
GRANT THORNTON LLP

1000 Wilson Blvd., Suite 1500
Arlington, VA 22209

D +1 703 847 7500

F +1 703 848 9580

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
National Fish and Wildlife Foundation and Subsidiary

Report on the financial statements**Opinion**

We have audited the consolidated financial statements of the National Fish and Wildlife Foundation and subsidiary (the "Foundation"), which comprise the consolidated statements of financial position as of September 30, 2022 and 2021, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Foundation as of September 30, 2022 and 2021, 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.

Basis for opinion

We conducted our audits of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 audits. 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 consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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 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 consolidated 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 US GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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.

Supplementary information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling such information

directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with US GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other reporting required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 2, 2023, on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

GRANT THORNTON LLP (signed manually)

Arlington, Virginia
March 2, 2023

National Fish and Wildlife Foundation and Subsidiary
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

September 30,

	2022	2021
ASSETS		
Cash	\$ 22,912,244	\$ 15,785,692
Investments	398,983,334	409,772,092
Receivables:		
U.S. government agencies	14,095,968	14,665,132
Pledges, net	27,932,128	23,395,249
Other	1,916,297	1,911,317
Interest receivable	1,305,160	1,050,439
Prepaid expenses and other assets	3,003,687	3,441,516
Mitigation and settlement funds	1,973,111,761	2,300,819,848
Property and equipment, net	2,855,107	3,284,861
Donated land	1,340,100	1,340,100
	\$ 2,447,455,786	\$ 2,775,466,246
Total assets		
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	\$ 5,954,848	\$ 5,766,776
Project liabilities	36,757,356	21,575,847
Deferred rent	1,368,602	1,645,506
Deferred revenue	167,383,296	184,792,657
Mitigation and settlement funds	1,949,287,051	2,287,293,911
	2,160,751,153	2,501,074,697
Total liabilities		
Net assets		
Without donor restrictions		
Undesignated	25,889,437	44,955,953
Designated	84,547,459	99,930,522
	110,436,896	144,886,475
Total without donor restrictions		
With donor restrictions	176,267,737	129,505,074
	286,704,633	274,391,549
Total net assets		
Total liabilities and net assets	\$ 2,447,455,786	\$ 2,775,466,246

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

National Fish and Wildlife Foundation and Subsidiary

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year ended September 30, 2022

	Without Donor Restrictions			With Donor Restrictions	Total
	Undesignated	Designated	Total		
Revenues and support					
U.S. government appropriations, grants and agreements	\$ 124,003,046	\$ -	\$ 124,003,046	\$ -	\$ 124,003,046
Management fees	18,026,772	-	18,026,772	-	18,026,772
Mitigation and settlements	175,185,532	-	175,185,532	-	175,185,532
Other grant revenues	15,859,604	-	15,859,604	-	15,859,604
Public support - contributions	9,357,076	-	9,357,076	77,822,896	87,179,972
Investment loss, net	(19,452,683)	(13,499,769)	(32,952,452)	(1,017,407)	(33,969,859)
Net assets released from restrictions	30,042,826	-	30,042,826	(30,042,826)	-
Total revenues and support	353,022,173	(13,499,769)	339,522,404	46,762,663	386,285,067
Expenses					
Program costs	360,681,336	1,883,294	362,564,630	-	362,564,630
Fundraising	4,027,028	-	4,027,028	-	4,027,028
Management and general	7,380,325	-	7,380,325	-	7,380,325
Total expenses	372,088,689	1,883,294	373,971,983	-	373,971,983
CHANGE IN NET ASSETS	(19,066,516)	(15,383,063)	(34,449,579)	46,762,663	12,313,084
Net assets, beginning of year	44,955,953	99,930,522	144,886,475	129,505,074	274,391,549
Net assets, end of year	\$ 25,889,437	\$ 84,547,459	\$ 110,436,896	\$ 176,267,737	\$ 286,704,633

The accompanying notes are an integral part of this consolidated financial statement.

National Fish and Wildlife Foundation and Subsidiary

CONSOLIDATED STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year ended September 30, 2021

	Without Donor Restrictions			With Donor	Total
	Undesignated	Designated	Total	Restrictions	
Revenues and support					
U.S. government appropriations, grants and agreements	\$ 128,390,593	\$ -	\$ 128,390,593	\$ -	\$ 128,390,593
Management fees	17,108,249	-	17,108,249	-	17,108,249
Mitigation and settlements	175,724,046	-	175,724,046	-	175,724,046
Other grant revenues	8,608,300	-	8,608,300	-	8,608,300
Public support - contributions	6,267,047	-	6,267,047	40,941,878	47,208,925
Investment income, net	3,190,490	13,210,985	16,401,475	49,260	16,450,735
Net assets released from restrictions	25,004,819	-	25,004,819	(25,004,819)	-
Total revenues and support	364,293,544	13,210,985	377,504,529	15,986,319	393,490,848
Expenses					
Program costs	351,276,540	2,369,803	353,646,343	-	353,646,343
Fundraising	3,028,587	-	3,028,587	-	3,028,587
Management and general	6,250,773	-	6,250,773	-	6,250,773
Total expenses	360,555,900	2,369,803	362,925,703	-	362,925,703
CHANGE IN NET ASSETS	3,737,644	10,841,182	14,578,826	15,986,319	30,565,145
Net assets, beginning of year	41,218,309	89,089,340	130,307,649	113,518,755	243,826,404
Net assets, end of year	<u>\$ 44,955,953</u>	<u>\$ 99,930,522</u>	<u>\$ 144,886,475</u>	<u>\$ 129,505,074</u>	<u>\$ 274,391,549</u>

The accompanying notes are an integral part of this consolidated financial statement.

National Fish and Wildlife Foundation and Subsidiary

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended September 30,

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities		
Changes in net assets	\$ 12,313,084	\$ 30,565,145
Adjustments to reconcile changes in net assets to net cash provided by operating activities:		
Depreciation	804,417	734,953
Net unrealized and realized investment loss (gain)	39,249,179	(11,220,409)
Changes in:		
Receivables	(3,972,695)	(12,495,822)
Interest receivable	(254,721)	262,029
Prepaid expenses and other assets	437,829	(485,896)
Accounts payable and accrued expenses	188,072	252,966
Deferred rent	(276,904)	(261,191)
Project liabilities	15,181,509	(4,310,875)
Deferred revenue	(17,409,361)	15,592
Net mitigation and settlement funds	(10,298,773)	5,178,505
	<u>35,961,636</u>	<u>8,234,997</u>
Net cash provided by operating activities		
Cash flows from investing activities		
Purchase of property and equipment	(374,663)	(740,179)
Purchases of investments	(142,784,290)	(66,114,581)
Sales of investments	114,323,869	58,639,103
	<u>(28,835,084)</u>	<u>(8,215,657)</u>
Net cash used in investing activities		
NET INCREASE IN CASH	7,126,552	19,340
Cash, beginning of year	<u>15,785,692</u>	<u>15,766,352</u>
Cash, end of year	<u>\$ 22,912,244</u>	<u>\$ 15,785,692</u>

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2022 and 2021

NOTE A - ORGANIZATION

On March 26, 1984, by an act of law (the “Act”), the United States (“U.S.”) Congress established the National Fish and Wildlife Foundation (“NFWF”) as a charitable and nonprofit corporation. NFWF is not an agency or establishment of the U.S. government. The purpose of NFWF is to encourage, accept, and administer private gifts of property for the benefit of, or in connection with, the activities and services of the Department of Interior/U.S. Fish and Wildlife Service (“DOIFWS”) and, subsequently, the National Oceanic and Atmospheric Administration (“NOAA”), and to undertake and conduct such other activities to further the conservation and management of fish, wildlife, and plant resources for present and future generations.

Besides receiving funding through DOIFWS annual appropriations, NFWF also receives funding in the form of other appropriated funds and/or cooperative agreements with many of the other principal U.S. government agencies. In addition to funds received from the U.S. government, NFWF receives donations from individuals, corporations, and foundations for the general benefit of NFWF and in support of specific initiatives and/or projects managed by NFWF.

NFWF disburses funds to federal, state, and local agencies, persons, other foundations and organizations in connection with conservation projects necessary to carry out the intended purposes of NFWF.

Walker Basin Conservancy (“WBC”) was incorporated by NFWF in September 2014 as part of the objectives of its Walker Basin Restoration Program (“WBRP”) funded by a federal cooperative agreement between NFWF and the U.S. Bureau of Reclamation. WBC fulfills a requirement of the original legislation, Public Law 111-85, to establish a local nonprofit to act as a steward of the land and water resources associated with the WBRP. The purpose of WBC is to promote the restoration and maintenance of Walker Lake, a natural desert terminal lake in the State of Nevada, in a manner consistent with protection of agricultural, environmental, and habitat interests in the Walker River Basin, the ecological health of the Walker River, and the riparian and watershed resources of the West, East, and Main Walker Rivers.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of National Fish and Wildlife Foundation and Walker Basin Conservancy (together the “Foundation”). Consolidated financial statements are presented because of the existence of common control and economic interest for the years ended September 30, 2022 and 2021. All intercompany transactions have been eliminated upon consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (“U.S. 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2022 and 2021

Investments

The Foundation records investments that qualify as securities as defined in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 320, *Investments - Debt and Equity Securities*, at fair value.

Investment income and losses, including unrealized gains and losses, are recognized currently in the accompanying consolidated statements of activities, except for those investments held in mitigation and settlement funds or whereby the investment income accrues to the contractual obligation. Gains and losses on investments, realized and unrealized, are recorded as of the settlement date. Investment income is without donor restriction, unless the donor of the original contribution restricts the earnings. Investment return is presented net of external and direct internal investment expenses.

Fair Value Measurements

ASC 820, *Fair Value Measurement*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The fair value of non-exchange traded alternative investments is determined using the net asset value ("NAV") per share as a practical expedient and have not been categorized within the fair value hierarchy.

Income Taxes

NFWF and WBC are both exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, except for unrelated business income. NFWF and WBC have processes presently in place to ensure the maintenance of their tax-exempt status, to identify and report unrelated income, to determine their filing and tax obligations in jurisdictions for which they have nexus, and to identify and evaluate other matters that may be considered uncertain tax positions.

ASC 740, *Income Taxes*, requires that an organization must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more likely than not that the position will be sustained. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged. NFWF and WBC have determined that there are no material uncertain tax positions that require recognition or disclosure in the consolidated financial statements.

Revenue Recognition

Federal appropriations and grants are deemed to be contributions and are reported as revenues in net assets without donor restrictions when the Foundation has incurred expenses in compliance with the appropriation or grant requirements. Such amounts received but not yet earned (advances and reimbursements in excess of costs incurred) are reported as deferred revenue. Costs incurred in excess of amounts received are reported as receivables from U.S. government agencies.

Contributions received, including unconditional promises to give (pledges), are recorded as either revenues with or without donor restrictions depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions in the consolidated statements of activities as net assets released from restrictions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2022 and 2021

Conditional promises to give contain a right of return or right of release from obligation and are not recognized until all conditions are substantially met. As of September 30, 2022, the Foundation had \$853,712,963 in unrecognized conditional contributions, of which \$842,469,092 was related to federal appropriations or grants. The revenue related to these agreements is conditioned on requirements such as the Foundation incurring allowable expenditures under the terms of the respective agreements or the agreement of continued funding.

The Foundation manages certain mitigation and settlement funds in connection with the Foundation's charter to undertake and conduct activities that will further the conservation and management of fish, wildlife and plant resources. Management fees are earned by the Foundation in connection with these activities, which include monitoring project progress, processing payments to organizations, performing services on projects, assisting with evaluating project proposals, and in several instances, implementing the entire scope of activities from the request for project proposals to funds disbursement and eventual project close-out. Management fees are recognized over time when the related services are performed and amounts are based on the terms of the agreements.

Receivables

The Foundation's receivables consist primarily of receivables from U.S. government agencies, pledges and interest receivable. The specific identification method is used to determine whether an allowance for doubtful accounts should be established. As of September 30, 2022 and 2021, it was determined that no allowance for doubtful accounts was necessary. In addition, management calculates a discount for multi-year pledges received.

Mitigation and Settlement Funds

For the mitigation and settlement funds managed by the Foundation, the Foundation acts as custodian of funds received and each fund is held and managed as a distinct investment by the Foundation's investment management service providers. The funds maintained by the Foundation at year-end are reflected as an asset and liability in the accompanying consolidated statements of financial position. Investment income from mitigation and settlement funds for specific organizations is recorded as an asset and corresponding liability when earned. Mitigation and settlement funds include money market funds, treasury and government agency funds, debt and equity securities, and partnership interests and hedge funds which are recorded at fair value. For certain mitigation and settlement funds, the Foundation provides unconditional grants to subrecipients. The Foundation records the expense and revenue at the time the unconditional grant is awarded. The related revenue is presented within mitigation and settlements and the expenses are presented within program costs on the consolidated statements of activities.

As of September 30, 2022 and 2021, the Foundation had a liability of \$1,949,287,051 and \$2,287,293,911 of funds under management, respectively. During the years ended September 30, 2022 and 2021, the Foundation disbursed \$193,030,641 and \$192,691,267, respectively, of mitigation and settlement funds on various conservation projects.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2022 and 2021

Property and Equipment

Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful life of the asset as follows:

Furniture and equipment	5 years
Management information system	3 years

Leasehold improvements are amortized over the shorter of the estimated useful life of the improvement or the related lease term.

The Foundation capitalizes property and equipment with an original cost of \$5,000 or more. Bulk purchases of similar items from the same vendor with an aggregate value of \$5,000 or more are also capitalized.

Net Assets

The Foundation classifies net assets into two categories: without donor restrictions and with donor restrictions. Net assets without donor restrictions represent contributions not subject to any donor-imposed restrictions. Board of Directors ("Board") designated net assets without donor restrictions represent Board-approved funds for specific purposes (see Note G). Net assets with donor restrictions represent contributions with donor-imposed time or purpose restrictions. Net assets with donor restrictions are reclassified to net assets without donor restrictions when the time restrictions expire or the funds are used for their restricted purposes and are reported in the consolidated statements of activities and changes in net assets as net assets released from restrictions. Contributions with donor restrictions whose restrictions are fulfilled in the same fiscal year that the contributions are received are reported as contributions with donor restrictions and as net assets released from restrictions. Investment income from net assets with donor restrictions is recorded as income without donor restrictions unless restricted by donor stipulations.

Expense Allocation

The costs of providing various programs have been summarized on a functional basis and allocated among programs and supporting services benefited. Personnel and occupancy expenses are allocated based on time incurred and space occupied, respectively, by Foundation personnel. Program costs include expenditures directly attributable to various mitigation and settlement funds and conservation programs. Unpaid program costs as of the end of the reporting period are accrued and reported as project liabilities within the consolidated statements of financial position.

	2022			
	Program Costs	Fundraising	Management and General	Total
Subawards/mission	\$ 338,210,260	\$ -	\$ -	\$ 338,210,260
Personnel	15,793,279	1,828,235	3,655,378	21,276,892
Occupancy and office	2,050,243	225,392	808,881	3,084,516
Professional services	4,473,759	558,021	1,765,921	6,797,701
Information technology	1,121,284	102,308	408,309	1,631,901
Travel and meetings	372,892	1,173,062	354,798	1,900,752
Other	542,913	140,010	387,038	1,069,961
Total expenses	<u>\$ 362,564,630</u>	<u>\$ 4,027,028</u>	<u>\$ 7,380,325</u>	<u>\$ 373,971,983</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2022 and 2021

	2021			Total
	Program Costs	Fundraising	Management and General	
Subawards/mission	\$ 332,997,831	\$ -	\$ -	\$ 332,997,831
Personnel	15,978,704	2,307,630	4,297,409	22,583,743
Occupancy and office	2,330,246	262,185	820,657	3,413,088
Professional services	1,079,118	121,668	298,148	1,498,934
Information technology	885,420	94,801	323,381	1,303,602
Travel and meetings	143,426	130,338	254,284	528,048
Other	231,598	111,965	256,894	600,457
Total expenses	<u>\$ 353,646,343</u>	<u>\$ 3,028,587</u>	<u>\$ 6,250,773</u>	<u>\$ 362,925,703</u>

Concentration of Credit Risk

Cash is maintained at various institutions and at times total deposits maintained exceed the amount insured by federal agencies and, therefore, bear some risk. The Foundation has not experienced any losses as a result of exceeding such insured amounts. As of September 30, 2022 and 2021, the Foundation had \$21,801,914 and \$15,790,728 in funds held in excess of the Federal Deposit Insurance Corporation limit, respectively.

Accounting Standards to be Adopted in Future Years

In February 2016, the FASB issued Accounting Standards Update (“ASU”) 2016-02, *Leases (Topic 842)*, which supersedes the guidance in former ASC Topic 840, *Leases*. The most significant change will result in the recognition of lease assets for the right to use the underlying asset, and lease liabilities for the obligation to make lease payments by lessees, for those leases classified as operating leases under current guidance. The new guidance will also require significant additional disclosures about the amount, timing and uncertainty of cash flows from leases. FASB issued ASU 2020-05 that deferred the effective date until annual periods beginning after December 15, 2021, with early adoption permitted. The effective date for this guidance is for the fiscal year ending September 30, 2023. Upon adoption of ASU 2016-02, entities are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. Management is currently evaluating the impact of this ASU on its consolidated financial statements.

Subsequent Events

The Foundation evaluated its consolidated financial statements for subsequent events through March 2, 2023, the date the consolidated financial statements were available to be issued. The Foundation is not aware of any subsequent events which would require additional recognition or disclosure in the consolidated financial statements as of September 30, 2022.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2022 and 2021

NOTE C - FINANCIAL ASSETS AND LIQUIDITY RESOURCES

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use within one year of the consolidated statements of financial position dated September 30, are comprised of the following:

	<u>2022</u>	<u>2021</u>
Cash	\$ 22,912,244	\$ 15,785,692
Grants, pledges and other receivables	43,944,393	39,971,698
Prepaid expenses and other assets	3,003,687	3,441,516
Investments and mitigation and settlement funds	<u>2,372,095,095</u>	<u>2,710,591,940</u>
Total financial assets	2,441,955,419	2,769,790,846
Receivables to be collected in more than one year		
Grants, pledges and other receivables	(7,906,808)	(7,356,533)
Less: unavailable for general expenditure within one year, due to being		
Restricted by donor with time and purpose restrictions, net of amounts not yet collected and therefore not included in financial assets	(330,641,876)	(323,269,767)
Restricted by legal purpose	(8,460,419)	(3,157,896)
Held in escrow for others	(1,956,201,610)	(2,284,744,611)
Restricted by board designations	<u>(44,658,766)</u>	<u>(43,058,836)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 94,085,940</u>	<u>\$ 108,203,203</u>

The available investments above include board-designated funds (net assets) of \$55,699,036 and \$72,578,147 as of September 30, 2022 and 2021, respectively. Although the Foundation does not intend to spend board-designated funds, they could be made available if necessary. As described in Note J, the Foundation has a \$10 million revolving line-of-credit with a financial institution that is available if needed. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due.

NOTE D - INVESTMENTS

Investments at September 30, 2022 and 2021, excluding mitigation and settlement funds, consist of the following:

	<u>2022</u>	<u>2021</u>
Money market funds	\$ 10,519,865	\$ 8,632,553
Corporate debt securities	124,020,083	124,897,914
Treasury and government agency funds	174,996,199	167,837,742
Fixed income	5,333,520	8,818,443
Equity funds	29,948,027	34,608,206
Partnership interests and hedge funds	<u>54,165,640</u>	<u>64,977,234</u>
	<u>\$ 398,983,334</u>	<u>\$ 409,772,092</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2022 and 2021

The Foundation's total net investment (loss) income for the years ended September 30, 2022 and 2021, consists of the following:

	<u>2022</u>	<u>2021</u>
Interest and dividends	\$ 4,416,465	\$ 5,612,269
Net realized losses on sales of securities	(1,305,463)	(610,768)
Net unrealized (losses) gains on securities held	<u>(36,298,152)</u>	<u>12,170,267</u>
Investment (loss) income	(33,187,150)	17,171,768
Less: investment management fees	<u>(782,709)</u>	<u>(721,033)</u>
	<u>\$ (33,969,859)</u>	<u>\$ 16,450,735</u>

NOTE E - MITIGATION AND SETTLEMENT FUNDS

The market value of mitigation and settlement funds managed for specific organizations at September 30, 2022 and 2021 consists of the following:

	<u>2022</u>	<u>2021</u>
Money market funds	\$ 58,633,530	\$ 28,180,827
Corporate debt securities	620,589,870	892,274,462
Treasury and government agency funds	1,037,452,260	1,147,341,734
Fixed income	71,190,113	46,902,222
Equity funds	103,847,381	107,345,448
Partnership interests and hedge funds	<u>73,020,331</u>	<u>71,453,439</u>
Subtotal funds held in investments	1,964,733,485	2,293,498,132
Accrued interest	<u>8,378,276</u>	<u>7,321,716</u>
Mitigation and settlement funds	<u>\$ 1,973,111,761</u>	<u>\$ 2,300,819,848</u>

Net investment losses of \$203,871,606 were recorded on mitigation and settlement funds in 2022, and net investment income of \$37,649,682 was earned on mitigation and settlement funds in 2021.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2022 and 2021

NOTE F - FAIR VALUE MEASUREMENTS

The following is a description of the valuation methodologies and inputs used for investments measured at fair value, as well as the general classification pursuant to the valuation hierarchy.

Money market funds: Valued at the closing price reported on the active market on which the individual (or similar) securities are traded.

Corporate debt securities, treasury and government agency funds, fixed income, and equity funds: When quoted prices are available in an active market, corporate debt securities, treasury and government agency funds, fixed income, and equity funds are classified within Level 1 of the fair value hierarchy. Quoted prices in inactive markets are classified within Level 2. If quoted market prices are not available or accessible, then fair values are estimated using pricing models, matrix pricing, or discounted cash flow models. The fair values of these instruments estimated using pricing models or matrix pricing based on observable prices of corporate debt securities that trade in inactive markets are generally classified within Level 2 of the fair value hierarchy. Securities are classified within Level 3 when there is limited activity or less transparency around inputs to the valuation.

Partnership interests and hedge funds: When quoted market prices are not available or accessible and cannot be estimated using pricing models, matrix pricing, or discounted cash flows, the investments are valued at the NAV of shares or its equivalent as reported by the investments managers, held by the Foundation at year end.

The following table summarizes the valuation of financial instruments at fair value on a recurring basis in the consolidated statement of financial position at September 30, 2022, including the additional requirement to classify securities by major asset type category:

	Level 1	Level 2	Level 3	Reported at NAV	Total
Money market funds	\$ 10,519,865	\$ -	\$ -	\$ -	\$ 10,519,865
Corporate debt securities	-	124,020,083	-	-	124,020,083
Treasury and government agency funds	5,977,390	169,018,809	-	-	174,996,199
Fixed income	5,333,520	-	-	-	5,333,520
Equity funds	29,948,027	-	-	-	29,948,027
Partnership interests and hedge funds	4,751,080	-	-	49,414,560	54,165,640
Investments	56,529,882	293,038,892	-	49,414,560	398,983,334
Mitigation and settlement funds:					
Money market funds	58,633,530	-	-	-	58,633,530
Corporate debt securities	-	620,589,870	-	-	620,589,870
Treasury and government agency funds	26,175,385	1,011,276,875	-	-	1,037,452,260
Fixed income	32,115,180	-	-	39,074,933	71,190,113
Equity funds	23,405,680	-	-	80,441,701	103,847,381
Partnership interests and hedge funds	-	-	-	73,020,331	73,020,331
Mitigation and settlement funds	140,329,775	1,631,866,745	-	192,536,965	1,964,733,485
Total financial instruments	\$ 196,859,657	\$ 1,924,905,637	\$ -	\$ 241,951,525	\$ 2,363,716,819

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2022 and 2021

The following table summarizes the valuation of financial instruments at fair value on a recurring basis in the consolidated statement of financial position at September 30, 2021, including the additional requirement to classify securities by major asset type category:

	Level 1	Level 2	Level 3	Reported at NAV	Total
Money market funds	\$ 8,632,553	\$ -	\$ -	\$ -	\$ 8,632,553
Corporate debt securities	-	124,897,914	-	-	124,897,914
Treasury and government agency funds	8,445,378	159,392,364	-	-	167,837,742
Fixed income	8,818,443	-	-	-	8,818,443
Equity funds	34,608,206	-	-	-	34,608,206
Partnership interests and hedge funds	6,992,111	-	-	57,985,123	64,977,234
Investments	67,496,691	284,290,278	-	57,985,123	409,772,092
Mitigation and settlement funds:					
Money market funds	28,180,827	-	-	-	28,180,827
Corporate debt securities	-	892,274,462	-	-	892,274,462
Treasury and government agency funds	1,862,775	1,145,478,959	-	-	1,147,341,734
Fixed income	6,164,316	-	-	40,737,906	46,902,222
Equity funds	1,982,916	-	-	105,362,532	107,345,448
Partnership interests and hedge funds	-	-	-	71,453,439	71,453,439
Mitigation and settlement funds	38,190,834	2,037,753,421	-	217,553,877	2,293,498,132
Total financial instruments	\$ 105,687,525	\$ 2,322,043,699	\$ -	\$ 275,539,000	\$ 2,703,270,224

The table below presents additional information for the Foundation's investments, including mitigation and settlement funds, as of September 30, 2022 and 2021, whose fair value is estimated using the practical expedient of reported NAV.

	2022			
	Fair Value	Unfunded Commitments	Redemption Terms	Redemption Notice Period
Fixed income ^(a)	\$ 39,074,933	\$ -	Various, ranging from daily to weekly	1-7 days
Equity funds ^(b)	80,441,701	-	Various, ranging from daily to monthly	1-30 days
Partnership interests and hedge funds ^(c)	122,434,891	25,230,597	Various, ranging from daily to quarterly	1-120 days
Total	\$ 241,951,525	\$ 25,230,597		
	2021			
	Fair Value	Unfunded Commitments	Redemption Terms	Redemption Notice Period
Fixed income ^(a)	\$ 40,737,906	\$ -	Various, ranging from monthly to annually	1-7 days
Equity funds ^(b)	105,362,532	-	Various, ranging from monthly to annually	1-30 days
Partnership interests and hedge funds ^(c)	129,438,562	20,089,033	Various, ranging from monthly to annually	1-120 days
Total	\$ 275,539,000	\$ 20,089,033		

^(a) Two funds managed by a fund manager, who employs an active strategy in an effort to replicate or exceed the performance of a well-known fixed-income index.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2022 and 2021

- (b) This class includes two equity funds that invest primarily in a diversified portfolio of common stocks and equity-linked securities. The funds seek to replicate or outperform the performance of their respective benchmark indices.
- (c) This class includes several hedge funds and funds of funds that invest primarily in international and domestic equity securities to achieve capital appreciation. The liquidation timing for these funds is unknown. For certain funds, these investments can never be redeemed with the funds. Instead, the nature of these investments is that distributions are received through liquidation of the underlying assets of the funds at the direction of the fund managers, which have not communicated that timing to the Foundation or announced the timing publicly. The fair value of these illiquid funds was \$30,406,360 and \$22,180,309 as of September 30, 2022 and 2021, respectively. Certain partnership interests within this class have redemption restrictions, including lock-up provisions of one year and withdrawal gates ranging from 10-33% of the partners' capital.

NOTE G - DESIGNATED NET ASSETS WITHOUT DONOR RESTRICTIONS

Net assets without donor restrictions as of September 30, 2022 and 2021, which have been designated by the Board for specific purposes, are summarized as follows:

	2022	2021
Halliburton funds	\$ 25,316,410	\$ 27,199,704
Funds for the future	59,231,049	72,730,818
Total designated net assets	<u>\$ 84,547,459</u>	<u>\$ 99,930,522</u>

Halliburton funds have been designated by the Board to support the implementation of the Gulf Environmental Benefit Fund ("GEBF") program through support of conservation projects and activities in the states of Alabama, Florida, Louisiana, Mississippi and Texas. Funds for the future have been designated by the Board to fund on-going strategic conservation objectives and priorities of the Foundation as well as to maintain a quasi-endowment for the purpose of securing the long-term financial viability of the Foundation.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2022 and 2021

NOTE H - NET ASSETS WITH DONOR RESTRICTIONS

At September 30, 2022 and 2021, the Foundation had net assets with donor restrictions for conservation initiatives to be expended for the following programs:

	2022	2021
Acres for America	\$ 15,383,032	\$ 15,935,648
Longleaf Stewardship Fund	13,363,870	10,061,061
Conservation Partners	13,303,599	5,560,444
National Coastal Resilience Fund	11,603,751	4,966,852
Northern Great Plains	9,462,316	6,567,978
Southern Great Plains	9,318,668	7,044,461
Delaware River Basin Program	9,114,780	8,631,402
Pelagic Bird Fund	8,802,213	8,236,081
Lower Mississippi Alluvial Valley Fund	8,578,274	9,611,953
Southeast Aquatics	8,250,000	2,400,000
Five Star and Nature Restoration Trust	7,610,917	1,354,791
Chesapeake Bay Small Watershed Grants	7,601,902	6,233,538
Hawaii Conservation Program	6,990,160	2,348,093
Southeast Michigan Resilience Fund	4,735,327	5,003,384
America the Beautiful Challenge	4,033,645	-
Cumberland Plateau-Southern Appalachians	4,033,645	-
Sustain our Great Lakes Program	3,975,132	4,577,346
Environmental Solutions for Communities	3,746,520	5,612,575
Chicago River Fund/CHI-CAL	3,740,157	3,987,622
Southwestern Rivers	3,704,291	2,686,087
SPIRIT of Conservation	3,463,442	3,596,813
Rocky Mountain Rangelands	2,103,632	1,125,000
Monarch Butterfly and Pollinators Conservation Fund	1,620,582	1,260,474
Coral Reef Conservation Fund	1,225,204	752,283
RESTORE Colorado	1,135,683	817,500
New England Forests and Rivers Fund	1,038,004	1,530,379
Other Conservation Initiatives	8,328,991	9,603,309
	<u>\$ 176,267,737</u>	<u>\$ 129,505,074</u>
Total		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2022 and 2021

NOTE I - COMMITMENTS AND CONTINGENCIES

Operating Leases

The Foundation leases office space under various non-cancelable operating leases that expire through 2026. In December 2007, the Foundation entered into a lease for an office space at 1133 15th Street, Washington, D.C. The lease commenced in October 2008 and continues through 2026. In September 2015, the Foundation entered into an agreement to amend this lease to increase the total rentable space on the property which is the subject of the lease. Monthly rental payments are set at \$96,872 with an annual escalation of 2.5%. This lease agreement includes a tenant improvement allowance of \$668,400. The tenant improvement allowance balance was \$266,122 and \$340,389 as of September 30, 2022 and 2021, respectively. The allowance utilized is included within deferred rent and is being amortized on a straight-line basis over the lease term as a reduction of rent expenses.

Future minimum lease payments consist of the following:

<u>Years Ending September 30,</u>	
2023	\$ 1,913,230
2024	1,868,294
2025	1,884,064
2026	<u>1,120,691</u>
Total	<u>\$ 6,786,279</u>

Rent expense was \$1,802,976 and \$2,304,481 for the years ended September 30, 2022 and 2021, respectively, and are recorded within the consolidated statements of activities.

Costs Subject to Audit

The Foundation's costs under its government grants and cooperative agreements are subject to audit by awarding agencies. Management of the Foundation does not believe that the results of such audits would have a material impact on the accompanying consolidated financial statements of the Foundation.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2022 and 2021

NOTE J - LINE OF CREDIT

In 2016, the Foundation opened a revolving line of credit agreement with a financial institution in the amount of \$10,000,000. As of September 30, 2022 and 2021, interest is payable monthly at the Bloomberg Short-Term Bank Yield (“BSBY”) Daily Floating Rate plus 0.65% per annum and the LIBOR plus 0.65% per annum, respectively (3.75% and 0.73% as of September 30, 2022 and 2021, respectively). The line of credit had an original maturity date of April 30, 2017 and is secured by the Foundation’s investment securities. The agreement was renewed to extend the maturity date to May 31, 2023. The loan agreement also contains specific financial and operating covenants. The Foundation has not drawn upon the line of credit during the fiscal years ended September 30, 2022 and 2021. As such, there were no amounts outstanding as of September 30, 2022 and 2021 nor was there interest expense for the years ended September 30, 2022 and 2021.

WBC has a \$250,000 unsecured revolving line of credit with a bank, dated August 4, 2022, maturing September 6, 2025. Borrowings under the line bear interest at the Wall Street Journal Prime Rate plus 4.0% (9.50% and 7.50% as of September 30, 2022 and 2021, respectively). Accrued interest and principal are due at maturity. The agreement requires compliance with certain non-financial covenants. There were no borrowings on this line of credit during the year ended September 30, 2022 or 2021.

NOTE K - RETIREMENT PLANS

The Foundation’s benefits package for its staff includes 403(b), 457(f) and 457(b) tax-deferred annuity retirement plans. The total amount incurred by the Foundation for these benefits for the years ended September 30, 2022 and 2021, was \$1,822,449 and \$1,807,173, respectively.

NOTE L - PLEDGES RECEIVABLE, NET

All pledges are deemed fully collectible. The net present value of pledges receivable is expected to be received as follows at September 30:

	2022	2021
Less than 1 year	\$ 20,025,320	\$ 16,038,716
1 to 5 years	8,243,000	7,530,000
Less: unamortized discount on receivables at rates ranging from 0.16% to 3.35% to estimated net present value	<u>(336,192)</u>	<u>(173,467)</u>
Pledges receivable, net	<u>\$ 27,932,128</u>	<u>\$ 23,395,249</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

September 30, 2022 and 2021

NOTE M - PROPERTY AND EQUIPMENT, NET

Property and equipment consists of the following at September 30:

	<u>2022</u>	<u>2021</u>
Furniture and equipment	\$ 356,052	\$ 349,033
Management information system	6,612,089	6,259,504
Leasehold improvements	<u>5,277,026</u>	<u>5,261,967</u>
	12,245,167	11,870,504
Less: accumulated depreciation and amortization	<u>(9,390,060)</u>	<u>(8,585,643)</u>
Total property and equipment, net	<u>\$ 2,855,107</u>	<u>\$ 3,284,861</u>

Depreciation and amortization expense was \$804,417 and \$734,953 for the years ended September 30, 2022 and 2021, respectively.

NOTE N - ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consist of the following at September 30:

	<u>2022</u>	<u>2021</u>
Accounts payable	\$ 3,476,275	\$ 3,081,826
Accrued personnel related costs	<u>2,478,573</u>	<u>2,684,950</u>
Total accounts payable and accrued expenses	<u>\$ 5,954,848</u>	<u>\$ 5,766,776</u>

NOTE O - RELATED PARTY TRANSACTIONS

The Foundation received contributions from Board members and other related organizations during the years ended September 30, 2022 and 2021 totaling \$975,736 and \$1,002,620, respectively.

NOTE P - RISKS AND UNCERTAINTIES

The Foundation invests in certain investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risks associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities which occur in the near term and could materially impact the amounts reported in Foundation's consolidated financial statements.

SUPPLEMENTAL INFORMATION

National Fish and Wildlife Foundation
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year ended September 30, 2022

Federal Grantor/Program Title	Assistance Listing No.	Award No./ Pass-through Identifying No.	Total Expenditures	Provided to Subrecipients
U.S. Department of Interior				
DOI Hurricane Sandy FY13	15.153	D13AC00001	\$ 3,406,988	\$ 3,370,179
Total U.S. Department of Interior - Hurricane Sandy Disaster Relief - Coastal Resiliency Grants			3,406,988	3,370,179
BLM Appropriations FY17 & FY18	15.231	L17AC00384	1,284,147	1,284,147
BLM Endangered Species FY16	15.231	L16AC00431	550,370	542,854
BLM Rocky Mountain Sage Grouse Conservation FY17	15.231	L17AC00348	257,621	247,608
Total U.S. Department of Interior - Fish, Wildlife and Plant Conservation Resource Management			2,092,138	2,074,609
BLM National Sage Grouse Conservation Partnership FY19	15.247	L19AC00029	887,926	861,431
BLM West Migrations FY19	15.247	L19AC00226	469,636	427,795
BLM Appropriations FY20	15.247	L20AC00394	405,140	405,140
Total BLM-CO Strengthening Partnerships for Wildlife Partnerships and Habitat Management			1,762,702	1,694,366
BOR Walker Restoration	15.508	R10AP20007	7,653,783	7,590,365
Total U.S. Department of Interior - Providing Water to At-Risk Natural Desert Terminal Lakes			7,653,783	7,590,365
BOR Klamath Salmon FY15	15.517	R15AP00041	1,084,342	1,084,342
BOR Middle Rio Grande	15.517	R17AC00119	2,209,435	2,173,611
BOR Klamath 2021	15.517	R22AP00008	21,549	-
Total U.S. Department of Interior - Fish and Wildlife Coordination Act			3,315,326	3,257,953
BOR Trinity 2021	15.532	R22AP00027	21,109	-
Total U.S. Department of Interior - Central Valley, Trinity River Division, Trinity River Fish and Wildlife Management			21,109	-
BLM Threatened & Endangered Species Pecos FY20	15.246	L20AC00348	45,000	45,000
BLM Threatened & Endangered Species Recovery Initiative FY20	15.246	L20AC00505	124,626	115,245
Total U.S. Department of Interior - Threatened and Endangered Species			169,626	160,245
FWS Appropriations Pre FY12	15.608	N/A	22,648	22,647
FWS Appropriations WASAL FY10	15.608	N/A	31,825	31,825
FWS Klamath Basin FY17	15.608	F17AC00470	1,110,341	1,052,255
FWS Eastern Brook Trout Joint Venture FY20	15.608	F20AC10431	36,529	35,273
FWS Klamath Basin Sucker Science and Conservation FY19	15.608	F19AC00527	62,648	54,665
FWS Klamath Basin Sucker Science and Conservation FY20	15.608	F20AC11359	76,470	75,604
Total U.S. Department of Interior - Fish and Wildlife Management Assistance			1,340,461	1,272,269
CDFW Least Bells FY20	15.615	Q1950401	816	-
Total U.S. Department of Interior - Cooperative Endangered Species Conservation Fund			816	-

The accompanying notes to schedule of expenditures of federal awards should be read in conjunction with this schedule.

National Fish and Wildlife Foundation

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

Year ended September 30, 2022

Federal Grantor/Program Title	Assistance Listing No.	Award No./ Pass-through Identifying No.	Total Expenditures	Provided to Subrecipients
FWS Western Migration FY18	15.631	F18AC00861	\$ 44,434	\$ 43,870
FWS Western Migration FY19	15.631	F19AC00796	206,727	190,043
FWS Western Migration FY20	15.631	F20AC00279	57,215	43,576
FWS Western Migration FY21	15.631	F21AC02850	9,658	-
FWS Western Migration FY22	15.631	F22AC02532	469	-
Total U.S. Department of Interior - Partners for Fish and Wildlife			318,503	277,489
FWS Urban Refuge FY17	15.654	F17AC00967	808	-
FWS NWR Refuge Friends FY18	15.654	F18AC00963	8,250	6,080
FWS NWR Refuge Friends FY19	15.654	F19AC00311	20,665	8,852
FWS Urban Refuge FY19	15.654	F19AC00426	83,375	80,939
FWS NWR Refuge Friends FY20	15.654	F20AC11295	59,927	56,989
FWS Aleutian Tern Conservation FY20	15.654	F20AC10670	1,517	-
FWS Five Star FY20	15.654	F20AC11447	95,420	80,446
FWS Urban Refuge FY21	15.654	F21AC03150	8,062	-
Total U.S. Department of Interior - Visitor Facility Enhancements - Refuges and Wildlife			278,024	233,306
FWS Urban Bird Treaty FY18	15.655	F18AC00872	1,220	-
FWS Urban Bird Treaty FY19	15.655	F19AC00125	125,218	122,502
FWS Urban Bird Treaty FY20	15.655	F20AP12155	71,921	67,553
FWS Urban Bird Treaty FY21	15.655	F21AP03443	40,613	33,034
Total U.S. Department of Interior - Migratory Bird Monitoring, Assessment and Conservation			238,972	223,089
FWS Bats for the Future FY16	15.657	F16AC01282	6,659	6,659
FWS Bats for Future FY18	15.657	F19AC00040	105,099	96,678
FWS Bats for the Future FY19	15.657	F20AC00276	166,975	130,686
FWS Recovery Challenge Grant Program FY20	15.657	F20AC10145	463,409	458,713
FWS Recovery Challenge Grant Program FY21	15.657	F21AC03158	42,879	41,747
Total U.S. Department of Interior - Endangered Species Conservation: Recovery Implementation Funds			785,021	734,483
FWS Fuel Management Monitoring FY20	15.660	F20AC12212	6,347	-
Total U.S. Department of Interior - Candidate Species Conservation			6,347	-
FWS Great Lakes FY15	15.662	F15AP00725	99,839	99,587
FWS Great Lakes FY16	15.662	F16AP01029	237,728	237,728
FWS Great Lakes FY17	15.662	F17AP00313	493,152	370,625
FWS Great Lakes FY18	15.662	F18AP00637	1,842,910	1,732,957
FWS Great Lakes FY19	15.662	F19AP00636	1,995,275	1,966,033
FWS Great Lakes FY20	15.662	F20AP11655	1,346,134	1,325,666
FWS Great Lakes FY21	15.662	F21AP02459	210,681	167,694
Total U.S. Department of Interior - Great Lakes Restoration			6,225,719	5,900,290
FWS Appropriations FY17	15.663	F17AP00569	436,702	436,702
FWS Appropriations FY18	15.663	F18AP00036	2,201,025	2,201,025
FWS Appropriations FY19	15.663	F19AP00154	2,626,490	2,626,490
FWS Appropriations FY20	15.663	F20AP00233	925,699	925,699
FWS Appropriations FY21	15.663	F21AP01079	59,355	59,355
FWS Teddy Roosevelt Genius FY20	15.663	F20AC11705	452,374	-
Total U.S. Department of Interior - National Fish and Wildlife Foundation			6,701,645	6,249,271

The accompanying notes to schedule of expenditures of federal awards should be read in conjunction with this schedule.

National Fish and Wildlife Foundation

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

Year ended September 30, 2022

Federal Grantor/Program Title	Assistance Listing No.	Award No./ Pass-through Identifying No.	Total Expenditures	Provided to Subrecipients
Pass-through awards:				
New Mexico Department of Agriculture -				
NMSU/NMDA New Mexico Depredation Mexican Wolf FY19	15.666	GR0006294	\$ (22)	\$ -
NMSU/NMDA New Mexico Proactive/Prevention Mexican Wolf FY19	15.666	GR0006293	(22)	-
NMSU/NMDA New Mexico Depredation Mexican Wolf FY20	15.666	GR0006601	4,175	8
NMSU/NMDA New Mexico Proactive/Prevention Mexican Wolf FY20	15.666	GR0006626	2,160	494
NMSU/NMDA New Mexico Depredation Mexican Wolf FY21	15.666	GR0007004/F21AP3767	125,343	120,655
NMSU/NMDA New Mexico Proactive/Prevention Mexican Wolf FY21	15.666	GR0007004/F21AP3767	58,875	57,000
Total U.S. Department of Interior - Endangered Species Conservation- Wolf Livestock Loss Compensation and Prevention			190,509	178,157
FWS - America The Beautiful Challenge 2022	15.669	F22AC03364	197,903	-
Total U.S. Department of Interior - Cooperative Landscape Conservation			197,903	-
FWS Delaware Watershed Conservation FY18	15.670	F18AC00707	4,078,747	3,938,718
FWS Monarch Monitoring FY20	15.670	F20AP00234	131,821	105,597
FWS Delaware Watershed Conservation FY21	15.670	F21AC01514	378,431	302,891
FWS Fuels Management FY21	15.670	F21AC02030	8,542	-
FWS Delaware Watershed Conservation FY21	15.670	F22AC02458	3,015	-
Chesapeake WILD 2022	15.670	F22AC02642	217	-
Total U.S. Department of Interior - Adaptive Science			4,600,773	4,347,206
FWS Alaska Fish and Wildlife Fund FY21	15.676	F21AC00276	5,529	-
Total U.S. Department of Interior - Youth Engagement, Education, and Employment			5,529	-
Total U.S. Department of Interior			39,311,894	37,563,277
U.S. Department of Agriculture				
FS State and Private Forestry Longleaf FY17	10.664	17-CA-11083150-007	73,150	62,207
FS Five Star and Urban Waters Restoration FY18-23	10.664	18-CA-11132544-036	254,765	241,830
FS State and Private Longleaf FY2019	10.664	19-CA-11083150-002	861,328	840,402
USFS Urban Waters 2020	10.664	20-CA-11132544-044	65,747	-
USFS Longleaf for All 2021	10.664	21-CA-11083150-036	11,461	-
USFS State & Private Forestry Longleaf 2021	10.664	21-CA-11083150-035	13,207	-
Total U.S. Department of Agriculture - Cooperative Forestry Assistance			1,279,658	1,144,439
USFS Chesapeake Bay Small Watershed Grants 2021	10.678	21-CA-11094200-204	38,802	31,133
Total U.S. Department of Agriculture - Forest Stewardship Program			38,802	31,133

The accompanying notes to schedule of expenditures of federal awards should be read in conjunction with this schedule.

National Fish and Wildlife Foundation

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

Year ended September 30, 2022

Federal Grantor/Program Title	Assistance Listing No.	Award No./ Pass-through Identifying No.	Total Expenditures	Provided to Subrecipients
FS Appropriations FY16	10.683	16-CA-11132422-213	\$ 176,614	\$ 176,614
FS Appropriations FY17	10.683	17-CA-11132422-109	329,752	329,752
FS Appropriations FY18	10.683	18-CA-11132422-180	625,428	625,428
FS Appropriations FY19	10.683	19-CA-11132422-155	948,594	948,594
FS Appropriations FY20	10.683	20-CA-11132422-122	632,835	632,835
FS Appropriations FY21	10.683	21-CA-11132422-237	43,959	43,958
FS Bats for the Future FY17	10.683	17-CA-11132422-145	243	-
FS Southern Family Forests At-Risk FY17	10.683	17-CA-11083150-001	15,470	12,452
FS Developing the Next Generation of Conservationists FY17	10.683	17-CA-11132422-343	42,224	29,473
FS Western Migrations FY20	10.683	20-CA-11132422-164	71,980	70,000
FS Conservation Partner Capacity Partnership FY20	10.683	20-CA-11132422-355	21,248	16,157
Total U.S. Department of Agriculture - National Fish and Wildlife Foundation			2,908,347	2,885,263
NRCS Montana Northern Rockies and Sagebrush Landscapes	10.069	68-0325-17-008	5,559	3,777
NRCS Conservation Partners Program FY17 (CRP)	10.069	68-3A75-17-308	826,419	826,419
NRCS South Dakota Northern Great Plains and Prairie Pothole FY18	10.069	NR186740XXXXC004	11,515	10,546
NRCS Kentucky Conservation FY18	10.069	NR185C16XXXXC013	7,110	6,838
NRCS South Dakota Northern Great Plains FY19	10.069	NR196740XXXXC005	98,783	98,647
NRCS Illinois FY19	10.069	NR205A12XXXXC001	30,908	29,564
NRCS Conserve Montana Rangelands FY20	10.069	NR200325XXXXC004	45,763	45,542
NRCS Nebraska Great Plains FY21	10.069	NR216526XXXXC017	6,201	-
Total U.S. Department of Agriculture - Conservation Reserve Program			1,032,258	1,021,333
NRCS Montana Northern Great Plains and Rangeland Habitat FY15	10.902	65-0325-15-017	35,743	35,743
NRCS Hawaii Working Lands FY16	10.902	68-9251-16-509	98,080	98,080
NRCS South Dakota Northern Great Plains and Prairie Pothole FY16	10.902	68-6740-16-524	23,074	23,074
NRCS Central Appalachia FY17	10.902	68-3A75-17-262	46,747	45,782
NRCS Conservation Partners Program FY17	10.902	68-3A75-17-308	295,535	280,517
NRCS Louisiana Forests FY17	10.902	NR177217XXXXC003	15,906	14,403
NRCS Arkansas Forests FY17	10.902	68-7103-17-101	354,978	345,292
NRCS Michigan Working Lands FY17	10.902	68-5D21-17-122	384,306	381,359
NRCS Montana Northern Rockies and Sagebrush Landscapes FY17	10.902	68-0325-17-008	11,119	7,555
NRCS Nebraska Sandhills FY17	10.902	68-6526-17-107	92,019	90,810
NRCS Alabama Forest Partnership FY18	10.902	NR184101XXXXC003	9,297	5,759
NRCS South Dakota Northern Great Plains and Prairie Pothole FY18	10.902	NR186740XXXXC004	17,716	16,220
NRCS Mississippi Forests Conservation Partnership FY18	10.902	NR184423XXXXC053	112,483	110,848
NRCS Kentucky Conservation FY18	10.902	NR185C16XXXXC013	7,109	6,838
NRCS Gulf of Mexico Ecosystem Restoration FY18	10.902	68-3A75-18-220	220,359	206,106
NRCS Conservation Partners Program FY18	10.902	NR183A750022C004	727,037	702,539
NRCS Texas CTA FY18	10.902	NR183A750022C004	71,765	70,631
NRCS Tennessee Accelerating Forest FY19	10.902	NR194741XXXXC015	39,410	35,824
NRCS New Hampshire FY19	10.902	NR191428XXXXC002	54,925	51,560
NRCS South Dakota Northern Great Plains FY19	10.902	NR196740XXXXC005	98,783	98,647
NRCS Kansas FY19	10.902	NR196215XXXXC008	57,989	57,698
NRCS Maine Forests and Rivers FY19	10.902	NR191218XXXXC005	6,202	1,757
NRCS Conservation Partners Program FY19	10.902	NR193A750007C005	2,889,716	2,866,621
NRCS Partnership to Conserve Montana Rangelands FY19	10.902	NR190325XXXXC002	153,121	151,324
NRCS Texas FY19	10.902	NR207442XXXXC025	159,424	152,598
NRCS Utah Sagebrush Landscapes FY19	10.902	NR208D43XXXXC006	73,806	73,490
NRCS Idaho Cheatgrass Challenge FY20	10.902	NR200211XXXXC001	594,478	588,476
NRCS Illinois FY19	10.902	NR205A12XXXXC001	7,727	7,391
NRCS Alabama 2020	10.902	NR204101XXXXC018	77,493	75,235
NRCS Iowa 2020	10.902	NR206114XXXXC057	82,615	81,851
NRCS South Carolina 2020	10.902	NR204639XXXXC014	24,047	19,064
NRCS Conservation Partners Program FY21	10.902	NR213A750007C002	844,045	764,518
NRCS North Dakota Northern Great Plains FY21	10.902	NR216633XXXXC004	389	-
NRCS Conservation Partners Program FY21 II	10.902	NR213A750007C003	229,503	15,257
NRCS FL 2022	10.902	NR224209XXXXC001	4,917	-
NRCS Farmers for Soil Health Partnership	10.902	NR223A750013C004	965	-
Total U.S. Department of Agriculture - Soil and Water Conservation			7,922,828	7,482,867

The accompanying notes to schedule of expenditures of federal awards should be read in conjunction with this schedule.

National Fish and Wildlife Foundation

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

Year ended September 30, 2022

Federal Grantor/Program Title	Assistance Listing No.	Award No./ Pass-through Identifying No.	Total Expenditures	Provided to Subrecipients
NRCS Louisiana Forests FY17	10.912	NR177217XXXXC003	\$ 15,906	\$ 14,403
NRCS Gulf of Mexico 2017	10.912	68-3A75-17-429	4,404	-
NRCS New Mexico Pecos and Rio Grande Watersheds FY17	10.912	68-8C30-17-015	160,431	159,516
NRCS Wyoming Northern Great Plains Sagebrush FY17	10.912	68-8E49-17-016	445,876	441,670
NRCS Conservation Partners Program FY17	10.912	68-3A75-17-308	533,681	526,773
NRCS Alabama Forest Partnership	10.912	NR184101XXXXC003	9,297	5,759
NRCS South Dakota Northern Great Plains and Prairie Pothole FY18	10.912	NR186740XXXXC004	22,145	20,275
NRCS Mississippi Forests Conservation Partnership FY18	10.912	NR184423XXXXC053	112,483	110,848
NRCS Conservation Partners Program FY18	10.912	NR183A750022C004	775,169	748,923
NRCS Tennessee Accelerating Forest and Freshwater Habitat Restoration FY19	10.912	NR194741XXXXC015	19,705	17,912
NRCS New Hampshire FY19	10.912	NR191428XXXXC002	9,693	9,095
NRCS Kansas FY19	10.912	NR196215XXXXC008	57,989	57,698
NRCS Minnesota Driftless Area and Prairie Pothole Region FY19	10.912	NR196322XXXXC007	28,292	28,066
NRCS Ohio Partnership FY19	10.912	NR195E34XXXXC006	167,645	166,182
NRCS Louisiana Mississippi Alluvial Valley FY19	10.912	NR197217XXXXC023	4,740	3,694
NRCS South Carolina Longleaf Pine FY19	10.912	NR194639XXXXC008	324,031	320,500
NRCS CIG On-Farm Trials Danone Soil Health FY19	10.912	NR203A750013G022	1,058,054	1,048,525
NRCS Mississippi FY20	10.912	NR204423XXXXC087	22,212	16,979
NRCS Conserve Montana FY20	10.912	NR200325XXXXC004	45,763	45,542
NRCS Alabama FY20	10.912	NR204101XXXXC018	232,480	225,761
NRCS Gulf of Mexico Ecosystem Restoration FY20	10.912	NR203A750001C030	9,775	-
NRCS North Dakota Northern Great Plains FY21	10.912	NR216633XXXXC004	389	-
NRCS Russian River FY21	10.912	NR219104XXXXC026	3,780	-
Total U.S. Department of Agriculture - Environmental Quality Incentives Program			4,063,940	3,968,121
NRCS South Dakota Northern Great Plains and Prairie Pothole FY16	10.914	68-6740-16-524	23,074	23,074
Total U.S. Department of Agriculture - Wildlife Habitat Incentive Program			23,074	23,074
NRCS Gulf Working Lands FY16	10.072	68-3A75-16-1281	407,819	396,494
NRCS Minnesota FY19	10.072	NR196322XXXXC007	42,438	42,091
Total U.S. Department of Agriculture - Wetlands Reserve Program			450,257	438,585
NRCS South Dakota Northern Great Plains and Prairie Pothole FY16	10.924	68-6740-16-524	23,074	23,074
NRCS Louisiana Forests FY17	10.924	NR177217XXXXC003	15,906	14,403
NRCS Nebraska Sandhills FY17	10.924	68-6526-17-107	312,379	306,010
NRCS South Dakota Northern Great Plains and Prairie Pothole FY18	10.924	NR186740XXXXC004	37,203	34,076
NRCS Kentucky Conservation FY18	10.924	NR185C16XXXXC013	7,109	6,838
NRCS Conservation Partners Program FY18	10.924	NR183A750022C004	904,404	785,080
NRCS Tennessee Accelerating Forest and Freshwater Habitat Restoration FY19	10.924	NR194741XXXXC015	19,705	17,912
NRCS South Dakota Northern Great Plains FY19	10.924	NR196740XXXXC005	98,783	98,647
NRCS Partnership to Conserve Montana Rangelands FY19	10.924	NR190325XXXXC002	114,852	113,493
NRCS Louisiana Mississippi Alluvial Valley FY19	10.924	NR197217XXXXC023	9,480	7,388
NRCS Conserve Montana FY20	10.924	NR200325XXXXC004	137,290	136,599
NRCS North Dakota Northern Great Plains FY21	10.924	NR216633XXXXC004	1,168	-
NRCS Nebraska GP 2021	10.924	NR216526XXXXC017	3,100	-
Total U.S. Department of Agriculture - Conservation Stewardship Program			1,684,453	1,543,520
NRCS Kansas FY19	10.925	NR196215XXXXC008	57,989	57,698
Total U.S. Department of Agriculture - Agricultural Water Enhancement Program			57,989	57,698
NRCS Gulf Working Lands FY16	10.931	68-3A75-16-1281	407,819	396,494
NRCS Louisiana Forests FY17	10.931	NR177217XXXXC003	15,906	14,403
NRCS Gulf of Mexico 2017	10.931	68-3A75-17-429	4,404	-
NRCS Montana Northern Rockies and Sagebrush Landscapes FY17	10.931	68-0325-17-008	5,559	3,777
NRCS Kentucky Conservation FY18	10.931	NR185C16XXXXC013	7,109	6,838
NRCS Gulf of Mexico Ecosystem Restoration FY18	10.931	68-3A75-18-220	99,002	92,639
NRCS Partnership to Conserve Montana Rangelands FY19	10.931	NR190325XXXXC002	16,154	15,159
NRCS New Hampshire FY19	10.931	NR191428XXXXC002	191,435	190,744
NRCS Louisiana Mississippi Alluvial Valley FY19	10.931	NR197217XXXXC023	9,480	7,388
NRCS Utah Sagebrush Landscapes FY19	10.931	NR208D43XXXXC006	73,806	73,490
Total U.S. Department of Agriculture - Agricultural Conservation Easement Program			830,674	800,932

The accompanying notes to schedule of expenditures of federal awards should be read in conjunction with this schedule.

National Fish and Wildlife Foundation

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

Year ended September 30, 2022

Federal Grantor/Program Title	Assistance Listing No.	Award No./ Pass-through Identifying No.	Total Expenditures	Provided to Subrecipients
NRCS RCPP Pecos Watershed FY18	10.932	NR188C30XXXXC006	\$ 1,656	\$ 1,013
Total U.S. Department of Agriculture -Regional Conservation Partnership Program			1,656	1,013
Total U.S. Department of Agriculture			20,293,936	19,397,978
Environmental Protection Agency				
EPA Long Island Sound Futures Fund FY17	66.437	LI-00A00382	218,841	218,841
EPA Long Island Sound Futures Fund FY18	66.437	LI-00A00389	282,642	282,642
EPA Long Island Sound Futures Fund FY19	66.437	LI - 00A00606	782,117	718,338
EPA Long Island Sound Futures Fund FY20	66.437	LI - 00A00694	1,216,327	999,546
EPA Long Island Sound Futures Fund FY21	66.437	LI - 00A01075	510,898	495,266
Total EPA - Long Island Sound Program			3,010,825	2,714,633
EPA Five Star 5	66.462	WD-83658001	133,569	132,780
EPA Five Star 2021	66.462	84019101	40,922	3,842
Total EPA - National Wetland Program Development Grants and Five-Star Restoration Training Grant			174,491	136,622
EPA Chesapeake Bay Innovative Nutrient and Sediment Reduction 2014	66.466	96331101	226,611	226,611
EPA Small Watershed Grants 2014	66.466	96331001	134,433	134,433
EPA Small Watershed Grants 2018	66.466	96358101	8,949,884	8,702,519
EPA Chesapeake Bay Innovative Nutrient and Sediment Reduction 2018	66.466	96358201	6,076,909	5,931,410
EPA PA Most Effective Basins 2020	66.466	CB-96384101	305,267	269,675
EPA CB SWG BIL 2022	66.466	CB-96397501	672	-
Total EPA - Chesapeake Bay Program			15,693,776	15,264,648
Total Environmental Protection Agency			18,879,092	18,115,903
U.S. Department of Commerce				
NOAA Enhancing Protected Resources Management Capacity FY18	11.008	NA18NMF0080314	832,544	788,540
Total U.S. Department of Commerce - NOAA Mission-Related Education Awards			832,544	788,540
NOAA Fisheries Innovation Fund 2016-2020	11.454	NA15NMF4540400	315,194	315,194
NOAA Instituting Coordinated Incentives for Irrigation Efficiencies to Benefit Fish and Wildlife FY17	11.454	NA17NMF4540116	7,659	7,659
Total U.S. Department of Commerce - Unallied Management Projects			322,853	322,853
NOAA Damage Assessment Remediation and Restoration Program 2016-2021	11.463	NA16NMF4630023	205,944	205,623
NOAA Damage Assessment Remediation and Restoration Program 2018	11.463	NA18NMF4630004	7,592,632	7,333,936
NOAA Damage Assessment Remediation and Restoration Program 2022	11.463	NA22NMF4630006	1,657	-
Total U.S. Department of Commerce - Habitat Conservation			7,800,233	7,539,559

The accompanying notes to schedule of expenditures of federal awards should be read in conjunction with this schedule.

National Fish and Wildlife Foundation

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED

Year ended September 30, 2022

Federal Grantor/Program Title	Assistance Listing No.	Award No./ Pass-through Identifying No.	Total Expenditures	Provided to Subrecipients
NOAA Appropriations FY17	11.472	NA17NMF4720331	\$ 22,850	\$ 22,850
NOAA Appropriations FY18	11.472	NA18NMF4720304	125,837	125,837
NOAA Appropriations FY19	11.472	NA19NMF4720290	670,580	670,580
NOAA Appropriations FY20	11.472	NA20NMF4720314	1,291,134	1,291,134
NOAA Appropriations FY21	11.472	NA21NMF4720530	274,202	274,202
Total U.S. Department of Commerce - Unallied Science Program			2,384,603	2,384,603
NOAA National Resilient Coastal Community Program 2018	11.473	NA18NOS4730204	4,668,149	4,611,326
NOAA Emergency Coastal Resilience Fund FY19	11.473	NA20NOS4730002	4,499,139	4,472,929
NOAA National Coastal Resilience Fund FY19	11.473	NA19NOS4730148	6,234,814	6,154,769
NOAA National Coastal Resilience Fund FY20	11.473	NA20NOS4730027	6,091,672	6,054,251
NOAA National Coastal Resilience Fund FY21	11.473	NA21NOS4730013	1,690,191	1,560,021
NOAA Emergency Coastal Resilience Fund FY21	11.473	NA22NOS4730016	85,301	-
NOAA National Coastal Resilience Fund FY22	11.473	NA22NOS4730114	238,602	-
NOAA National Coastal Resilience Fund IJJA FY22	11.473	NA22NOS4730208	2,103	-
Total U.S. Department of Commerce - Coastal Services Center			23,509,971	22,853,296
NOAA Coral Reef Conservation	11.482	NA18NOS4820181	1,475,943	1,394,168
Total U.S. Department of Commerce - Coral Reef Conservation Program			1,475,943	1,394,168
NOAA Marine Debris FY20	11.999	NA20NOS9990001	3,772,439	3,751,041
NOAA Marine Debris FY22	11.999	NA22NOS9990026	1,417	-
NOAA Marine Debris IJJA FY22	11.999	NA22NOS9990216	3,590	-
Total U.S. Department of Commerce - Marine Debris Program			3,777,446	3,751,041
Total U.S. Department of Commerce			40,103,593	39,034,060
U.S. Department of Energy				
BPA Columbia Basin Water Transaction Program FY21	81.000	86032	1,367,737	1,325,327
BPA Columbia Basin Water Transaction Program Colville FY21	81.000	86207	25,022	24,246
BPA Columbia Basin Water Transaction Program FY22	81.000	88943	2,735,660	2,506,964
BPA Columbia Basin Water Transaction Program Colville FY22	81.000	89000	107,337	96,625
Total U.S. Department of Energy - Bonneville Power Administration			4,235,756	3,953,162
U.S. Department of Defense				
US Navy Pacific Missile Range Facility Seabird	12.632	N40192-18-2-8006	115,715	103,187
US Navy Guam Habitat FY20	12.632	N40192-20-2-8002	113,171	55,508
DOD Longleaf 2016	12.632	HQ0034-16-2-0023	1,323,840	1,285,157
USMC Desert Tortoise FY20	12.632	N62473-20-2-0003	76,847	25,127
Total U.S. Department of Defense - Legacy Resource Management Program			1,629,573	1,468,979
USACE Lake Isabella	12.000	DACW059820001	143,694	92,597
Total U.S. Department of Defense			143,694	92,597
DoD REPI 2021	12.017	HQ00342120014	47,199	-
Total U.S. Department of Defense - Readiness and Environmental Protection Integration (REPI) Program			47,199	-
Total U.S. Department of Defense			1,820,466	1,561,576
Total Expenditures of Federal Awards			\$ 124,644,737	\$ 119,625,956

The accompanying notes to schedule of expenditures of federal awards should be read in conjunction with this schedule.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year ended September 30, 2022

NOTE A - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of NFWF, and is presented on the accrual basis of accounting. The information is presented in accordance with requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

WBC's expenditures of federal awards are not included in NFWF's schedule of expenditures of federal awards for the year ended September 30, 2022. A separate single audit of WBC's financial statements and schedule of expenditures of federal awards is performed in accordance with 2 CFR 200.514(a). Therefore, amounts presented in the schedule of expenditures of federal awards may differ from amounts presented or used in the preparation of the basic consolidated financial statements.

NOTE B - ASSISTANCE LISTING

Assistance Listing numbers are assigned to various agreements presented on the Schedule of Expenditures of Federal Awards. When an Assistance Listing number is not assigned, federal awards from the same agency made for the same purpose are combined by primary focus or source, and are considered one program for purposes of determining major programs.

NOTE C - INDIRECT COST

National Fish and Wildlife Foundation has not elected to use the 10% *de minimus* cost rate allowed under the Uniform Guidance.

NOTE D - CONTINGENCIES

Financial awards from federal governments in the forms of grants are subject to special audits. Such audits could result in claims against the Foundation for disallowed costs or non-compliance with grantor restrictions. No provision has been made for any liabilities that may arise from any such audits.

GRANT THORNTON LLP1000 Wilson Blvd., Suite 1500
Arlington, VA 22209**D** +1 703 847 7500**F** +1 703 848 9580**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT
AUDITING STANDARDS**Board of Directors
National Fish and Wildlife Foundation and Subsidiary

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the consolidated financial statements of the National Fish and Wildlife Foundation and subsidiary (the "Foundation"), which comprise the consolidated statement of financial position as of September 30, 2022, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 2, 2023.

Report on internal control over financial reporting

In planning and performing our audit of the consolidated financial statements, we considered the Foundation's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Foundation's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on compliance and other matters

As part of obtaining reasonable assurance about whether the Foundation's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such

an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control and compliance. Accordingly, this report is not suitable for any other purpose.

GRANT THORNTON LLP (signed manually)

Arlington, Virginia
March 2, 2023

GRANT THORNTON LLP

1000 Wilson Blvd., Suite 1500
Arlington, VA 22209

D +1 703 847 7500

F +1 703 848 9580

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
National Fish and Wildlife Foundation and Subsidiary

Report on compliance for each major federal program

Opinion on each major federal program

We have audited the compliance of the National Fish and Wildlife Foundation and subsidiary (the "Foundation") with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget's *OMB Compliance Supplement* that could have a direct and material effect on each of the Foundation's major federal programs for the year ended September 30, 2022. The Foundation's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Foundation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2022.

Basis for opinion on each major federal program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (US GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Foundation's compliance with the compliance requirements referred to above.

Other matter – federal expenditures not included in the compliance audit

The Foundation's consolidated financial statements include the operations of Walker Basin Conservancy ("WBC"), a controlled subsidiary, which expended \$439,785 in federal awards that is not included in the Foundation's schedule of expenditures of federal awards during the year ended September 30, 2022. Our compliance audit, described in the Opinion on Each Major Federal Program section of our report, does not include the operations of WBC because WBC engaged other auditors to audit its

compliance with the types of compliance requirements described in the *OMB Compliance Supplement*.

Responsibilities of management for compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Foundation's federal programs.

Auditor's responsibilities for the audit of compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Foundation's compliance based on our audit. 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 US GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Foundation's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with US GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Foundation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on internal control over compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in the Foundation's internal control over compliance that we consider to be material weaknesses or significant deficiencies. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this Report on Internal Control Over Compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

GRANT THORNTON LLP (signed manually)

Arlington, Virginia
March 2, 2023

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended September 30, 2022

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

- 1. Type of auditor's report issued: Unmodified
- 2. Internal control over financial reporting:
 - a. Material weakness(es) identified? Yes No
 - b. Significant deficiency(ies) identified not considered to be material weaknesses? Yes None reported
- 3. Noncompliance material to financial statements noted? Yes No

Federal Awards:

- 1. Internal control over the major programs:
 - a. Material weakness(es) identified? Yes No
 - b. Significant deficiency(ies) identified that are not considered to be material weakness(es) Yes None reported
- 2. Type of auditor's report issued on compliance for major programs: Unmodified
- 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No
- 4. Identification of major programs:

Assistance Listing No.	Program Title
11.999	Marine Debris Program
15.153	Hurricane Sandy Disaster Relief - Coastal Resiliency Grants
15.508	Providing Water to At-Risk Natural Desert Terminal Lakes
15.517	Fish and Wildlife Coordination Act
66.437	Long Island Sound Program
81.000	Bonneville Power Administration

- 5. Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000
- 6. Auditee qualified as a low-risk auditee? Yes No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

Year ended September 30, 2022

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III - FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

No matters were reported.