GRAND TETON NATIONAL PARK FOUNDATION

FINANCIAL STATEMENTS

September 30, 2023

JONES SIMKINS

Certified Public Accountants

GRAND TETON NATIONAL PARK FOUNDATION
INDEX TO FINANCIAL STATEMENTS
September 30, 2023

JONES SIMKINS
Certified Public Accountants
Providing Guidance with Insight & Integrity
75 YEARS 1948-2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Grand Teton National Park Foundation
Jackson, Wyoming

Opinion

We have audited the financial statements of the Grand Teton National Park Foundation (the Foundation) (a nonprofit organization), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of September 30, 2023, 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if 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 GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation'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.

Change in Accounting Principle

As described in Note 1 to the financial statements, in 2022, the Foundation adopted new accounting guidance, FASB ASC 842, Leases, and FASB ASU 2020-07, Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. Our opinion is not modified with respect to this matter.

Jones Simkins LLC

JONES SIMKINS LLC
Logan, Utah
February 22, 2024

GRAND TETON NATIONAL PARK FOUNDATION
STATEMENT OF FINANCIAL POSITION
September 30, 2023

ASSETS

Current assets:		
Cash and cash equivalents	$	6,923,476
Pledges receivable, net		2,783,207
Prepaid expenses and other assets		49,285
Total current assets		9,755,968
Property and equipment, net		63,200
Pledges receivable, non-current		1,663,195
Investments		9,532,520
Beneficial interest in assets held		1,607,200
Right-of-use asset - operating lease, net		992,939
Total assets	$	23,615,022

LIABILITIES AND NET ASSETS

Current liabilities:		
Accounts payable	$	33,270
Accrued payroll and other compensation liabilities		356,649
Current portion of operating lease liability		70,000
Total current liabilities		459,919
Operating lease liability		936,341
Total liabilities		1,396,260
Net assets:		
Without donor restrictions		3,171,005
With donor restrictions		19,047,757
Total net assets		22,218,762
Total liabilities and net assets	$	23,615,022

The accompanying notes are an integral part of these financial statements.

GRAND TETON NATIONAL PARK FOUNDATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
Year Ended September 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Direct support:			
Contributions and grants	$ 2,690,231	7,531,685	$ 10,221,916
Revenues:			
Interest and investment income	173,836	116,108	289,944
Gain on investments and beneficial interest in assets held	210,106	261,977	472,083
Net assets released from restrictions	2,777,539	(2,777,539)	-
Total public support and revenue	5,851,712	5,132,231	10,983,943
Expenses:			
Program services:			
Program activities	3,648,095	-	3,648,095
Support services:			
Management and general	903,596	-	903,596
Fundraising	1,435,535	-	1,435,535
Total expenses	5,987,226	-	5,987,226
Change in net assets	(135,514)	5,132,231	4,996,717
Net assets, beginning of year	3,306,519	13,915,526	17,222,045
Net assets, end of year	$ 3,171,005	19,047,757	$ 22,218,762

The accompanying notes are an integral part of these financial statements.

GRAND TETON NATIONAL PARK FOUNDATION
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended September 30, 2023

	Program Services	Support Services: Management & General	Support Services: Fundraising	Total Expenses
Grants to National Park Service	$ 2,963,897	-	-	$ 2,963,897
Salaries and related expenses	544,494	662,171	1,039,748	2,246,413
Office rent and utilities	56,767	72,384	81,880	211,031
Campaign fundraising expenses	25,554	-	76,660	102,214
Board expenses	4,117	32,240	32,240	68,597
Information technology	4,843	26,031	29,664	60,538
Professional fees and consulting	10,802	18,904	24,305	54,011
Publications and newsletter	25,849	-	25,849	51,698
Office expenses	-	24,200	23,250	47,450
Appreciation and cultivation	-	8,987	26,963	35,950
Bank charges	-	3,438	30,939	34,377
Outside services	4,993	8,171	9,533	22,697
Postage	5,733	5,096	10,405	21,234
Insurance	-	18,262	-	18,262
Professional development	-	8,876	5,674	14,550
Travel	1,046	-	4,170	5,216
Total expenses before depreciation	3,648,095	888,760	1,421,280	5,958,135
Depreciation	-	14,836	14,255	29,091
Total expenses	$ 3,648,095	903,596	1,435,535	$ 5,987,226

The accompanying notes are an integral part of these financial statements.

GRAND TETON NATIONAL PARK FOUNDATION
STATEMENT OF CASH FLOWS
Year Ended September 30, 2023

Cash flows from operating activities:		
Change in net assets	$	4,996,717
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation		29,091
Lease expense		75,200
Gain on investments and beneficial interest in assets held		(472,083)
Change in discount on pledges receivable		86,329
(Increase) decrease in:		
Pledges receivable		(887,985)
Prepaid expenses and other assets		13,026
Increase (decrease) in:		
Accounts payable		(4,658)
Accrued liabilities		126,362
Operating lease liability		(61,798)
Net cash provided by operating activities		3,900,201
Cash flows from investing activities:		
Purchase of investments		(7,143,438)
Proceeds from sale of investments		5,352,499
Purchase of beneficial interest in assets held in assets held		(718,500)
Purchase of property and equipment		(5,055)
Net cash used in investing activities		(2,514,494)
Cash flows from financing activities:		-
Net increase in cash and cash equivalents		1,385,707
Cash and cash equivalents, beginning of year		5,537,769
Cash and cash equivalents, end of year	$	6,923,476

The accompanying notes are an integral part of these financial statements.

Note 1 – Nature of Organization and Summary of Significant Accounting Policies

Organization

Grand Teton National Park Foundation (the Foundation) is a private, nonprofit organization whose mission is to partner with Grand Teton National Park to steward, protect, and enhance all that is special in the park. Budget limitations, combined with increasing visitation, led the National Park Service to create partnerships with organizations like the Foundation to raise private money for special park needs. 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 efforts 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 renewal of trails and visitor services at Jenny Lake, and the purchase and protection of the last privately-held acre on the Mormon Row Historic District.

Snake River Gateways:

Grand Teton National Park Foundation, in partnership with Grand Teton National Park, began work at the third and final site to be improved as part of our multi-year campaign to address inadequate facilities and resource degradation at three popular access points on the Snake River. The Snake River Gateways campaign is enhancing visitors' experiences at Jackson Lake Dam, Pacific Creek, and Moose Landing. Project work began at Moose Landing in April 2023. The goal at each site is to 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. Priorities support significant improvements adapted to the needs of visitors, river conditions, and surrounding terrain that include: functional improvements to support visitors and recreationists of all abilities; restoration and resilience of shoreline habitats; and educational elements to inspire mindful discovery and stewardship.

Wildlife:

Climate change, invasive species, land use and development patterns, and changing visitation all threaten to disrupt the sensitive ecological relationships that characterize Grand Teton today. Projects supported by the Foundation's wildlife and natural resources initiative make significant strides toward ensuring the long-term ecological integrity of Grand Teton National Park and the Greater Yellowstone Ecosystem. In 2023, the Foundation funded efforts focused on gray wolf ecology, ungulate monitoring, climate change impacts, sagebrush/grassland habitat restoration, bear-resistant food storage lockers, and more.

Note 1 – Nature of Organization and Summary of Significant Accounting Policies (continued)

Mormon Row:

In partnership with Grand Teton, the Foundation has undertaken a multi-year project to renew the Mormon Row Historic District—the park's most popular cultural destination—with the goals of preserving remaining structures and providing visitors with meaningful opportunities to connect with park history. This effort is, for the first time, holistically addressing preservation needs in the district and improving the ways visitors learn about and experience the remarkable legacy of these buildings—bringing the history of this place to life. Work continued in 2023 and focused on the Roy Chambers Homestead, which will be adaptively reused for employee housing. The main house and bunkhouse were moved off of their original (and failing) foundations, new foundations were built, and the structures were moved back onto the new foundations to ensure they remain standing for years to come. In 2024, the park will continue work at this site and focus on the interior of the structures.

Youth:

A priority for Grand Teton National Park is to engage future park stewards by providing an introduction to the outdoors, conservation, and careers through in-depth programs. Five impactful efforts funded through the Foundation's youth initiative introduce Grand Teton to a younger, more diverse audience and offer educational and employment opportunities that keep participants actively involved in the outdoors as they begin to make career decisions:

- **Youth Conservation Program** employs 16 to 19-year-olds on Grand Teton's trail crew, accomplishing much-needed work while participants learn about park resources and develop conservation ethics.
- **Tribal Youth Engagement** provides hands-on opportunities for regional Native American youth to connect with nature and cultural history through week and month-long programs in Grand Teton.
- **Pura Vida** introduces local Latinx youth and their family members to recreational opportunities available in their backyard national park through spring break and summer sessions.
- **NPS Academy** engages diverse college students from across the country in summer internships within the national park system to gain job skills and exposure to careers.
- **Mountains to Main Street Urban Ambassador Program** offers ongoing career development and mentoring to young professionals who launch park-focused programming in their home cities.

Note 1 – Nature of Organization and Summary of Significant Accounting Policies (continued)

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 key destinations along 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 2023 marked the fourth year of project work on the Crest Trail. Improvements were completed in the north fork of Cascade Canyon leading to Paintbrush Divide, making it safer for hikers to this remote alpine area.

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 annual gifts, 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.

Note 1 – Nature of Organization and Summary of Significant Accounting Policies (continued)

Basis of Presentation

The financial statements of the Foundation have been prepared in accordance with U.S. generally accepted accounting principles, which require the Foundation to report information regarding its financial position and activities according to the following net asset classifications.

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. These net assets may be used at the discretion of the Foundation's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors. 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, whereby the donor has stipulated the funds be maintained in perpetuity.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statement of activities and changes in net assets as net assets released from restrictions. If a restriction is fulfilled in the same time period in which the contribution is received, the contribution is reported as net assets without donor restrictions.

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting.

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of donations and expenses during the reported period. Actual results could differ from those estimates. Management believes that these estimates and assumptions provide a reasonable basis for the fair presentation of the financial statements.

Note 1 – Nature of Organization and Summary of Significant Accounting Policies (continued)

Concentrations of Credit Risk

Financial instruments that potentially subject the Foundation to credit risk consist principally of cash at financial institutions and investments. At times, the balances in cash accounts may be in excess of federally insured limits. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk. The Foundation manages credit risk with investments by purchasing short-term investments and fixed income securities with investment-grade credit ratings.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Investments

Investments with readily determinable fair values are measured at fair value in the statement of financial position. Interest, dividends, and realized and unrealized gains and losses on investments, net of fees, are recorded as investment return in the statement of activities and changes in net assets. Realized gains and losses are determined on a specific identification basis. Realized and unrealized gains and losses, interest, and dividends on investments are recorded as net assets without donor restriction unless such amounts are restricted by the donor or by law. Investments received as donations are recorded at the estimated fair value at the date of the donation. Investments are classified based on their original maturities. Investments with original maturities of less than 12 months are classified as short-term investments.

Investments, consisting of stock, equities, and other marketable securities gifted to the Foundation are immediately sold at fair market value if possible.

Note 1 – Nature of Organization and Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment with an estimated useful life of more than one year are capitalized and are stated at cost or, if donated, at the estimated fair market value at the date of donation, when their cost or value exceeds $1,000. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets on a straight-line basis. Property and equipment are depreciated over three to fifteen years. Maintenance and repairs are charged to expense as incurred. The cost of major renewals or betterments are capitalized by charges to the appropriate buildings and equipment account and depreciated over the remaining useful life of the related assets.

Leases

Effective October 1, 2022, the Foundation adopted ASU No. 2016-02, *Leases (Topic 842)*, which requires lessees to recognize right-of-use assets, representing the right to use the underlying asset for the lease term, and a lease liability for all leases with terms greater than 12 months. The standard provides an optional transition method allowing entities to apply the new lease standard at the adoption date and recognize a cumulative effect adjustment in the period of adoption. The Foundation has elected to use this transition method, and as a result of the adoption, on October 1, 2022, recognized (a) an operating lease liability of $1,068,139, and (b) an operating lease right-of-use asset of $1,068,139. A cumulative effect adjustment to the opening balance of net assets without donor restrictions was not required. The Foundation has elected to apply the package of practical expedients allowed in ASC 842 whereby (1) the Foundation need not reassess whether any expired or existing contracts are leases or contain leases, (2) the Foundation need not reassess the lease classification for any expired or existing leases, and (3) the Foundation need not reassess initial direct costs for any existing leases.

Note 1 – Nature of Organization and Summary of Significant Accounting Policies (continued)

Leases (continued)

The Foundation determines if an arrangement contains a lease at the inception of the contract. Operating lease right-of-use (ROU) assets represents the Foundation's right to use an underlying asset for the lease term and operating lease liabilities represent the Foundation's obligation to make lease payments arising from the lease. Operating lease ROU assets and operating lease liabilities are recognized at the commencement date based on the present value of the remaining future minimum lease payments. As the rate implicit in the lease is not readily determinable for the Foundation's lease, the Foundation utilizes its incremental borrowing rate as the discount rate used to determine the present value of future lease payments. The operating lease ROU assets also include any lease payments made before commencement and excludes lease incentives. Lease terms may include options to extend or terminate the lease when it is reasonably certain that the Foundation will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. For operating leases with a term of one year or less, the Foundation does not recognize an operating lease liability or operating lease ROU asset in the financial statements.

Long-Lived Assets

Long-lived assets, such as land, buildings, and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment loss is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset. Assets to be disposed of would be separately presented in the balance sheet and reported at the lower of the carrying amount or fair value, less costs to sell, and are no longer depreciated.

Contributions

Pledges receivable are recognized upon notification of a donor's unconditional promise to give (pledges) to the Foundation. Unconditional promises to give that are to be collected in less than one year are recorded at net realizable value because that amount results in a reasonable estimate of fair value. Unconditional promises to give that are expected to be collected in future years are initially recorded at the fair value of their estimated future cash flows as of the date of the promise to give through the use of a present value discount technique. In periods subsequent to initial recognition, unconditional promises to give are reported at the amount management expects to collect and are discounted over the collection period using the same discount rate as determined at the time of initial recognition.

Note 1 – Nature of Organization and Summary of Significant Accounting Policies (continued)

Contributions (continued)

The discount rate determined at the initial recognition of the unconditional promise to give is the mid-term Applicable Federal Rate (AFR). The use of the AFR is based upon management's assessment of many factors, including when the receivable is expected to be collected, the creditworthiness of the other parties, the Foundation's past collection experience and its policies concerning the enforcement of promises to give, expectations about possible variations in the amount or timing, or both, of the cash flows, and other factors concerning the receivables collectability. Amortization of the discounts is included in support from contributions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restriction are reclassified to net assets without donor restrictions and are reported in the statement of activities and changes in net assets as net assets released from restrictions. No allowance for uncollectible amounts was considered necessary as of September 30, 2023.

Contributed Nonfinancial Assets

Effective October 1, 2022, the Foundation adopted the provisions of FASB ASU 2020-07, *Not-for-Profit Entities (Topic 958) Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The amendments in this update apply to nonprofit organizations that receive contributed nonfinancial assets (also referred to as gifts-in-kind) and address presentation and disclosure of those contributed nonfinancial assets. The term "nonfinancial assets" includes fixed assets (such as land, buildings, and equipment), use of fixed assets or utilities, materials and supplies, intangible assets, cryptocurrency, services, and unconditional promises of those assets. Under the ASU, organizations must present gifts-in-kind as a separate line item in the statement of activities, apart from gifts of cash and other financial assets. In addition to this presentation requirement, the gifts-in-kind must be further broken down into categories (fixed assets, supplies, contributed services, etc.) in the notes to the financial statements. For each category of contributed nonfinancial assets recognized in the financial statements, further footnote disclosures are required under the ASU, including whether the gifts-in-kind were sold or used, among other disclosures. Adoption of this standard had no effect on the Foundation's net assets for the year ending September 30, 2023.

Note 1 – Nature of Organization and Summary of Significant Accounting Policies (continued)

Contributed Nonfinancial Assets (continued)

Donated land, buildings, equipment, investments, and other noncash donations are recorded as contributions at their fair market value at their date of donation. The Foundation reports the donations in the net assets without donor restrictions category, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets must be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported in the net assets with donor restrictions category. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. Some members of the Foundation have donated significant amounts of time to the Foundation in furthering its programs and objectives. However, no amounts have been included in the financial statements for donated member or volunteer services since they did not meet the criteria for recognition.

Allocation of Functional Expenses

The costs of providing the Foundation's programs and activities are reported on a functional basis in the statement of functional expenses. Accordingly, certain costs have been allocated among programs and supporting services benefited. Any program expenses or support costs not directly chargeable to a specific program are allocated to the programs based on management policies and estimates.

Income Taxes

As a non-profit organization which is a private foundation, the Foundation claims exemption from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code and related state provisions whereby only unrelated business income, as defined by Section 509(a)(1) of the Code, is subject to federal income tax. Accordingly, no provision for income taxes has been made in the financial statements.

Note 1 – Nature of Organization and Summary of Significant Accounting Policies (continued)

Income Taxes (continued)

The Foundation considers many factors when evaluating and estimating its tax positions and tax benefits. Tax positions are recognized only when it is more likely than not (likelihood of greater than 50%), based on technical merits, that the positions will be sustained upon examination by the applicable taxing authority. Reserves are established if it is believed certain positions may be challenged and potentially disallowed. If facts and circumstances change, reserves would be adjusted through a provision for income taxes. The Foundation would also recognize interest expense and penalties related to unrecognized tax benefits through a provision for income taxes.

As of September 30, 2023, management did not identify any uncertain tax positions.

Advertising Costs

Advertising costs are charged to operations when incurred.

Future Application of Accounting Standards

In June 2016, the FASB issued ASU 2016-13 "Financial Instruments – Credit Losses". This standard provides new guidance on the measurement of credit losses for financial assets measured at amortized cost, which includes accounts receivable. The new guidance replaces the existing incurred loss impairment model with an expected loss methodology, which will result in more timely recognition of credit losses. This standard is effective for annual periods beginning after December 15, 2022. The Foundation is in the process of evaluating the impact of adopting this new guidance on the financial statements.

Note 2 – Availability and Liquidity

The Foundation's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, are as follows:

Financial assets at year end:		
Cash and cash equivalents	$	6,923,476
Investments		9,532,520
Pledges receivable		4,446,402
Total financial assets		20,902,398
Less amounts not available to be used within one year:		
Net assets with donor restrictions		19,047,757
Net assets with purpose or time restrictions		-
Financial assets available to meet general expenditures over the next twelve months	$	1,854,641

Note 3 – Investments

Investments consist of the following:

		Cost	Fair Value
Fixed income	$	4,163,884	4,214,687
Equity securities		988,985	1,072,235
Exchange-traded products		507,318	519,087
Mutual funds		2,395,473	2,215,550
Certificates of deposit		1,510,961	1,510,961
	$	9,566,621	9,532,520

Note 3 – Investments (continued)

Investment return is summarized as follows:

Interest and other investment income	$	129,598
Investment fees		(45,168)
Realized/unrealized gain on investments		327,318
Total investment return	$	411,748

Investment return is recorded within both net assets without donor restrictions and net assets with donor restrictions in the statement of activities.

Note 4 – Beneficial Interest in Assets Held

The Foundation has transferred assets to the Community Foundation of Jackson Hole (the Community Foundation) which is holding them as an endowed fund (the Fund) for the benefit of the Foundation. The agreement between the Foundation and the Community Foundation states that the transfer is irrevocable and that the Foundation has granted the Community Foundation variance power which gives the Community Foundation's Board of Trustees the power to use the Fund for other purposes in certain circumstances, such as the Foundation ceases to exist or the Community Foundation's Board of Trustees determines that support of the Foundation is no longer necessary or is inconsistent with the needs of the community. The Fund is subject to the Community Foundation's investment and spending policies which currently results in distributions to the Foundation based on the Fund's performance. The Foundation reports the fair value of the Fund as beneficial interest in assets held in the statement of financial position and reports gains or losses in the statement of activities.

Changes in beneficial interest in assets held for the year ended September 30, 2023 are as follows:

Balance at October 1, 2022	$	757,643
Additional amounts invested		718,500
Fund management fees		(6,607)
Share of appreciation (depreciation) of fund - unrealized		47,036
Interest, dividend, and other income		90,628
Balance at September 30, 2023	$	1,607,200

Note 5 – Fair Value Measurements

The Foundation's beneficial interest in assets held has been valued, as a practical expedient, at the fair value of the Foundation's share of the Community Foundation's investment pool as of the measurement date in the accompanying statement of financial position.

The Foundation's investments are reported at fair value in the accompanying statement of financial position. The methods used to measure fair value may produce an amount that may not be indicative of net realizable value or reflective of future fair values. Furthermore, 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.

The Foundation follows 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). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Level 1 – Quoted market prices in active markets for identical assets or liabilities;

Level 2 – Significant other observable inputs (e.g., quoted prices for similar items in active markets, quoted prices for identical or similar items in markets that are not active, inputs other than quoted prices that are observable such as interest rate and yield curves, and market-corroborated inputs);

Level 3 – Unobservable inputs for the asset or liability, which are valued based on management's estimates of assumptions that market participants would use in pricing the asset or liability.

Note 5 – Fair Value Measurements (continued)

The following table provides financial assets carried at fair value:

	Level 1	Level 2	Level 3	Total
Fixed income	$ -	4,214,687	-	$ 4,214,687
Equity securities	1,072,235	-	-	1,072,235
Exchange-traded products	519,087	-	-	519,087
Mutual funds	2,215,550	-	-	2,215,550
Certificates of deposit	-	1,510,961	-	1,510,961
Investments at fair value	$ 3,806,872	5,725,648	-	$ 9,532,520

Level 1 Fair Value Measurements

The fair value of mutual funds is valued at the daily closing price as reported by the fund. Mutual funds held by the Company are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Company are deemed to be actively traded. The fair value of equities and exchange traded products is based on the closing price reported on the active market on which the individual securities and products are traded.

Level 2 Fair Value Measurements

Fixed Income – Bonds

The fair value of fixed income bonds is determined by an independent pricing service using recently executed transactions, market price quotations, and pricing models that factor in, where applicable, interest rates, bond spreads, and volatility.

The fair value of interest-bearing certificates of deposit accounts is based on the outstanding balance of the account.

Note 6 – Pledges Receivable

Pledges receivable consist of signed pledge forms from various private donors with expected collection time frames between one and five years. The balance receivable at September 30, 2023 is $4,679,432, of which $2,783,207 is considered current. The long-term portion is reported net of a discount of $233,030 which is determined using the mid-term Applicable Federal Rate.

Note 7 – Property and Equipment

Property and equipment consists of the following:

Furniture and equipment	$	122,882
Leasehold Improvements		89,435
		212,317
Less accumulated depreciation		(149,117)
	$	63,200

Note 8 – Employee Benefit Plan

The Foundation sponsors a defined contribution plan that covers all eligible employees. The Foundation may, at its discretion, contribute up to 5% of the compensation for eligible participants as determined by the Foundation's management. For the year ended September 30, 2023, contributions to the plan were $57,730.

Note 9 – Related Party Transactions

The Foundation receives donations from members of the Board of Directors and other related parties. All donations from Board members and other related parties are handled in accordance with the normal course of business operations and consistent with Foundation policy before being recognized as income. For the year ended September 30, 2023, total contributions made by related parties were $2,591,386. As of the year ended September 30, 2023, pledges receivable include $1,335,277 from related parties.

Note 10 – Leases

The Foundation leases office space in Jackson, Wyoming under a non-cancelable operating lease expiring September 2032. Lease expense related to this operating lease is recorded in support services and is as follows for the year ended September 30, 2023:

Operating lease cost	$	154,281
Variable lease costs		47,289
Total lease expense	$	201,570

Expected lease payments associated with the operating lease liability are as follows:

Year		Amount
2024	$	144,170
2025		147,053
2026		149,994
2027		152,994
2028		156,054
Thereafter		641,935
Total remaining lease payments		1,392,200
Less: discount to present value		(385,859)
Present value of operating lease liability	$	1,006,341

The Foundation's weighted average remaining lease term and weighted average discount rate are as follows at September 30, 2023:

Weighted average remaining lease term (years)	8.9
Weighted average discount rate	7.71%

Note 11 – Lines of Credit

The Foundation has a line of credit with Wells Fargo which allows the Foundation to borrow up to $200,000. This line of credit bears interest at 4.05%, is unsecured, and matures in 2024. As of September 30, 2023, there is no balance outstanding on this line.

The Foundation has a line of credit with First Western Trust which allows the Foundation to borrow up to $1,500,000. This line of credit bears interest at 4%, is unsecured, and matures in November 2023. As of September 30, 2023, there is no balance outstanding on this line.

Note 12 – Net Assets Released from Restrictions

During the year ended September 30, 2023, net assets of $2,777,539 were released from donor restrictions by incurring qualifying expenses satisfying the donor-restricted purpose.

Note 13 – Supplemental Cash Flow Information

The Foundation did not pay cash for interest for the year ending September 30, 2023.

During the year ended September 30, 2023, the Foundation recognized an operating lease liability of $1,068,139 in exchange for an operating lease right-of-use asset of $1,068,139.

Note 14 – Commitments and Contingencies

The Foundation may become or is subject to investigations, claims, or lawsuits arising in the ordinary course of its business. The Foundation is currently not aware of any such items that it believes could have a material adverse effect on its financial statements.

Note 15 – Subsequent Events

The Foundation evaluated its September 30, 2023 financial statements for subsequent events through February 22, 2024, the date the financial statements were available to be issued. The Foundation is not aware of any subsequent events which would require recognition or disclosure in the financial statements.