YELLOWSTONE FOREVER

FINANCIAL REPORT

February 29, 2020 and February 28, 2019

C O N T E N T S

anderson ZURMUEHLEN

ANDERSON ZURMUEHLEN & CO., P.C. • CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS ADVISORS
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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Yellowstone Forever
Bozeman, Montana

We have audited the accompanying financial statements of Yellowstone Forever (a nonprofit organization), which comprise the statements of financial position as of February 29, 2020 and February 28, 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 Yellowstone Forever as of February 29, 2020 and February 28, 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.

Anderson ZurMuehlen & Co, P.C.

Bozeman, Montana
January 26, 2021

F I N A N C I A L   S T A T E M E N T S

YELLOWSTONE FOREVER
STATEMENTS OF FINANCIAL POSITION
February 29, 2020 and February 28, 2019

	2020	2019
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 112,653	$ 44,003
Accounts receivable	137,777	104,953
Pledges receivable	2,229,085	2,182,401
Inventory	983,080	734,736
Prepaid expenses	213,002	430,334
Total current assets	3,675,597	3,496,427
PROPERTY AND EQUIPMENT		
Land, buildings, equipment, and improvements	16,146,526	16,733,399
Accumulated depreciation	(6,654,916)	(6,243,200)
Total property and equipment, net	9,491,610	10,490,199
OTHER ASSETS		
Endowment	1,770,586	2,328,845
Pledges receivable, net of discount	1,886,466	2,172,434
Total other assets	3,657,052	4,501,279
Total assets	$16,824,259	$18,487,905
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 1,350,150	$ 704,482
Deferred revenue	481,411	402,370
Grants payable - USFS	5,128	2,669
Lines of credit	3,250,000	2,800,000
Total current liabilities	5,086,689	3,909,521
NET ASSETS		
Without donor restrictions	5,947,345	9,531,784
With donor restrictions	5,790,225	5,046,600
Total net assets	11,737,570	14,578,384
Total liabilities and net assets	$16,824,259	$18,487,905

YELLOWSTONE FOREVER
STATEMENT OF ACTIVITIES
Year Ended February 29, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Educational product sales, net of discounts	$ 5,028,671	$ -	$ 5,028,671
Less cost of goods sold	(2,456,949)	-	(2,456,949)
Educational product sales, net	2,571,722	-	2,571,722
Contributions and gifts	6,312,781	4,019,917	10,332,698
Educational tuition and fees	2,014,188	-	2,014,188
Investment earnings, net	16,391	83,955	100,346
Gain on disposal of property and equipment	31,180	-	31,180
Other revenues	78,892	-	78,892
Total revenues before releases	11,025,154	4,103,872	15,129,026
Net assets released from restriction	3,360,247	(3,360,247)	-
Total revenues and support	14,385,401	743,625	15,129,026
EXPENSES			
Program Services:			
National Park Service grants	6,210,811	-	6,210,811
Educational product sales	3,105,359	-	3,105,359
Educational programming	2,615,023	-	2,615,023
Total program service	11,931,193	-	11,931,193
Supporting Services:			
Philanthropic fund development	3,887,953	-	3,887,953
Administration	2,150,694	-	2,150,694
Total supporting services	6,038,647	-	6,038,647
Total expenses	17,969,840	-	17,969,840
Change in net assets	(3,584,439)	743,625	(2,840,814)
Net assets, beginning of year	9,531,784	5,046,600	14,578,384
Net assets, end of year	$ 5,947,345	$ 5,790,225	$11,737,570

The Notes to Financial Statements are an integral part of this statement.

YELLOWSTONE FOREVER
STATEMENT OF ACTIVITIES
Year Ended February 28, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND SUPPORT			
Educational product sales, net of discounts	$ 4,955,423	$ -	$ 4,955,423
Less cost of goods sold	(2,225,201)	-	(2,225,201)
Educational product sales, net	2,730,222	-	2,730,222
Contributions and gifts	6,526,405	4,527,282	11,053,687
Educational tuition and fees	1,903,460	-	1,903,460
Investment earnings, net	(8,769)	24,341	15,572
Other revenues	92,838	-	92,838
Total revenues before releases	11,244,156	4,551,623	15,795,779
Net assets released from restriction	3,359,676	(3,359,676)	-
Total revenues and support	14,603,832	1,191,947	15,795,779
EXPENSES			
Program Services:			
National Park Service grants	7,370,147	-	7,370,147
Educational product sales	3,307,215	-	3,307,215
Educational programming	2,784,156	-	2,784,156
Volunteer programing	192,661	-	192,661
Supporter education	1,416,593	-	1,416,593
Visitor and community engagement	233,054	-	233,054
Total program services	15,303,826	-	15,303,826
Supporting Services:			
Philanthropic fund development	3,161,980	-	3,161,980
Administration	1,331,958	-	1,331,958
Total supporting services	4,493,938	-	4,493,938
Total expenses	19,797,764	-	19,797,764
Change in net assets	(5,193,932)	1,191,947	(4,001,985)
Net assets, beginning of year as previously stated	13,598,276	4,982,093	18,580,369
Reclassification of net assets	1,127,440	(1,127,440)	-
Net assets, end of year	$ 9,531,784	$ 5,046,600	$14,578,384

YELLOWSTONE FOREVER
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended February 29, 2020

	Program Services			Supporting Services		
	National Park Service Grants	Educational Product Sales	Educational Programming	Philanthropic Fund Development	Administration	Total Expenses
Advertising and promotion	$ -	$ 134,085	$ 86,285	$ 310,147	$ 62,113	$ 592,630
Bank and merchant fees	18,345	146,814	15,826	59,307	2,214	242,506
Conferences and meetings	694	13,933	6,187	18,509	37,296	76,619
Depreciation	9,745	389,527	268,616	150,475	275,166	1,093,529
Direct mail	270,793	-	-	392,882	-	663,675
Educational product merchandising	-	9,613	-	-	-	9,613
Educational programs	-	352	348,730	313	162	349,557
Engagement and events	237,515	6,725	10,104	372,445	13,803	640,592
Grants	4,077,390	4,805	-	-	-	4,082,195
Human resources	3,404	40,840	39,080	32,401	22,021	137,746
Information technology	7,809	145,356	112,876	263,191	201,513	730,745
Insurance	-	46,642	77,660	11,672	21,323	157,297
Interest	83,408	41,663	34,801	51,954	28,873	240,699
Occupancy	73	137,913	82,787	64,820	175,914	461,507
Office expenses	15,247	49,492	5,534	29,428	12,624	112,325
Professional fees	43,194	84,454	37,790	179,597	104,672	449,707
Stewardship and recognition	112,056	14	6	179,817	38	291,931
Royalties	-	1,856	-	-	-	1,856
Salaries and benefits	1,302,559	1,789,688	1,370,359	1,715,771	1,159,407	7,337,784
Taxes	-	9,865	3,064	1,755	9,158	23,842
Travel	28,579	51,722	115,318	53,469	24,397	273,485
Total expenses	$ 6,210,811	$ 3,105,359	$ 2,615,023	$ 3,887,953	$ 2,150,694	$17,969,840

The Notes to Financial Statements are an integral part of this statement.

YELLOWSTONE FOREVER
STATEMENT OF FUNCTIONAL EXPENSES
Year Ended February 28, 2019

	Program Services				
	National Park Service Grants	Educational Product Sales	Educational Programming	Volunteer Programming	Supporter Education
Advertising and promotion	$ 19,956	$ 51,331	$ 161,631	$ 4,429	$ 200,409
Bank and merchant fees	18,328	134,219	25,796	621	25,812
Conferences and meetings	18,297	10,696	13,039	4,358	-
Contracting	348,239	12,012	13,062	4,350	-
Depreciation	13,279	475,960	290,707	4,151	19,770
Educational product merchandising	-	82,448	-	-	-
Educational programs	9,613	10,640	11,608	2,172	696,892
Grants	5,574,610	5,147	-	-	-
Human resources	19,028	49,619	65,046	10,050	7,525
Information technology	3,010	153,862	181,006	770	158,352
Institute and volunteer expenses	14	18	294,083	55,563	19
Insurance	2,341	44,087	68,050	2,110	542
Interest	129,587	-	-	-	-
Occupancy	6,988	265,151	157,066	153	11,508
Office expenses	31,664	58,948	12,811	2,258	58,529
Stewardship and recognition	72,097	867	-	-	731
Royalties	-	1,954	-	-	-
Salaries and benefits	1,062,031	1,896,048	1,373,488	96,501	234,526
Taxes	120	6,758	3,357	-	120
Travel	40,945	47,450	113,406	5,175	1,858
Total expenses	$ 7,370,147	$ 3,307,215	$ 2,784,156	$ 192,661	$ 1,416,593

(Continued)

The Notes to Financial Statements are an integral part of this statement.

YELLOWSTONE FOREVER
STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
Year Ended February 28, 2019

	Program Services		Supporting Services		
	Visitor and Community Engagement	Total Program	Philanthropic Fund Development	Admini-stration	Total Expenses
Advertising and promotion	$ 11,122	$ 448,878	$ 178,084	$ 31,347	$ 658,309
Bank and merchant fees	115	204,891	38,925	(3,402)	240,414
Conferences and meetings	1,703	48,093	27,013	59,697	134,803
Contracting	(392)	377,271	506,753	59,612	943,636
Depreciation	13,215	817,082	137,621	86,202	1,040,905
Educational product merchandising	-	82,448	-	-	82,448
Engagement and education	67,832	798,757	35,175	13,542	847,474
Grants	-	5,579,757	-	-	5,579,757
Human resources	2,814	154,082	51,412	27,457	232,951
Information technology	6,242	503,242	179,979	37,554	720,775
Institute and volunteer expenses	8	349,705	56	22	349,783
Insurance	1,017	118,147	9,330	10,736	138,213
Interest	-	129,587	-	-	129,587
Occupancy	8,870	449,736	109,324	77,836	636,896
Office expenses	693	164,903	48,968	27,911	241,782
Premiums and recognition	-	73,695	104,827	-	178,522
Royalties	-	1,954	-	-	1,954
Salaries and benefits	116,501	4,779,095	1,667,242	879,202	7,325,539
Taxes	120	10,475	1,199	167	11,841
Travel	3,194	212,028	66,072	24,075	302,175
Total operating fund expenses	$ 233,054	$15,303,826	$ 3,161,980	$ 1,331,958	$19,797,764

(Concluded)

The Notes to Financial Statements are an integral part of this statement.

YELLOWSTONE FOREVER
STATEMENTS OF CASH FLOWS
For the Years Ended February 29, 2020 and February 28, 2019

	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ (2,840,814)	$ (4,001,985)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Depreciation	1,093,529	1,040,905
Gain on disposal of property and equipment	(31,180)	-
Net unrealized (gain) loss on investments	(20,597)	153,192
Reinvested investment earnings	(73,311)	-
Present value adjustment of discount on pledges	190,566	(103,326)
Contributions with perpetual donor restrictions	(103,882)	(215,774)
Changes in operating assets and liabilities:		
Accounts receivable	(32,824)	39,684
Pledges receivable	48,718	(393,091)
Inventory	(248,344)	8,719
Prepaid expenses	217,332	64,690
Accounts payable and accrued liabilities	645,668	(412,208)
Deferred revenue	79,041	3,568
Grants payable - USFS	2,459	(4,501)
Net cash flows from operating activities	(1,073,639)	(3,820,127)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for property and equipment	(120,105)	(939,119)
Proceeds from sale of property and equipment	56,345	-
Proceeds from sale of investments	1,000,970	3,653,583
Payments for purchase of investments	(348,803)	(2,553,973)
Net cash flows from investing activities	588,407	160,491
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from external borrowing	5,000,000	3,673,873
Payments on external borrowing	(4,550,000)	(873,873)
Contributions with perpetual donor restrictions	103,882	215,774
Net cash flows from financing activities	553,882	3,015,774
Net change in cash and cash equivalents	68,650	(643,862)
Cash and cash equivalents, beginning of year	44,003	687,865
Cash and cash equivalents, end of year	$ 112,653	$ 44,003
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest expense	$ 240,699	$ 129,587
SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING ACTIVITIES		
Construction in progress placed in service	$ 74,911	$ 713,649

The Notes to Financial Statements are an integral part of these statements.

NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operation

Yellowstone Forever (the Organization) is the official non-profit partner of Yellowstone National Park (the Park). As the official non-profit partner of the Park, the Organization's purpose is to provide cash and in-kind aid through philanthropic and educational initiatives. The Organization's mission is to partner with the Park to create opportunities for all people to experience, enhance, and preserve Yellowstone forever. The Organization accomplishes its philanthropic purpose by funding cash grants to the National Park Service and US Forest Service, and fundraising for the Organization's educational operations. The Organization's philanthropic initiatives focus on the following areas: Cultural Treasurers, Greenest Park, Wildlife, Ranger Heritage, Visitor Experience, Tomorrow's Stewards, and general park support.

The Organization also accomplishes this purpose by providing in-kind aid through the operation of the Organization's Institute, the Organization's eleven Park Stores and one US Forest Service Store in and around the Park through the engagement of visitors and communities in and around the Park.

Merger

The Organization was formed during the 2017 fiscal year through the merger of the Yellowstone Park Foundation (the Foundation) and Yellowstone Association (the Association). The merger was affected to align the Association and the Foundation in their efforts to support Yellowstone National Park.

Previous to the merger, the Foundation was a nonprofit organization, which supported projects and programs that protect, preserve, and enhance Yellowstone through philanthropic fund raising and the Association was a nonprofit organization which supported the Park through educational, historical, and scientific programs as well as the sale of educational materials in retail locations throughout Yellowstone and the surrounding area.

Financial Statement Presentation

The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America (GAAP), as codified by the Financial Accounting Standards Board (FASB). Under GAAP, the Organization reports information regarding its financial position and activities according to two classes: net assets without donor restrictions and net assets with donor restrictions.

NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial Statement Presentation (Continued)
Net assets are reported as follows:

- *Net assets without donor restrictions* – Net assets that are not subject to donor-imposed stipulations and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.
- *Net assets with donor restrictions* – Net assets subject to donor-imposed stipulations. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenues are reported as increases in net assets without donor restrictions unless the use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation. Expirations 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 reclassifications between applicable classes of net assets in the period in which the restrictions are satisfied.

Accounting Estimates
The preparation of financial statements in conformity with GAAP 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 revenues and expenses during the reporting period. Accordingly, actual results may differ from those estimates. For the preparation of these financial statements, estimates were used in:

- The assessment of collectability of accounts and pledges receivable
- The present value discount of future payments on pledges receivable
- The estimated useful lives of capital assets
- The functional allocation of expenses amongst program and supporting services (see functional allocation of expenses for further information)

Cash and Cash Equivalents
For purposes of the statements of cash flows, the Organization considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. Endowment holdings consist of cash and mutual funds and are reported as investments instead of cash because the Organization holds those funds as an endowment.

NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable
Accounts receivable are uncollateralized customer obligations due under normal trade terms generally requiring payment within 30 days from the invoice date. However, the Organization has a variety of credit relationships with its customers and different trade terms are common. Customer account balances with invoices dated over 30 days are considered delinquent. Accounts receivable are stated at face amounts with no allowance for doubtful accounts. Management considers all receivables to be fully collectible.

Investments and Endowment Holdings
Investment and endowment holdings are reported at fair value in the accompanying statements of financial position with the annual change in fair value due to realized and unrealized gains and losses recorded in the line item, “investment earnings, net,” on the statements of changes in net assets. Investment fees for the year ended February 29, 2020 were $4,583 and $10,026 for the operating and endowment fund investments, respectively, and for the year ended February 28, 2019, were $3,927and $9,171 for the operating and endowment fund investments, respectively. Investment fees are recorded net of investment earnings in the statements of changes in net assets.

Pledges Receivable
The Organization has elected to measure pledges receivable at fair value. Pledges receivable that are expected to be collected within one year are recorded as current assets on the statements of financial position. Pledges receivable that are expected to be collected in future years are recorded as long-term assets on the statements of financial position. The fair value of the noncurrent pledges receivable is computed using the Internal Revenue Service Applicable Federal Rate Long-Term (AFR) at the time of the pledge. The AFR rate ranged from 1.86% to 3.31% for the years ended February 29, 2020 and February 28, 2019.

This measurement of fair value of pledges receivable uses significant unobservable inputs (Level 3 inputs), including estimated timing of receipts and collectability. The accretion of the discount in subsequent years is reported as an additional contribution in the net asset class in which the original pledge was recorded. Payments are based on the underlying donor agreement. Uncollectible pledges are charged to bad debt once all attempts at collection have been exhausted. For the years ended February 29, 2020 and February 28, 2019, there were no significant pledge write-offs. Management considers all pledges as of February 29, 2020 to be collectible.

Inventory
Inventories are stated at the lower of cost or net realizable value using the first-in-first-out method of valuation. Inventories consist primarily of books, videos, maps, posters, and other educational products sold in retail outlets, by way of mail/internet sales, or to wholesale dealers. For the years ended February 29, 2020 and February 28, 2019, inventories amounting to $55,792 and $61,373 were written off, respectively, due to shrinkage, damage, and declines in market values below cost or net realizable value due to obsolescence of the product. The write-offs are included in the cost of goods sold line item on the statements of changes in net assets.

NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Allocation of Expenses
The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification categories of expenses by function. Accordingly, certain costs have been allocated amongst the programs and supporting services benefited using an appropriate basis consistently applied. These expenses include executive management, finance, marketing, technology, fleet, facilities and fundraising programs. Depreciation and amortization are allocated based on square footage and all other costs are allocated based on programs and the amount of time and effort that is associated with those programs.

Joint costs have been incurred for fundraising expenses, specifically for the production and distribution of mass mailings. Such costs have been allocated to the NPS Grant Support program based upon a ratio of restricted funds raised for the Park to total funds raised. For the fiscal years 2020 and 2019, $322,394 and $338,084 of professional fundraising expenses were allocated to the NPS Grant Support program, respectively.

Property and Equipment
Property, buildings, furniture, fixtures, equipment, and improvements costing at least $5,000 with an estimated useful life of over one year are capitalized. Purchased property and equipment are recorded at cost. Donations of property and equipment are recorded at the asset's estimated fair value at the time of the donation. Assets are depreciated on a straight-line basis over their estimated useful lives. Estimated useful lives are estimated as follows:

Land	Not depreciated
Land improvements	10 years
Buildings	30 years
Building improvements	20 years
Leasehold improvements	up to 20 years
Equipment	5 to 7 years
Vehicles	5 years
Technology equipment	3 years

Advertising and Promotion Costs
Advertising and promotion costs are expensed as incurred.

Revenue Recognition
The Organization’s significant revenue sources are: (1) educational product sales, (2) contributions and gifts, and (3) educational tuition and fees. For exchange transactions, revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration expected to be received in exchange for those products or services. Revenue is recognized net of any taxes collected from customers, which are subsequently remitted to governmental authorities. The Organization’s contracts do not contain significant refund-type provisions.

NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition (Continued)

Educational Product Sales
The Organization sells various retail products at its park stores and online. The Organization recognizes revenue on its retail sales at the point of sale. Online orders are shipped free on board (FOB) shipping point. The Organization has made the accounting policy election to not account for shipping and handling activities as a separate performance obligation. Any shipping and handling charges that are billed to customers are included as a component of revenue. Costs incurred by the Organization for shipping and handling charges are included in cost of goods sold.

Contributions and Gifts
Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets as of the date of contribution. The Organization reports gifts of cash and other assets as restricted support if they are received with a donor stipulation that limit the use of the donated assets, or if they are designated as support for future periods. 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 reported in the statements of changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support. Conditional contributions and promises to give are not included as support until such time as the conditions are substantially met.

The Organization reports gifts of goods and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions, which specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations on how those long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

The Organization records various types of in-kind support including professional service fees and services, instructor fees, fixed assets, and inventory. Contributed professional services are recognized if the services (a) create or enhance long-lived assets or (b) require specialized skills provided by individuals possessing those skills and would typically need to be purchased if not by donations. In accordance with GAAP, the Organization does not record volunteer time as in-kind support.

Educational Tuition and Fees Revenue
Educational tuition and fees revenues include course tuitions and tour bookings. These revenue streams are recognized upon completion of the course or tour, or when the performance obligation is satisfied.

NOTE 1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes
The Organization is exempt from federal and state income taxes under Internal Revenue Code 501(c)(3) and has been ruled not to be a private foundation. Additionally, the Organization is recognized as a public charity under Internal Revenue Code 509(a)(1) and 170(b)(l)(A)(vi), meaning it is an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.

Deferred Revenue
Revenue from course tuition and cabin rentals is reported as income in the period the revenue is earned. Deferred revenue represents advance payments that will be recognized in subsequent periods as income when earned.

Compensated Absences
Permanent employees working at least fifteen hours per week accrue paid time off based on length of continuous service with the Organization. Employees may accumulate unused paid time off up to forty hours over the employee’s annual accrual based upon service years.

As of February 29, 2020 and February 28, 2019, accrued compensated absences amounted to $247,765 and $183,413, respectively. These amounts are included in the accompanying statements of financial position with accrued expenses.

New Accounting Pronouncement
Effective March 1, 2019, the Organization adopted Accounting Standards Update (ASU) 2018-08, Not-for-Profit Entities (Topic 958) – *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.* The update provides guidance on (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal) transactions subject to other guidance and (2) determining whether a contribution is conditional. Implementation of the standard had no effect on the Organization’s existing revenue recognition policies, nor required any adjustment of activity reported in a prior period.

Subsequent Events
Management has evaluated subsequent events through January 26, 2021, the date which the financial statements were available to be issued.

NOTE 2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in bank accounts, as well as investments in money market funds. The Organization deposits cash with several high-quality financial institutions. These deposits are guaranteed by the Federal Deposit Insurance Company (FDIC) up to an insured limit of $250,000. At times, the Organization's cash and cash equivalents may exceed federally insured limits.

Although the Organization bears risk on amounts in excess of those insured by the FDIC, it has not experienced and does not anticipate any losses due to the high quality of the institutions where the deposits are held. As of February 29, 2020 and February 28, 2019, the Organization's bank deposits exceeded the insured limits by $-0- and $231,685, respectively.

NOTE 3. INVESTMENTS

In accordance with GAAP, the Organization uses a fair value hierarchy that prioritizes the inputs for valuation techniques to measure fair value. The three levels of inputs in the hierarchy used to measure fair values are:

Level 1: Quoted market prices available through public markets for identical assets or liabilities.

Level 2: Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that the observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

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. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

There have been no changes in the methodologies used at February 29, 2020 and February 28, 2019, and there were no transfers between levels.

Money market funds: Valued at fair value by discounting the related cash flows based on current yields of similar instruments considering the credit worthiness of the issuer.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds and are required to publish their daily net asset values (NAV) of shares and to transact at that price. The mutual funds held by the Organization are deemed to be actively traded.

NOTE 3. INVESTMENTS (CONTINUED)

U.S. government securities: Valued using pricing models maximizing the use of observable inputs for similar securities.

Present value of pledges receivable: Valued at year-end using the published AFR rate from the Internal Revenue Service to discount the expected future cash flows from pledges receivable due more than 12 months from the date of the statements of financial position.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization 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 following describes investments based on fair value hierarchy and risk as of February 29, 2020 and February 28, 2019:

Description (Level 1 Inputs)	2020	2019
Money market funds	$ 62,398	$ 72,558
Fixed income mutual funds	1,082,979	749,683
Equity mutual funds	625,209	1,506,604
Total level 1 inputs	$ 1,770,586	$ 2,328,845

Investment earnings consist of the following for the years ended February 29, 2020 and February 28, 2019:

	2020	2019
Net realized and unrealized gains (losses)	$ 41,643	$ (112,140)
Interest and dividends	73,311	140,810
Investment management fees	(14,608)	(13,098)
Total investment earnings, net	$ 100,346	$ 15,572

NOTE 4. LIQUIDITY AND AVAILABILITY

The Organization receives significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions. Financial assets available for general expenditure include only those without donor or other restrictions limiting their use within one year of the statement of financial position date.

NOTE 4. LIQUIDITY AND AVAILABILITY (CONTINUED)

In addition, the Organization receives support without donor restrictions and investment income without donor restrictions. The Organization also generates earnings from program activities, such as educational product sales and tuition revenues. These amounts are without restrictions and available to meet cash needs for general expenditures.

The following reflects the Organization's financial assets as of February 29, 2020 and February 28, 2019, net of amounts not available for general use within one year of the statement of financial position date:

	2020	2019
Financial assets at year end:		
Cash and cash equivalents	$ 112,653	$ 44,003
Accounts receivable	137,777	104,953
Pledges receivable, net of discount	4,115,551	4,354,835
Endowment	1,770,586	2,328,845
Total financial assets	6,136,567	6,832,636
Less amounts not available to use within one year:		
Endowment	(1,770,586)	(2,328,845)
Pledges receivable to be collected after one year, net of discount	(1,886,466)	(2,172,434)
Total financial assets not available to be used within one year	(3,657,052)	(4,501,279)
Total financial assets available to meet general expenditures within one year	$ 2,479,515	$ 2,331,357

As part of the Organization's liquidity management plan, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

As described in Note 19, the Organization is working to reduce operating expenses based on its recovery plan, which was implemented in fiscal year 2020. The goal is to create efficiencies, reduce redundancies, and review vendor contracts for potential savings. Additionally, the Organization's annual operating budget anticipates receiving funds throughout the year from the following sources: educational product sales; educational programming; and philanthropic giving through direct mail and online solicitation, corporation, foundation and individual major gifts and fundraising events.

NOTE 4. LIQUIDITY AND AVAILABILITY (CONTINUED)

The Organization has a line of credit amounting to $4,000,000, with available funds of $750,000 as of February 29, 2020, which it could draw upon in the event of an anticipated liquidity need. In fiscal year 2020 and 2021, the Board approved a $1,000,000 and $270,775 distribution from the board designated quasi-endowment fund in the form of a loan, respectively, to help pay obligations as they are due. The Organization has a spending policy in place for the board designated quasi-endowment fund; however, there are no plans to withdraw additional monies from the board designated quasi-endowment fund due to the loans. Additionally, the Organization received a $1,500,500 Paycheck Protection Program loan in April of 2020 that will cover allowable operational costs.

NOTE 5. PLEDGES RECEIVABLE

Pledges receivable, net of present value discounts, at February 29, 2020, are scheduled to be received as follows:

For the years ending February 28,	
2021	$ 2,229,085
2022	1,062,329
2023	520,000
2024	450,000
Total gross pledges receivable	4,261,414
Unamortized discount	(145,863)
Pledges receivable, net	$ 4,115,551

The following table represents a reconciliation of the beginning and ending balances on pledges receivable for the years ended February 29, 2020 and February 28, 2019:

Pledges receivable, net, March 1, 2019	$ 4,354,835
New unconditional pledges	1,524,877
Amounts received from pledges	(1,808,864)
Change in unamortized discount	44,703
Pledges receivable, net, February 29, 2020	4,115,551
Current portion	2,229,085
Long-term portion, net of discount	$ 1,886,466
Pledges receivable, net, March 1, 2018	$ 3,808,418
New unconditional pledges	2,319,500
Amounts received from pledges	(1,669,757)
Change in unamortized discount	(103,326)
Pledges receivable, net, February 28, 2019	4,354,835
Current portion	2,182,401
Long-term portion, net of discount	$ 2,172,434

NOTE 6. PROPERTY AND EQUIPMENT

Property and equipment consist of the following as of February 29, 2020 and February 28, 2019:

	Cost	Accumulated Depreciation	Net Book Value
2020:			
Land	$ 2,336,844	$ -	$ 2,336,844
Land improvements	212,980	(50,519)	162,461
Buildings and improvements	8,443,501	(3,138,786)	5,304,715
Leasehold improvements	1,725,858	(1,144,350)	581,508
Furniture, vehicles, and equipment	3,398,958	(2,321,261)	1,077,697
Projects in development	28,385	-	28,385
Total	$16,146,526	$ (6,654,916)	$ 9,491,610
2019:			
Land	$ 2,336,844	$ -	$ 2,336,844
Land improvements	171,439	(41,448)	129,991
Buildings and improvements	8,294,559	(2,809,951)	5,484,608
Leasehold improvements	1,716,268	(1,039,592)	676,676
Furniture, vehicles, and equipment	4,115,225	(2,352,209)	1,763,016
Projects in development	99,064	-	99,064
Total	$16,733,399	$ (6,243,200)	$10,490,199

Depreciation expense amounted to $1,093,530 and $1,040,905 for the years ended February 29, 2020 and February 28, 2019, respectively.

NOTE 7. OPERATING LEASES

The Organization leases 3,985 square feet of office space from an unrelated party effective February 1, 2018. The lease requires monthly payments of $5,297 per month during the term of the lease of 24 months. Effective February 1, 2020, this lease was renewed for an additional 24 months, requiring monthly payments of $5,479.

In February 2018, the Organization entered into an operating lease to rent 455 square feet of office space from an unrelated party effective March 1, 2018 for a period of twelve months with the option to extend the lease to a monthly basis thereafter. The lease requires monthly payments of $1,750. This lease was extended on a month-to-month basis with monthly payments of $1,750 and was terminated in July 2019.

NOTE 7. OPERATING LEASES (CONTINUED)

The Organization entered into a lease effective February 1, 2018 to rent a retail store facility at the Bozeman Yellowstone International Airport totaling 767 square feet for a period of 60 months. Monthly rent payments are based on the greater of the minimum annual guarantee of $17,000, or 10% of the annual gross sales derived from the retail store.

Additionally, the Organization has entered into various, insignificant leases for storage units, a residential duplex, postage meters, and a digital mailing system. Rent expense also includes small expenditures with no lease agreements for one-time rentals of equipment and month-to-month housing rentals for employees.

Rent expense for the years ended February 29, 2020 and February 28, 2019 totaled $113,525 and $121,179, respectively.

As of February 29, 2020, the future minimum annual lease payments under the terms of all non-cancelable lease agreements with initial lease terms greater than one year were as follows:

For the years ending February 28,	
2021	$ 96,689
2022	86,023
2023	18,652
	$ 201,364

NOTE 8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities consist of the following as of February 29, 2020 and February 28, 2019:

	2020	2019
Accounts payable	$ 714,424	$ 286,188
Accrued payroll	166,174	178,071
Accrued vacation liability	247,765	183,413
Accrued sales and use taxes	158,584	53,246
Miscellaneous	63,203	3,564
Total	$ 1,350,150	$ 704,482

NOTE 9. LINES OF CREDIT

The Organization has established lines of credit with the following terms and balances as of February 29, 2020 and February 28, 2019:

	2020	2019
Line of credit up to $2,500,000 with First Interstate Bank, maturing April 15, 2019 at the Prime Rate of interest plus 0.50% per annum. All inventory, chattel paper, accounts, equipment, and general intangibles are held as collateral.	$ -	$ 2,000,000
Line of credit up to $4,000,000 with First Security Bank, maturing December 2021 at an interest rate of 5.25% per annum. The line of credit is secured by all inventory, chattel paper, accounts, equipment, general intangibles, and real property located in Gardiner, MT.	3,250,000	800,000
	$ 3,250,000	$ 2,800,000

NOTE 10. ENDOWMENT

The State of Montana adopted the Uniform Prudent Management of Institutional Funds Act (MUPMIFA) requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary.

Accordingly, the Organization classifies as net assets with donor restrictions the original value of gifts donated to the permanent endowment and accumulated earnings associated with a specific gift, if required by donors. Although accumulated endowment earnings have not been restricted by the donor, the Organization's board has designated the earnings for the endowment fund until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by Montana law and the provisions of the endowment policy.

The Organization's endowment includes previously accumulated net assets without donor restrictions for which the board of directors has designated for long-term investment. These assets and their appreciation are referred to as the quasi-endowment.

The Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- Preservation of the funds
- Purposes of the Organization and the donor-restricted endowment fund
- General economic conditions and the possible effect of inflation, deflation or other economic trends and expected total return from income and appreciation of investments
- Other resources available to the Organization
- Investment policies adopted by the Organization

NOTE 10. ENDOWMENT (CONTINUED)

Endowment net asset composition by type of fund as of February 29, 2020 and February 28, 2019 is as follows:

	Quasi-Endowment (Without Donor Restrictions)	Endowment (With Donor Restrictions)	Total Endowment
2020			
Board designated endowment fund	$ 1,270,755	$ -	$ 1,270,755
Donor-restricted endowment fund	-	1,534,831	1,534,831
	$ 1,270,755	$ 1,534,831	$ 2,805,586
2019			
Board designated endowment fund	$ 1,141,575	$ -	$ 1,141,575
Donor-restricted endowment fund	-	1,397,395	1,397,395
	$ 1,141,575	$ 1,397,395	$ 2,538,970

The following is a reconciliation of endowment net assets to endowment holdings reported on the statement of financial position as of February 29, 2020 and February 28, 2019:

	2020	2019
Endowment net assets, end of year	$ 2,805,586	$ 2,538,970
Cash and cash equivalents	-	(1,000)
Accounts receivable	-	(2,411)
Due from other funds	-	(206,714)
Loan from board designated quasi-endowment	(1,000,000)	-
Accrued interest on loan from board designated quasi-endowment	(35,000)	-
Endowment holdings	$ 1,770,586	$ 2,328,845

NOTE 10. ENDOWMENT (CONTINUED)

The following describes the changes in endowment net assets for the years ended February 29, 2020 and February 28, 2019:

	Quasi-Endowment (Without Donor Restrictions)	Endowment (With Donor Restrictions)	Total Endowment
March 1, 2019	$ 1,141,575	$ 1,397,395	$ 2,538,970
Contributions	32,224	103,882	136,106
Investment earnings, net	96,956	83,957	180,913
Programmatic spending	-	(50,403)	(50,403)
February 29, 2020	$ 1,270,755	$ 1,534,831	$ 2,805,586
March 1, 2018	$ 4,695	$ 2,360,940	$ 2,365,635
Contributions	49,166	215,774	264,940
Investment earnings, net	20,300	24,341	44,641
Programmatic spending	(60,026)	(76,220)	(136,246)
Reclassification of net assets	1,127,440	(1,127,440)	-
February 28, 2019	$ 1,141,575	$ 1,397,395	$ 2,538,970

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain purchasing power of the endowment assets. The general investment objective is to provide a reasonable current rate of return. To satisfy its long-term rate of return objectives, the Organization relies on a total return strategy in which investment returns are achieved through current yield.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor requires the Organization to retain as a fund of perpetual duration. There were no such deficiencies as of February 29, 2020 and February 28, 2019.

In June 2019, the Board of Directors approved a $1,000,000 loan from the board designated quasi-endowment fund. The loan proceeds were used to pay the principal balance of the line of credit held by First Security Bank. The endowment loan is to be paid in ten years with the option to pay interest-only for the first five years. Interest is calculated at the market rate based on the First Security Bank line of credit at prime plus 0.05%. As of February 29, 2020, $1,035,000 was due from the operating fund to the endowment fund. This balance includes interest payable of $35,000.

NOTE 11. NET ASSETS

Net Assets without Donor Restrictions

Net assets without donor restrictions as of February 29, 2020 and February 28, 2019, consist of both designated and undesignated balances, as follows:

	2020	2019
Undesignated	$ 4,676,588	$ 8,390,209
Board designated quasi-endowment	1,270,757	1,141,575
Total	$ 5,947,345	$ 9,531,784

For the year ended February 29, 2020, the activity in net assets with donor restrictions was as follows:

	March 1, 2019	Revenues with Donor Restrictions	Releases from Restriction	February 29, 2020
Purpose Restricted:				
US Forest Service	$ 2,617	$ 2,686	$ -	$ 5,303
General Park Support	287,047	108,025	(302,215)	92,857
Cultural Treasures	7,514	1,572	(9,086)	-
Greenest Park	141,502	93,413	(234,754)	161
Ranger Heritage	270,559	10,654	(216,285)	64,928
Tomorrow's Stewards	159,444	115,643	(44,272)	230,815
Visitor Experience	165,917	950,985	(1,002,471)	114,431
Wildlife	1,079,269	1,031,290	(1,129,049)	981,510
Yellowstone Forever Campaign Projects	1,535,336	1,601,765	(371,712)	2,765,389
Yellowstone Forever Education Endowment	-	49,339	-	49,339
Landis Endowment Fund	7,293	1,114	-	8,407
Educator Workshop Endowment	73,262	19,423	(43,085)	49,600
Yellowstone Gateway				-
Community MYA Endowment	3,884	7,250	(6,478)	4,656
Courtis Endowment	-	785	(405)	380
Krejsa Endowment	-	6,046	(435)	5,611
	3,733,644	3,999,990	(3,360,247)	4,373,387
Perpetual in Nature:				
Yellowstone Forever Education Endowment	580,908	-	-	580,908
Landis Endowment Fund	22,283	-	-	22,283
Educator Workshop Endowment	400,000	-	-	400,000
Yellowstone Gateway Community MYA Endowment	200,000	-	-	200,000
Courtis Endowment	10,000	-	-	10,000
Krejsa Endowment	99,765	103,882	-	203,647
	1,312,956	103,882	-	1,416,838
Total	$ 5,046,600	$ 4,103,872	$ (3,360,247)	$ 5,790,225

NOTE 11. NET ASSETS (CONTINUED)

For the year ended February 28, 2019, the activity in net assets with donor restrictions was as follows:

	March 1, 2018	Revenues with Donor Restrictions	Releases from Restriction	Reclassification of Net Assets	February 28, 2019
Purpose Restricted:					
US Forest Service	$ 2,078	$ 2,616	$ (2,077)	$ -	$ 2,617
General Park support	273,687	135,392	(122,032)	-	287,047
Cultural Treasures	43,237	3,731	(39,454)	-	7,514
Greenest Park	47,186	110,150	(15,834)	-	141,502
Ranger Heritage	193,979	941,499	(864,919)	-	270,559
Tomorrow's Stewards	335,951	127,192	(303,699)	-	159,444
Visitor Experience	67,469	192,450	(94,002)	-	165,917
Wildlife	1,401,069	680,453	(1,002,253)	-	1,079,269
Yellowstone Forever campaign projects	256,497	2,118,025	(839,186)	-	1,535,336
Yellowstone Forever Education Endowment	48,320	8,282	(56,602)	-	-
Landis Endowment Fund	6,311	1,058	(76)	-	7,293
Educator Workshop Endowment	75,449	13,810	(15,997)	-	73,262
Yellowstone Gateway Community MYA Endowment	6,239	1,190	(3,545)	-	3,884
	2,757,472	4,335,848	(3,359,676)	-	3,733,644
Perpetual in Nature:					
Yellowstone Forever Education Endowment	1,602,338	106,010	-	(1,127,440)	580,908
Landis Endowment Fund	22,283	-	-	-	22,283
Educator Workshop Endowment	400,000	-	-	-	400,000
Yellowstone Gateway Community MYA Endowment	200,000	-	-	-	200,000
Courtis Endowment	-	10,000	-	-	10,000
Krejsa Endowment	-	99,765	-	-	99,765
	2,224,621	215,775	-	(1,127,440)	1,312,956
Total	$ 4,982,093	$ 4,551,623	$ (3,359,676)	$ (1,127,440)	$ 5,046,600

NOTE 12. COMMITMENTS AND CONTINGENCIES

For the year ending February 28, 2021, the annual amounts to be made available to the National Park Service for the support of initiatives will be approximately $1,200,000.

NOTE 12. COMMITMENTS AND CONTINGENCIES (CONTINUED)

From time to time, the Organization is involved in legal proceedings that arise in the ordinary course of its business. Although there can be no assurance as to the ultimate disposition of these matters, it is the opinion of management, based upon the information available at the date of this report, that the current expected outcome of these matters, individually or in the aggregate, will not have a material effect on its business, financial condition, results of operations or cash flows.

NOTE 13. PENSION PLAN

The Association implemented a 401(k) defined contribution pension plan, effective January 1, 2002 for all employees working 1,000 hours or more in a 12-month period from their hire date anniversary. The Association contributed 3% of an eligible employee's gross pay to the plan each month. In addition, employees may contribute tax-deferred amounts to the plan, for which the Association contributes a match of 50% with an annual limit of 2% of an employee's annual gross wages. The Organization adopted this plan effective October 2, 2016.

Employer contributions, included in the accompanying financial statements for the years ended February 29, 2020 and February 28, 2019 were $226,383 and $225,114, respectively.

NOTE 14. EMPLOYEE MEDICAL BENEFIT PLANS

The Organization provides an employer-sponsored Health Insurance Program and an optional employee funded Flexible Spending Account (FSA). Through the Health Insurance Program, full-time employees (defined as employees who work 30 hours per week year-round) are eligible to enroll. The Organization pays 100% of healthcare insurance premiums for eligible employees and 50% of healthcare premiums for employee dependents. The Organization's contribution is limited to the cost for high-deductible health insurance plans. Employees pay the difference between the cost for the high-deductible and traditional health insurance plans. The Organization also pays 100% of dental, vision, short-term disability, accidental death and dismemberment, and life insurance plans for each eligible employee and their dependents.

Total employee contributions and employer costs for the years ended February 29, 2020 and February 28, 2019 were:

	2020	2019
Employee contributions	$ (100,068)	$ (123,401)
Healthcare premiums	579,665	606,966
Dental, vision and other insurance premiums	134,542	86,922
FSA administration	603	810
Total	$ 614,742	$ 571,297

NOTE 15. DONATED FACILITIES

The Organization's park stores, the Haynes Photo Shop, and the Lamar Buffalo Ranch are facilities owned by the United States Federal Government. The value of the donated facilities is not reflected in the accompanying financial statements because there is no objective basis available by which to measure their value. Improvements made by the Organization to these facilities are recorded as leasehold improvements and are depreciated over their estimated useful lives.

NOTE 16. DONATED SERVICES AND MATERIALS

The Organization benefitted from the following donated services and materials for the years ended February 29, 2020 and February 28, 2019:

	2020	2019
Retail products	$ 23,976	$ 7,814
Institute programmatic gifts	8,626	13,570
Marketing and promotion	3,752	6,261
Google Web Optimization services	461,362	427,093
Donated equipment granted to the National Park Service	78,252	157,137
Administrative support	16,059	39,018
Event support	72,220	2,957
Total	$ 664,247	$ 653,850

NOTE 17. RELATED PARTIES

Board members made contributions totaling $2,158,255 and $991,558 for the years ended February 29, 2020 and February 28, 2019, respectively, which are included within contributions and gifts with and without donor restrictions. Pledges receivable from board members were $1,493,586 and $1,781,545 at February 29, 2020 and February 28, 2019, respectively, and are include in pledges receivable on the statements of financial position.

NOTE 18. CONCENTRATIONS

The Organization has a concentration of risk related to pledges receivable. As of the years ended February 29, 2020 and February 28, 2019 58% and 44%, respectively, of the Organization’s pledges receivable balance was from two donors.

NOTE 19. GOING CONCERN

The financial statements have been prepared assuming the Organization will continue operations in the foreseeable future; however, management has identified certain conditions and events that create uncertainty about the ability of the Organization to continue as a going concern. For the years ended February 29, 2020 and February 28, 2019, the Organization has sustained losses of $2,840,814 and $4,001,985, respectively.

Management has evaluated the significance of the losses as they relate to the ability of the Organization to meet its obligations. Management's plans in response to the substantial doubt about the Organization to continue as a going concern are outlined in Management's Recovery Plan for the fiscal years ending 2020 through 2024. The Organization anticipates growth in retail and institute revenues once the Organization can fully operate those activities again and is focusing its philanthropy efforts on the most cost-effective, revenue generating activities. Additionally, the Organization plans on reducing annual operating expenses by 50%. This will be achieved mostly through a reduction in payroll costs by decreasing the number of positions, salary reductions for the leadership team and re-benchmarking salaries to appropriate regional markets. In addition to payroll reductions, opportunities to significantly reduce other operating costs, including reductions in travel, training, professional fees and informational technology, will be undertaken. Additionally, the Organization successfully applied for and received a $1,500,500 Paycheck Protection Program loan in April of 2020 that will help cover allowable operational costs.

NOTE 20. RECLASSIFICATION OF NET ASSETS

In fiscal year 2020, the Organization corrected its financial statements for errors related to classification of board designated quasi-endowment funds as net assets with donor restrictions. The reclassification did not affect previously reported total net assets or the total change in net assets. The effect of the reclassification of net assets on the statement of financial position as of February 28, 2019 are as follows:

	As Previously Reported	Correction	As Restated
NET ASSETS			
Net assets without donor restrictions	$ 8,394,704	$ 1,137,080	$ 9,531,784
Net assets with donor restrictions	6,183,680	(1,137,080)	5,046,600

NOTE 20. RECLASSIFICATION OF NET ASSETS (CONTINUED)

The effect of the reclassification of net assets on the statement of activities for the year ended February 28, 2019 are as follows:

	As Previously Reported	Correction	As Restated
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS			
Contributions and gifts	$ 6,477,239	$ 49,166	$ 6,526,405
Investment earnings, net	(29,069)	20,300	(8,769)
Net assets released from restriction	3,419,502	(59,826)	3,359,676
Total revenues without donor restrictions	14,594,192	9,640	14,603,832
Change in net assets without donor restrictions	(5,203,572)	9,640	(5,193,932)
Net assets without donor restrictions, end of year	8,394,704	1,137,080	9,531,784
CHANGES IN NET ASSETS WITH DONOR RESTRICTIONS			
Contributions and gifts	$ 4,576,448	$ (49,166)	$ 4,527,282
Investment earnings, net	44,641	(20,300)	24,341
Total revenues with donor restrictions	4,621,089	(69,466)	4,551,623
Net assets released from restriction	(3,419,502)	59,826	(3,359,676)
Change in net assets without donor restrictions	1,201,587	(9,640)	1,191,947
Net assets with donor restrictions, end of year	6,183,680	(1,137,080)	5,046,600

The effect of the reclassification of net assets on the statement of cash flows for the year ended February 28, 2019 are as follows:

	As Previously Reported	Correction	As Restated
CASH FLOWS FROM OPERATING ACTIVITIES			
Contributions with perpetual donor restrictions	$ (264,940)	$ 49,166	$ (215,774)
Net cash flows from operating activities	(3,869,293)	49,166	(3,820,127)
CASH FLOWS FROM FINANCING ACTIVITIES			
Contributions with perpetual donor restrictions	$ 264,940	$ (49,166)	$ 215,774
Net cash flows from financing activities	3,064,940	(49,166)	3,015,774

NOTE 21. SUBSEQUENT EVENTS

In March 2020, the novel coronavirus was declared a global pandemic. The pandemic is having a major effect on the economy and ability to travel. Additionally, the National Park Service delayed the opening of the Park and changed operations due to concerns over the spread of the novel coronavirus. As the majority of the Organization's revenue streams are generated from the tourism industry and contributions from donors, the Organization could be impacted for months or more, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic. Management is carefully monitoring the situation and evaluating its options during this time. No adjustments have been made to these financial statements as a result of this uncertainty.

On March 31, 2020, the Organization renewed the line of credit with First Security Bank through March 19, 2021. On August 18, 2021, the Organization extended the line of credit through December 19, 2021. No other terms were changed.

On April 3, 2020, the Board of Directors approved a $600,000 loan from the board designated quasi-endowment fund. In January 2021, the Organization paid back $329,245 of the loan. The loan proceeds were used to fund operations. This loan is to be paid in ten years with the option to pay interest-only for the first five years. Interest will be calculated at the market rate based on the First Security Bank line of credit at prime plus 0.05%.

On April 15, 2020, the Organization received loan proceeds in the amount of $1,500,500 under the Paycheck Protection Program (PPP) of the U.S. Small Business Administration. The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), provides for loans to qualifying organizations for amounts up to 2.5 times the average monthly payroll expenses. The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent, and utilities, and maintains its current payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the twenty-four week period. The unforgiven portion of the PPP loan is payable over three years, with an option to extend to five years, at an interest rate of 1.0%, with the first payment due September 15, 2021.

The Organization intends to use the proceeds for purposes consistent with the PPP. While the Organization currently believes that its use of the loan proceeds will meet the conditions for forgiveness of the loan, it is possible the Organization may be ineligible for forgiveness of the loan, in whole or in part.

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