



# **Grand Teton National Park Foundation**

Financial Report  
September 30, 2020 and 2019

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## Independent Auditors' Report

To the Board of Directors  
Grand Teton National Park Foundation  
P.O. Box 249  
Moose, WY 83012

We have audited the accompanying financial statements of Grand Teton National Park Foundation (a nonprofit organization), which comprise the statements of financial position as of September 30, 2020 and 2019 and the related statements of activities, functional expenses, and cash flows for the years 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits 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 auditor's 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 Grand Teton National Park Foundation as of September 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Rudd & Company, PLLC*

Bozeman, Montana  
January 12, 2021

## Grand Teton National Park Foundation

### Statements of Financial Position September 30, 2020 and 2019

<b>Assets</b>	2020	2019
Current Assets:		
Cash and cash equivalents	\$ 7,605,136	\$ 5,387,394
Pledges receivable, current (see Note 4)	2,420,559	2,892,348
Prepays and other current assets	58,456	1,059,834
<b>Total Current Assets</b>	<b>10,084,151</b>	<b>9,339,576</b>
Long-term Assets:		
Pledges receivable, one to five years (net of discount) (see Note 4)	1,875,821	3,333,173
Moulton Ranch Cabins (see Note 1)	-	4,455,042
Equipment (net of accumulated depreciation) (see Note 7)	117,203	129,332
Investments at market value (see Note 5)	2,460,250	2,180,613
<b>Total Long-term Assets</b>	<b>4,453,274</b>	<b>10,098,160</b>
<b>Total Assets</b>	<b>\$ 14,537,425</b>	<b>\$ 19,437,736</b>
<b>Liabilities and Net Assets</b>		
Current Liabilities:		
Accounts payable	\$ 21,934	\$ 114,744
Accrued expenses (see Note 8)	151,591	118,624
Line of credit (see Note 12)	78,000	508,776
Refundable advance (see Note 13)	135,000	-
Packard loan - current (see Note 14)	-	983,300
<b>Total Current Liabilities</b>	<b>386,525</b>	<b>1,725,444</b>
Packard loan - long term (see Note 14)	1,626,513	2,616,700
<b>Total Liabilities</b>	<b>2,013,038</b>	<b>4,342,144</b>
Net Assets:		
Without donor restrictions	1,790,328	1,456,086
With donor restrictions	10,734,059	13,639,506
<b>Total Net Assets</b>	<b>12,524,387</b>	<b>15,095,592</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 14,537,425</b>	<b>\$ 19,437,736</b>

The Accompanying Notes are an Integral Part  
of the Financial Statements.

# Grand Teton National Park Foundation

## Statements of Activities September 30, 2020 and 2019

September 30, 2020	Without Donor Restrictions	With Donor Restrictions	Total 2020
Support:			
Contributions and grants	\$ 1,894,502	\$ 3,677,404	\$ 5,571,906
Satisfaction of program restrictions	6,888,606	(6,888,606)	-
Total Support	8,783,108	(3,211,202)	5,571,906
Revenue:			
Net realized and unrealized gains and losses	(6,957)	240,364	233,407
Interest and dividend income	61,688	65,391	127,079
<b>Total support and revenue</b>	8,837,839	(2,905,447)	5,932,392
Expenses:			
Program Services:			
Grants and programs	6,911,080	-	6,911,080
Support Services:			
Management and general	693,493	-	693,493
Fundraising	899,024	-	899,024
Total support services	1,592,517	-	1,592,517
<b>Total expenses</b>	8,503,597	-	8,503,597
<b>Change in Net Assets</b>	334,242	(2,905,447)	(2,571,205)
Net assets:			
Beginning	1,456,086	13,639,506	15,095,592
Ending	\$ 1,790,328	\$ 10,734,059	\$ 12,524,387
<b>September 30, 2019</b>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total 2019</b>
Support:			
Contributions and grants	\$ 1,801,381	\$ 4,403,927	\$ 6,205,308
Satisfaction of program restrictions	4,934,598	(4,934,598)	-
Total Support	6,735,979	(530,671)	6,205,308
Revenue:			
Net realized and unrealized gains and losses	9,898	78,641	88,539
Interest and dividend income	49,756	98,544	148,300
<b>Total support and revenue</b>	6,795,633	(353,486)	6,442,147
Expenses:			
Program Services:			
Grants and programs	4,304,410	-	4,304,410
Support Services:			
Management and general	569,217	-	569,217
Fundraising	948,490	-	948,490
Total support services	1,517,707	-	1,517,707
<b>Total expenses</b>	5,822,117	-	5,822,117
<b>Change in Net Assets</b>	973,516	(353,486)	620,030
Net assets:			
Beginning	482,570	13,992,992	14,475,562
Ending	\$ 1,456,086	\$ 13,639,506	\$ 15,095,592

The Accompanying Notes are an Integral Part  
of the Financial Statements.

## Grand Teton National Park Foundation

### Statements of Functional Expenses September 30, 2020 and 2019

<b>September 30, 2020</b>	Program Services	Management and General	Fundraising	Total
Grants to National Park Service	\$ 6,466,421	\$ -	\$ -	\$ 6,466,421
Salaries and related expenses	372,383	477,985	693,516	1,543,884
Office rent and utilities	13,096	104,769	13,096	130,961
Campaign fundraising expenses	18,439	-	55,316	73,755
Technology and information	3,484	18,726	21,339	43,549
Publications and newsletter	16,704	-	25,057	41,761
Office expense	2,350	12,635	14,396	29,381
Bank charges	2,808	2,808	19,912	25,528
Outside services	5,119	8,377	9,773	23,269
Insurance	-	21,091	-	21,091
Postage	5,261	4,676	9,548	19,485
Appreciation and cultivation	801	4,006	11,217	16,024
Professional development	-	8,949	5,721	14,670
Professional fees and consulting	2,754	5,074	6,668	14,496
Board expense	830	6,500	6,500	13,830
Travel	630	1,339	5,908	7,877
Total expenses before depreciation	6,911,080	676,935	897,967	8,485,982
Depreciation	-	16,558	1,057	17,615
<b>Total expenses</b>	<b>\$ 6,911,080</b>	<b>\$ 693,493</b>	<b>\$ 899,024</b>	<b>\$ 8,503,597</b>

<b>September 30, 2019</b>	Program Services	Management and General	Fundraising	Total
Grants to National Park Service	\$ 3,704,427	\$ -	\$ -	\$ 3,704,427
Salaries and related expenses	492,155	365,147	730,294	1,587,596
Office rent and utilities	12,774	102,191	12,774	127,739
Campaign fundraising expenses	29,482	-	88,448	117,930
Technology and information	14,182	21,779	14,689	50,650
Publications and newsletter	12,630	1,804	21,652	36,086
Office expense	9,653	14,825	9,998	34,476
Professional fees and consulting	4,362	8,035	10,560	22,957
Bank charges	2,432	2,432	17,248	22,112
Postage	5,767	5,126	10,466	21,359
Appreciation and cultivation	1,301	2,603	14,687	18,591
Outside services	5,267	4,802	5,423	15,492
Professional development	142	8,533	5,547	14,222
Insurance	-	13,189	-	13,189
Board expense	4,451	1,515	3,504	9,470
Travel	5,385	1,129	2,172	8,686
Total expenses before depreciation	4,304,410	553,110	947,462	5,804,982
Depreciation	-	16,107	1,028	17,135
<b>Total expenses</b>	<b>\$ 4,304,410</b>	<b>\$ 569,217</b>	<b>\$ 948,490</b>	<b>\$ 5,822,117</b>

The Accompanying Notes are an Integral Part  
of the Financial Statements.

# Grand Teton National Park Foundation

## Statements of Cash Flows September 30, 2020 and 2019

	2020	2019
<b>Cash Flows From Operating Activities</b>		
Change in net assets	\$ (2,571,205)	\$ 620,030
Depreciation expense	17,615	17,135
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) by Operating Activities:		
Net unrealized gains and losses	233,407	(88,539)
Decrease (increase) in Moulton Ranch Cabins	4,455,042	(4,455,042)
Decrease (increase) in pledges receivable	1,929,141	1,652,836
Decrease (increase) in prepaid assets	1,001,378	(1,035,331)
Increase (decrease) in refundable advance	135,000	-
Increase (decrease) in accounts payable	(92,810)	25,141
Increase (decrease) in accrued expenses	32,967	22,042
<b>Net cash provided (used) by operating activities</b>	<b>5,140,535</b>	<b>(3,241,728)</b>
<b>Cash Flows from Investing Activities</b>		
Acquisition of property and equipment	(5,486)	(1,780)
Purchase of investments	(615,306)	(149,207)
Disposal of investments	102,262	106,194
<b>Net cash used by investing activities</b>	<b>(518,530)</b>	<b>(44,793)</b>
<b>Cash Flows from Financing Activities</b>		
Packard loan	(1,973,487)	3,600,000
Borrowing on line of credit	(430,776)	183,776
<b>Net cash provided (used) by financing activities</b>	<b>(2,404,263)</b>	<b>3,783,776</b>
<b>Net increase in cash</b>	<b>2,217,742</b>	<b>497,255</b>
<b>Cash and Cash Equivalents</b>		
Beginning	5,387,394	4,890,139
Ending	<u>\$ 7,605,136</u>	<u>\$ 5,387,394</u>
<b>Supplemental Disclosure of Cash Flow Information</b>		
Non cash gift-in-kind donations	<u>\$ 14,041</u>	<u>\$ 7,382</u>
Cash paid for interest expense	<u>\$ 43,928</u>	<u>\$ 728</u>

The Accompanying Notes are an Integral Part  
of the Financial Statements.

# Grand Teton National Park Foundation

## Notes to the Financial Statements September 30, 2020 and 2019

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### Note 1. Nature of Activities and Significant Accounting Policies

**Nature of activities:** Grand Teton National Park Foundation (the Foundation) is a private, nonprofit organization whose mission is to fund projects and programs that preserve and enhance Grand Teton National Park's cultural, historic, and natural resources and to help others learn about and protect the park's unique features. The Foundation initiates improvements, critical research, and projects that improve visitors' experiences, creating a solid future for Grand Teton. Since 1997, the organization has raised funds for projects and programs that connect youth to nature, preserve cultural resources, protect wildlife and natural resources, and enhance visitor experiences. In addition, the Foundation has completed capital projects such as construction of the Craig Thomas Discovery and Visitor Center, the conservation of 640 acres of critical wildlife habitat that was formerly owned by the state of Wyoming, the Inspiring Journeys campaign for Jenny Lake, and the purchase and protection of the last privately-held acre on the Mormon Row Historic District.

#### **Wildlife:**

The Foundation launched a wildlife and natural resource campaign—Wild Treasures—that will secure five-years' worth of funding for ongoing wildlife initiatives that will support the park's highest priority research, conservation, and education program needs. Grand Teton National Park anchors the Greater Yellowstone Ecosystem one of the last remaining large and nearly intact northern temperate ecosystems on Earth. The park's renowned wildlife persists because of a landscape that has changed relatively little in 10,000 years. Careful attention to stewardship has enabled Grand Teton to become a world-class destination to view iconic wildlife and a place of science and discovery. By investing in sustained action, the campaign will advance impactful work, helping to ensure the vibrancy and relevance of Grand Teton's Wildlife as a central feature of the park experience for generations to come.

#### **Youth (all):**

Youth engagement is a top priority for the Foundation, and the organization funds five programs annually:

- Youth Conservation Program, a summer teen work-and-learn program that improves heavily-used trails while providing participants with an outdoor education
- Pura Vida, a multicultural program that brings local Latinx students into the park for education, mentoring, and recreation
- NPS Academy, an internship program for college students from diverse backgrounds
- Mountains to Main Street brings urban students to Grand Teton for workshops and leadership training
- Tribal Youth Corps provides month-long internships in trail work and historic preservation for regional Native American teens.

#### **Moulton Ranch Cabins:**

The Foundation purchased the last privately-held piece of property on the iconic Mormon Row Historic District in Grand Teton National Park in 2018. The former owners were descendants of T.A. Moulton, one of the original pioneers who homesteaded the area in the early twentieth century. In 2020, the property became part of the Park and the purchase continues a near century-long effort to manage and conserve land within Grand Teton's boundaries. The existing buildings contribute to the historic district. By including the property in the Park, cultural and natural resource management objectives are achieved. Additionally, several buildings on the site are being utilized for seasonal park employee housing—a critical need for Grand Teton.

#### **Winter and Summer Trails:**

The Foundation funds grooming three times per week of the 14-mile stretch of road between Taggart Lake Trailhead and Signal Mountain on the Teton Park Road. Regular grooming allows visitors to easily explore on Nordic skis, snowshoes, or foot to experience this special season in Grand Teton National Park. In the summer months, the Foundation is funding a multiyear effort to renew the Teton Crest Trail—a 45-mile route through the park's high country that was originally constructed by the Civilian Conservation Corps in the 1930s. Summer 2020 marked the first year of project work on the Crest Trail. Improvements were completed on the path leading to Hurricane Pass, making it more safe for hikers to this remote alpine area.



# Grand Teton National Park Foundation

## Notes to the Financial Statements September 30, 2020 and 2019

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### **Snake River Gateways:**

Grand Teton National Park Foundation, in partnership with Grand Teton National Park, launched a multi-year campaign to transform three popular access points on the Snake River into welcoming gateways that invite visitors to explore the river. The Snake River gateways campaign will enhance visitors' experiences at Jackson Lake Dam, Pacific Creek, and Moose Landing. Currently, these sites have bare and compacted soils, eroded streambanks, damaged vegetation, deteriorated facilities, user created trails, and poor functionality that fail to inspire a sense of stewardship for the river or enthusiasm for the adventures ahead. The Campaign's goal is to seamlessly blend access, education, safety, and sustainability to create a sense of arrival that encourages visitors to engage with the river as a spectacular and essential natural resource. Work began at the first of three project sites in 2020—Pacific Creek.

A brief description of the foundation's programs and supporting services follows:

**Program services:** The Foundation provides private philanthropic support in the form of direct grants to Grand Teton, as well as procurement of construction, design, and other services that achieve program goals and generally fulfill its mission. In executing its partnership work, close coordination with park managers is required to assure that programs align with donor interest, and that funds are spent consistent with donor intentions.

**Management and general:** Management and general consists of finance, accounting, human resources, information systems, risk management, support and coordination of the Foundation's governing board and volunteers, and other activities associated with the general operations and functioning of the organization.

**Fundraising:** First and foremost, the Foundation is a fundraising organization. As such, the Foundation identifies, cultivates, solicits, and stewards over 1,600 annual gifts (in FY20), and also maintains and adds to a list of donor prospects in relation to its many partnership fundraising projects that benefit the park. The Foundation develops detailed fundraising plans for large campaigns, annual recurring programs and gifts to its annual fund. In so doing, the Foundation develops print, digital, video, and other collateral to convey the scope of the various partnership initiatives it is supporting in the park. Grant writing, grant administration, planned gifts from estates, corporate giving, family foundations, and individual donors all represent areas of specialized work that the Foundation's professional staff engages in. All members of the Foundation team are a part of the fundraising process. In executing the full range of its fundraising work, the Foundation necessarily incurs expenses in order to achieve its numerous goals.

A summary of the Foundation's significant accounting policies follows:

**Basis of presentation:** The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The financial statements are presented in accordance with Financial Account Standards Board (FASB) Accounting Standards Codification (ASC) 958 dated August 2016, and the provisions of the American Institute of Certified Public Accountants (AICPA) "Audit and Accounting Guide for Not-for-Profit Organizations" (the "Guide"). (ASC) 958-205 was effective January 1, 2018.

Under the provisions of the Guide, net assets and revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation and changes therein are classified as follows:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. The Foundation's board may designate assets without restrictions for specific operational purposes from time to time.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

**Support and revenue recognition:** All contribution support is considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as net assets with donor restrictions.

# Grand Teton National Park Foundation

## Notes to the Financial Statements September 30, 2020 and 2019

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### **Note 1. Nature of Activities and Significant Accounting Policies (Continued)**

Functional allocation of expenses: The costs of providing various programs and other activities have been summarized on a functional basis in the statements of functional expenses. Whenever possible, costs are included in a function on a basis of specific identification. When that is not practical, certain costs are allocated amount the functions benefited. The expenses are allocated on a reasonable basis that is consistently applied.

Cash and Cash Equivalents: For the purpose of reporting cash flows, the Foundation considers demand deposits, money market accounts and all other investments with an original maturity of three months or less to be cash and cash equivalents.

Investments: Investments in debt securities and equity securities with readily determinable market values are presented at fair market value and unrealized gains are recognized in the statement of activities in accordance with FASB ASC 958-320.

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.

Income Taxes: The Foundation is exempt from federal income taxes under Internal Revenue Code Section 509(a)(1) and, therefore, has made no provision for federal income taxes. The Foundation files form 990 and did not incur any excise or unrelated business income taxes in 2020 or 2019. The years ended September 30, 2019, 2018, and 2017 remain open to tax examination.

Donated Services, Materials, Property and Facilities: The financial statements of the Foundation reflect in-kind donations as revenues in the period received and as assets, expenses or decreases of liabilities, depending on the type of benefit received. Donations are measured at estimated fair market values. Donations received with donor restrictions for future periods are reported as increases in temporarily restricted net assets. Contributions of services are recognized in the financial statements if the services enhance or create non-financial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. For 2020, in-kind donations were \$14,041, which was all expensed. For 2019, in-kind donations were \$7,388, which was all expensed.

Property and Equipment: Acquisitions of property and equipment in excess of \$500 are capitalized. Equipment is stated at cost net of accumulated depreciation. Depreciation is provided using the straight-line method over estimated useful lives of five years. Depreciation expense for the years ended September 30, 2020 and 2019 was \$17,615 and \$17,135, respectively.

Property and equipment are recorded at historical cost or, if donated, at the estimated fair market values at the date of donation based on independent appraisals. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use are reported as restricted contributions.

### **Note 2. Related Party Transactions**

The Foundation receives donations from members of the Board of Directors. All donations from Board members are handled in accordance with normal course of business operations and consistent with Foundation policy before being recognized on the books as income. Related party revenues were \$540,029 and \$1,603,618 for 2020 and 2019, respectively. Pledge receivables from related parties at September 30, 2020 and 2019 were \$661,000 and \$317,943, respectively.

# Grand Teton National Park Foundation

## Notes to the Financial Statements September 30, 2020 and 2019

### Note 3. Concentration of Credit Risk

Financial instruments, which potentially subject the Foundation to concentration of credit risk, consist principally of cash and cash equivalents. The Foundation is aware of the risk and actively works to reduce or eliminate it by depositing cash and cash equivalents with various financial institutions. However, due to the unpredictable nature of donations and program disbursements, there are times when the deposits exceed the \$250,000 FDIC per institution limitation. At September 30, 2020, the Foundation had cash and investment bank balances of \$7,454,991, book balances of \$7,605,136, and was \$283,299 in excess of the FDIC insurance coverage at the financial institutions. At September 30, 2019, the Foundation had cash bank balances of \$5,410,039, book balances of \$5,387,394, and was \$98,280 in excess of the FDIC insurance coverage at the financial institutions.

### Note 4. Pledges Receivable

Pledges receivable consist of signed pledge forms from various private donors. The total amount of pledge receivables is \$4,448,755 and \$6,554,900 for 2020 and 2019, respectively. The time frame for collecting varies from one to five years depending on the pledge. The long-term portion is shown net of discounts of \$152,375 and \$329,379 for 2020 and 2019, respectively. The rate used to calculate the discounts is the mid-term Applicable Federal Rate (AFR) for the month the pledge becomes a signed receivable. The allowance for doubtful pledge receivables is included in the discount amount above.

### Note 5. Investments

A long term investment policy was adopted in 2015 and is specific to capital reserve funds that support the Craig Thomas Discovery and Visitor Center and only those net assets with donor restrictions are invested in debt and equity securities.

	September 30, 2020		September 30, 2019	
	Cost	Approximate Market Value	Cost	Approximate Market Value
Vanguard	\$ 963,264	\$ 1,441,938	\$ 967,121	\$ 1,057,364
Family Management Securities	1,037,168	1,018,312	943,814	1,123,249
	<u>\$ 2,000,432</u>	<u>\$ 2,460,250</u>	<u>\$ 1,910,935</u>	<u>\$ 2,180,613</u>

Unrealized gains and losses on investment securities at September 30 are as follows:

	2020	2019
Net unrealized gains	\$ 459,818	\$ 269,678
Amount recognized in prior years	(332,335)	(239,593)
Net realized gains	106,731	66,341
Net realized losses	(807)	(7,887)
	<u>\$ 233,407</u>	<u>\$ 88,539</u>

In accordance with FASB ASC 958-320, the unrealized gains on debt and equity securities with readily determinable market values are reported in the statement of activities.

# Grand Teton National Park Foundation

## Notes to the Financial Statements September 30, 2020 and 2019

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### Note 6. Fair Value Measurement

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specific (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Although the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

#### Assets at Fair Value as of September 30, 2020

	Level 1	Level 2	Level 3	Total
Cash reserves	\$ 37,719	\$ -	\$ -	\$ 37,719
Exchange-Traded Products	95,411			95,411
Mutual funds				
Index funds	1,441,938	-	-	1,441,938
Fixed income funds	93,740	-	-	93,740
Equity funds	791,442	-	-	791,442
Total mutual funds	<u>2,327,120</u>	<u>-</u>	<u>-</u>	<u>2,327,120</u>
Total assets at fair value	<u>\$ 2,460,250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,460,250</u>

#### Assets at Fair Value as of September 30, 2019

	Level 1	Level 2	Level 3	Total
Cash reserves	\$ 46,504	\$ -	\$ -	\$ 46,504
Exchange-Traded Products	211,949			211,949
Mutual funds				
Index funds	1,057,364	-	-	1,057,364
Equity funds	145,244	-	-	145,244
Specialty funds	719,552	-	-	719,552
Total mutual funds	<u>1,922,160</u>	<u>-</u>	<u>-</u>	<u>1,922,160</u>
Total assets at fair value	<u>\$ 2,180,613</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,180,613</u>

# Grand Teton National Park Foundation

## Notes to the Financial Statements September 30, 2020 and 2019

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### Note 7. Property and Equipment

Property and equipment at September 30, 2020 and 2019 consist of the following:

Equipment (net of \$119,759 depreciation) 2020	\$117,203
Equipment (net of \$102,263 depreciation) 2019	\$129,332

### Note 8. Accrued Expenses

Accrued expenses consist of payroll liabilities, accrued expenses, and other short-term liabilities.

	2020	2019
Payroll liabilities	\$ 124,073	\$ 98,540
Accrued expenses	27,518	20,084
Total Accrued Expenses	<u>\$ 151,591</u>	<u>\$ 118,624</u>

### Note 9. Retirement Plan

As of January 1, 2009, the Foundation adopted a qualifying "Safe Harbor 401(k) Plan" under which employees become eligible to participate upon reaching age 21. The Foundation will contribute to the Plan on the employees' behalf an amount equal to 3% of employee compensation. Safe Harbor employer contributions are fully vested. The expense for the years ended September 30, 2020 and 2019 was \$56,355 and \$36,728, respectively.

### Note 10. Interest Expense

The Foundation had interest expense of \$43,928 and \$728 for the years ended September 30, 2020 and 2019, respectively.

### Note 11. Net Assets

#### Net assets without donor restrictions

The net assets without donor restriction are to be used to fund general operations of the Foundation, as well as to supplement the funding of its major programs. In addition, the Foundation's Board of Directors has set aside, or designated, certain unrestricted net assets such as an operating reserve which can only be used under the direction and approval of the Board. The operating reserve amount totaled \$1,091,562 and \$834,350 at September 30, 2020 and 2019, respectively.

#### Net assets with donor restrictions

As of September 30, 2020, the Foundation has net assets with donor restriction of \$10,734,059. During the year ended September 30, 2020, net assets with donor restrictions of \$6,888,606 were released from donor restrictions by incurring qualifying expenses which satisfied the donor restricted purpose.

As of September 30, 2019, the Foundation has net assets with donor restriction of \$13,639,506. During the year ended September 30, 2019, net assets with donor restrictions of \$4,934,598 were released from donor restrictions by incurring qualifying expenses which satisfied the donor restricted purpose.

# Grand Teton National Park Foundation

## Notes to the Financial Statements September 30, 2020 and 2019

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### Note 12. Line of Credit

In October 2014, the Foundation acquired an unsecured campaign line of credit with Rocky Mountain Bank to facilitate the construction funding for the Jenny Lake Trails project. The line was capped at \$1,000,000 with an interest rate fixed at four (4.0%) percent per annum. The Foundation also has an unsecured operating line of credit with Wells Fargo. The line shall not exceed \$200,000 with an interest rate fixed at four and 5/100 (4.05%) percent per annum. There was not any borrowing on the operating line of credit at Wells Fargo through 2020. During 2019 and 2020, there was borrowing activity on the campaign line of credit at Rocky Mountain Bank resulting in a balance of \$508,776 at September 30, 2019 and a balance of \$78,000 as of September 30, 2020. Subsequent to year end, the campaign line of credit was extended for three additional years and the credit limit increased to \$1,500,000.

### Note 13. Refundable Advance – Paycheck Protection Program (PPP) Loan

The Foundation was granted a \$135,000 loan under the PPP administered by a Small Business Administration (SBA) approved partner. The loan is uncollateralized and is fully guaranteed by the Federal government. The Foundation was eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. Subsequent to year end, the Foundation met these requirements and received written confirmation of complete forgiveness. No contribution revenue has been recorded for the year ended September 30, 2020.

### Note 14. Long-term Debt

During the 2019 year, the Foundation purchased the Moulton Ranch Cabins located within the Grand Teton National Park boundaries. This purchase was facilitated with a loan from the David and Lucile Packard Foundation, a California nonprofit public benefit corporation. The loan is for \$3,600,000 with 1% interest and annual payments due January 15. Final payment is due January 15, 2023. The loan is secured by a single pledge receivable. Scheduled principal repayments on long-term debt obligations for the next three years are as follows:

<u>Date of Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
January 15, 2022	\$ 950,871	\$ 22,319	\$ 973,190
January 15, 2023	675,642	6,756	682,398
	<u>\$ 1,626,513</u>	<u>\$ 29,075</u>	<u>\$ 1,655,588</u>

### Note 15. Liquidity

As part of the Foundation'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. In addition, the Foundation invests cash in excess of daily requirement in short-term investments. As described in Note 12 above, the Foundation has committed lines of credit which it could draw upon if needed for both planned and unanticipated liquidity needs.

For the year ended September 30, 2020, the Foundation had \$12,485,945 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash of \$7,605,136, investments of \$2,460,250, and pledges receivable of \$2,420,559. None of the financial assets were subject to donor or other contractual restrictions which made them unavailable for general expenditure within one year of the balance sheet date.

For the year ended September 30, 2019, the Foundation had \$10,460,355 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditures consisting of cash of \$5,387,394, investments of \$2,180,613, and pledges receivable of \$2,892,348. None of the financial assets were subject to donor or other contractual restrictions which made them unavailable for general expenditure within one year of the balance sheet date.

# Grand Teton National Park Foundation

## Notes to the Financial Statements September 30, 2020 and 2019

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### **Note 16. Subsequent Events**

In preparing these financial statements, the Foundation has evaluated events and transactions for potential recognition or disclosure through January 12, 2021, the date the financial statements were available to be issued.

### **Note 17. Implication of COVID-19 Pandemic**

During the COVID-19 pandemic, the Foundation has continued to fund projects and programs that enhance and preserve the Grand Teton National Park, though some activities have been limited. As the situation continues to evolve, the Foundation is closely monitoring the impact of the COVID-19 pandemic on all aspects of its services business, including how it impacts donors and employees, in addition to how the COVID-19 pandemic impacts the ability to provide services and resources to Grand Teton National Park. The Foundation believes the ultimate impact of the COVID-19 pandemic on its operating results, cash flows and financial condition is likely to be determined by factors which are uncertain, unpredictable and outside of its control. The situation surrounding COVID-19 remains fluid, and if disruptions do arise, they could materially adversely impact the Foundation's operations.