |
| Accounts payable   | (17,410)                 | 16,944                   |
| Accrued payroll and related expenses   | 23,404                   | (2,388)                  |
| Deposits   | (7,830)                  | (1,897)                  |
| Refundable advance   | 160,100                  | -                        |
| <b>Net cash provided by (used in) operating activities</b>   | <u><b>654,355</b></u>    | <u><b>101,932</b></u>    |
| <b>Cash flows from investing activities:</b>   |                          |                          |
| Proceeds from sale of investments  | 27,315                   | 46,660                   |
| Purchase of investments  | (144,155)                | (130,656)                |
| Purchase of property and equipment   | <u>(20,655)</u>          | <u>(2,700)</u>           |
| <b>Net cash provided by (used in) investing activities</b>   | <u><b>(137,495)</b></u>  | <u><b>(86,696)</b></u>   |
| <b>Net change in cash and cash equivalents</b>   | <b>516,860</b>           | <b>15,236</b>            |
| Cash and cash equivalents, beginning of year   | <u>120,488</u>           | <u>105,252</u>           |
| <b>Cash and cash equivalents, end of year</b>  | <u><b>\$ 637,348</b></u> | <u><b>\$ 120,488</b></u> |

See notes to financial statements.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2020**

**NOTE A – DESCRIPTION OF ORGANIZATION**

Oregon Natural Resources Council Fund dba Oregon Wild (the Organization) is a Section 501(c)(3) nonprofit organization founded in 1974 to protect and restore Oregon’s wildlands, wildlife, and waters as an enduring legacy for future generations. The Organization works to educate and activate the public regarding threats to our natural resources while seeking long term protections for our public lands. Support is provided to the Organization through contributions from individuals, grants, corporate partnerships, and other fees.

During the fiscal year, the Organization supported the following:

- **Protecting Special Places** – Oregon Wild leads campaigns for the permanent protection of Wilderness areas, Wild & Scenic Rivers, National Recreation Areas, and other protective designations to safeguard our public forests and waters.
- **Protecting and Restoring Oregon’s Forests and Waters** – Oregon Wild works to protect and restore public and private forests, critical watersheds, rivers, and wetlands across the state with a focus on ancient forests, the Klamath Basin National Wildlife Refuges, and wildlife corridors.
- **Helping Native Species Thrive** – Oregon Wild works to protect and recover native species such as gray wolves, northern spotted owls, and salmon that are critical to functioning ecosystems and an important part of our natural heritage.
- **Connecting People to Wild Places** – Oregon Wild leads numerous outdoor trips, hosts dozens of special events, and sponsors restoration-based service trips to foster an informed citizenry passionate about protecting public lands.

The Organization is affiliated with Oregon Wild Conservation Leaders Fund (OWCLF), a Section 501(c)(4) organization which mobilizes the public to permanently protect Wilderness and old-growth forests, lobbies elected officials to pass protection legislation, and supports or opposes candidates for public office.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Adoption of New Accounting Pronouncement**

During the fiscal year ended September 30, 2020, one new accounting pronouncement became effective for the Organization: *Accounting Standards Update No. 2018-08, Not-for-Profit Entities (Topic 958) Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (“ASU 2018-08”)*.

ASU 2018-08 clarifies and improves guidance for contributions received and contributions made. This change is preferable in that it clarifies whether to account for transactions as contributions or as exchange transactions. In addition, it clarifies whether a contribution is conditional. As a result, it enhances comparability of financial information among not-for-profit entities.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2020**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Adoption of New Accounting Pronouncement (Continued)**

The change in accounting principle resulting from ASU 2018-08 was adopted on a modified prospective basis in 2020. As a result, there was no cumulative-effect adjustment to opening net assets without donor restrictions or opening net assets with donor restrictions as of October 1, 2019. In comparison to the year ended September 30, 2020, the effect of adopting the new accounting principles had no effect on the classification of revenues.

**Financial Statement Presentation**

The Organization reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Accordingly, the net assets of the Organization and changes therein are classified and reported as follows:

- **Net Assets Without Donor Restrictions** – Net assets that are not subject to donor-imposed stipulations. The Board of Directors may designate net assets without donor restrictions for specific purposes.
- **Net Assets With Donor Restrictions** – Net assets subject to donor-imposed stipulations that will be met either by actions of the Organization and/or the passage of time, or net assets with donor restrictions that are not subject to appropriation or expenditure.

Expenses are reported as a decrease in net assets without donor restrictions. Gains and losses are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expiration of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

**Revenue Recognition**

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions with donor restrictions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. Otherwise, when a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. 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 with both donor-imposed conditions and restrictions that are met in the same reporting period are reported as support without donor restrictions and increase net assets without donor restrictions. The Organization makes an annual determination of the adequacy of the allowance for grants and pledges receivable. Management believes no allowance is required as of September 30, 2020.

Bequests are recorded as revenue at the time the Organization has an established right to the bequest and the proceeds are measurable. Membership payments received from the Organization's members are considered equivalent to without donor restrictions contributions and are recognized as revenue when received.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2020**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Functional Allocation of Expenses**

The costs of providing the programs and supporting services have been summarized in the statement of Activities. Directly identifiable expenses are charged to programs and supporting services when incurred. Certain costs, including office expense, occupancy, leases and utilities have been allocated among the programs and supporting services benefited based primarily on estimates of time and effort.

**Estimates**

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

**Cash and Cash Equivalents**

The Organization considers all liquid investments having initial maturities of three months or less to be cash equivalents. Cash and cash equivalents held for long-term investment purposes are excluded from cash and cash equivalents and are included in investments.

**Concentrations of Credit Risk**

Financial instruments that potentially subject the Organization to concentration of credit risk consist primarily of cash and cash equivalents. Interest bearing accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

**Inventory**

Inventory consists of t-shirts, hats, books and tote bags held for sale as part of the Organization's fund-raising and campaign efforts. Inventory is recorded at the lower of cost (first-in, first-out) or market for purchased items and fair market value for donated items.

**Property and Equipment**

Property and equipment is recorded at cost. Donated equipment is recorded at fair market value at the date received. Depreciation is computed on the straight-line method over the following estimated useful lives:

|                           |                |
|---------------------------|----------------|
| Building and improvements | 10 to 40 years |
| Office equipment          | 3 to 15 years  |

Maintenance and repairs are expensed when incurred. Betterments and renewals in excess of \$500 are capitalized.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2020**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Refundable Advance - Paycheck Protection Program Loan**

In response to the global economic impact caused by the coronavirus pandemic, the US Small Business Administration (SBA) created the Paycheck Protection Program (PPP) “forgivable loan” to assist nonprofit organizations and for-profit enterprises with eligible payroll and certain specified operating costs. The loans are funded by the SBA through participating banks and are subject to specific conditions, which if met, will result in forgiveness of all or part of the loan. The Organization qualified for and received a PPP loan for \$160,100 on May 14, 2020. The terms of the PPP loan include interest at 1% and maturity on May 14, 2022.

The Organization has concluded that although the legal form of the PPP is a loan, it believes the conditional criteria will be met and the SBA will approve its forgiveness application within the next fiscal year. Accordingly, the PPP loan represents, in substance, a conditional grant and has therefore been recorded as a refundable advance under the accounting guidance of ASC 958-605.

**Income Taxes**

The Organization has been approved as a tax exempt organization under the Internal Revenue Code Section 501(c)(3) and applicable state laws. Accordingly, no provision for income taxes is included in the accompanying financial statements. The Organization does not believe it has unrelated trade or business income in excess of \$1,000.

**Prior Year Summarized Financial Information**

The financial statements include certain prior-year summarized comparative information in total but not by net asset class or natural expense classification by function. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization’s financial statements for the year ended September 30, 2019, from which the summarized information was derived.

**NOTE C – INVESTMENTS**

Assets and liabilities recorded at fair value are measured under a three-level hierarchy. The classification of assets and liabilities within the hierarchy is based on whether the inputs to the valuation methodology used for measurement are observable or unobservable. Observable inputs reflect market-derived or market-based information obtained from independent sources, while unobservable inputs reflect estimates about market data.

OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2020

NOTE C – INVESTMENTS (CONTINUED)

Valuation techniques used to measure fair value are prioritized into the following hierarchy:

**Level 1** – Quoted prices in active markets for identical assets. Assets in this level typically include publicly traded equities, mutual fund investments, and exchange traded funds (ETF's).

**Level 2** – Quoted prices for similar assets in active or inactive markets, or inputs derived from observable market data such as published interest rates and yield curves, over-the-counter derivatives, market modeling, or other valuation methodologies.

**Level 3** – Unobservable inputs that reflect management's assumptions and best estimates based on available data.

Realized and unrealized gains and losses from investments are reported in the Statement of Activities as they occur. There have been no changes in valuation techniques and related inputs.

Fair value of assets measured on a recurring basis at September 30, 2020 were as follows:

|                                     | <u>Level 1</u>      | <u>Total</u>        |
|-------------------------------------|---------------------|---------------------|
| CD's and cash                       | \$ 38,639           | \$ 38,639           |
| Fixed income mutual funds and ETF's | 397,413             | 397,413             |
| Equity mutual funds and ETF's       | <u>724,106</u>      | <u>724,106</u>      |
|                                     | <u>\$ 1,160,158</u> | <u>\$ 1,160,158</u> |

NOTE D – PROPERTY AND EQUIPMENT

A summary of property and equipment at September 30, 2020 is as follows:

|                               |                   |
|-------------------------------|-------------------|
| Land and improvements         | \$ 119,401        |
| Building and improvements     | 451,631           |
| Office equipment              | <u>119,702</u>    |
|                               | 690,734           |
| Less accumulated depreciation | <u>(434,407)</u>  |
|                               | <u>\$ 256,327</u> |

Depreciation expense for the year ended September 30, 2020 amounted to \$21,203.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2020**

**NOTE E – RESTRICTIONS AND LIMITATIONS ON NET ASSET BALANCES**

**Board Designated Reserves**

At September 30, 2020, \$337,440 of the Organization’s net assets without donor restrictions have been designated by the Board as a reserve fund for operations, special needs and programs, and other needs as determined by the Board.

**Board Designated Portion of Endowment**

The Organization holds assets in an endowment fund created by the Board of Directors with the goal of providing stability of funding for future operations. As per Organization policy, the principal of the endowment fund shall be invested in perpetuity, and the earnings are not restricted.

**Endowment with Donor Restrictions**

The Organization’s net assets with donor restrictions are subject to the following purpose or time restrictions:

|  |                        |
|--|------------------------|
| Not subject to appropriation or expenditure: |                        |
| Endowment                                    | \$ <u>2,435</u>        |
| Total net assets with donor restrictions     | \$ <u><u>2,435</u></u> |

**Endowment and Reserves Funding Plan**

Endowment assets include net assets designated by the board, of \$820,282, and assets restricted in perpetuity by the donor of \$2,435. The endowment is funded with bequests, annuities, and planned gifts not designated by the donor for current operations or programs, as well as gifts specifically restricted to the endowment by the donor. The board Policy states that once the special project and reserve fund holds \$250,000, new funds are added evenly to both the special project and reserve funds and the Jim Baker endowment fund. Additionally, once the special project reserve funds reach \$500,000, new funds will all be added to the endowment.

**NOTE F – ENDOWMENT NET ASSETS**

**Interpretation of Relevant Law**

The Board of Directors of the Organization has interpreted Oregon’s enacted Uniform Prudent Management of Institutional Funds Act (UPMIFA or the Act) as requiring the establishment of a set of prudent management and investment standards for boards to follow when managing endowment funds. A donor’s intent to maintain an endowment in perpetuity must be considered and the fund managed accordingly.

As a result of this interpretation, the Organization classifies as restricted net assets-corporus not subject to expiration:

- The original value of gifts donated to the perpetual endowment
- The original value of subsequent gifts to the endowment
- Accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument



**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2020**

**NOTE F – ENDOWMENT NET ASSETS (CONTINUED)**

**Return Objectives, Risk Parameters and Strategies for Achieving Objectives**

The goal of the Organization’s investment program for funds held as endowment is to achieve a total rate of return that will allow the Organization to respond to today’s needs and the long-term growth necessary to respond to future needs. The Board has adopted an investment policy that attempts to maintain and grow the purchasing power of the endowment assets over the long term while generating income. The assets are invested in a well-diversified asset mix with a focus on environmental and social responsibility.

To meet this investment objective, the Organization follows a total return strategy in which investment decisions are made with the intent of maximizing the long-term total return of the portfolio, combining market-value changes (realized and unrealized) and current yield (interest and dividends).

The Organization may distribute 5% of the average end of month account balance across the previous three years to the general account for operating purposes.

The composition of and changes in endowment net assets for the years ended September 30, 2020 are as follows:

|  | <u>Without Donor<br/>Restrictions,<br/>Board<br/>Designated</u> | <u>With<br/>Donor<br/>Restrictions</u> | <u>Total</u>             |
|--|---|--|--------------------------|
| <b>Endowment net assets,<br/>beginning of year</b>     | <b>\$ 701,156</b>   | <b>\$ 2,435</b>                        | <b>\$ 703,591</b>        |
| Interest and dividend                                  | 31,752  | -                                      | 31,752                   |
| Investment gains/(losses)<br>(realized and unrealized) | <u>49,671</u>   | <u>-</u>                               | <u>49,671</u>            |
| Total investment return                                | 81,423  | -                                      | 81,423                   |
| Other changes:   |   |  |                          |
| Contributions  | 72,527  | -                                      | 72,527                   |
| Distributions  | (27,315)  | -                                      | (27,315)                 |
| Fees   | <u>(7,509)</u>  | <u>-</u>                               | <u>(7,509)</u>           |
|  | <u>37,703</u>   | <u>-</u>                               | <u>37,703</u>            |
| <b>Endowment net assets, end of year</b>               | <b>\$ <u>820,282</u></b>  | <b>\$ <u>2,435</u></b>                 | <b>\$ <u>822,717</u></b> |

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2020**

**NOTE G – NET ASSETS RELEASED FROM RESTRICTIONS**

During the year ended September 30, 2020, the Organization incurred \$284,000 in expenses in satisfaction of the restricted purposes specified by donors, or satisfied the restrictions by the occurrence of other events. Accordingly, a corresponding amount is reported as a reclassification from net assets with donor restrictions.

**NOTE H – IN-KIND CONTRIBUTIONS**

A number of unpaid volunteers provide significant contributions of their time to develop and implement the Organization's programs. There were approximately 1,600 volunteered hours during the year ended September 30, 2020. Amounts recognized on the statement of activities are limited to the significant services received which create or enhance a nonfinancial asset or require specialized skills that the Organization would have purchased if not donated. During the year ended September 30, 2020, the Organization recognized \$25,945 of contributed goods.

**NOTE I – RELATED PARTY TRANSACTIONS**

The Organization has entered into a contract whereby OWCLF reimburses the Organization for allocated personnel and office operating costs that are shared by the two organizations. In addition, OWCLF pays the Organization an occupancy charge for use of the building, allocated in a manner comparable to the personnel and operating expenses charges. The net amount of shared expenses paid by OWCLF under this agreement for the year ended September 30, 2020 was \$7,570. The Organization also processed credit card contributions for OWCLF throughout the year totaling \$1,640. The net amount payable under the operating agreement and on behalf of the credit card contributions was \$1,773 at September 30, 2020.

**NOTE J – RETIREMENT PLAN**

The Organization sponsors a 403(b) plan for the benefit of its eligible employees. At the discretion of the Board of Directors, the Organization may make contributions to the plan. The Organization made no contribution to this plan for the year ended September 30, 2020.

OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

September 30, 2020

NOTE K – LIQUIDITY

The following represents the Organization's financial assets available to meet cash needs for general expenditures within one year of September 30, 2020:

|   |                          |
|---|--------------------------|
| Financial assets at year-end*   |                          |
| Cash and cash equivalents   | \$ 637,348               |
| Investments   | <u>1,160,158</u>         |
| Total financial assets  | <u>1,797,506</u>         |
| Less amounts unavailable for use within one year:   |                          |
| Contractual or donor-imposed restrictions:  |                          |
| Restricted by donor for endowment   | (2,435)                  |
| Board designations:   |                          |
| Board-designated endowment fund   | <u>(820,282)</u>         |
| Total unavailable financial assets  | <u>(822,717)</u>         |
| Financial assets available to meet cash needs for<br>general expenditures within one year | \$ <u><u>974,789</u></u> |

\* In addition to these available financial assets, a significant portion of the Organization's annual expenditures will be funded by current year operating revenues including grant and contributions.

The Organization's endowment funds consist of donor-restricted endowments and a board-designated endowment. Income from donor-restricted endowments is not available for general expenditure until appropriated. As described in Note F, the Organization's spending policy is to appropriate up to 5% of the average end of month account balance across the previous three years to the general account for operations. Appropriations from the endowment funds will be available within the next 12 months.

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Although the Organization does not intend to spend from its board-designated endowment other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from its board-designated endowment could be made available if necessary to manage unanticipated liquidity needs.

**OREGON NATURAL RESOURCES COUNCIL FUND dba OREGON WILD**

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2020**

**NOTE L – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through February 18, 2021, which is the date the financial statements were available to be issued.

In March 2020 in response to the COVID-19 pandemic, the Organization cancelled in-person canvassing until it is deemed safe to do so. The State of Oregon subsequently issued an executive order prohibiting such activity until the order is lifted. The situation is ongoing.

## OTHER INFORMATION

**OREGON WILD**

**GOVERNING BOARD AND MANAGEMENT**

**Board of Directors**

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Kate Ritley  
*President*

Lisa Billings  
*Vice President*

Clara Soh  
*Treasurer*

Stacey Rice  
*Secretary*

Vik Anantha  
Judy Clinton  
Vail Fletcher  
Naila Bhatri  
Darcie Meihoff  
Seth Prickett  
Faith Briggs

**Management**

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Sean Stevens  
*Executive Director*

Jonathan Jelen  
*Development Director*

Steve Pedery  
*Conservation Director*

Ellen Yornell  
*Finance Manager*

**INQUIRIES AND OTHER INFORMATION**

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**OREGON WILD**  
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