



THE NATURE CONSERVANCY

Consolidated Financial Statements and Schedule of Expenditures of
Federal Awards and Reports in Accordance with OMB Uniform Guidance

For the Year ended June 30, 2024

EIN 53-0242652

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THE NATURE CONSERVANCY

June 30, 2024

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Independent Auditors' Report

The Board of Directors
The Nature Conservancy:

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of The Nature Conservancy and its affiliates (The Conservancy), which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of The Conservancy as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of The Conservancy and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The consolidated financial statements of The Nature Conservancy as of and for the year ended June 30, 2023, were audited by another auditor, who expressed an unmodified opinion on those statements on December 20, 2023.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, 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 Conservancy's ability to continue as a going concern for one year after the date the consolidated financial statements are issued.

Auditors' Responsibilities for the Audit of the Consolidated 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 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 consolidated 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 Conservancy'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 Conservancy'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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 20, 2024 on our consideration of The Conservancy'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 Conservancy'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 Conservancy's internal control over financial reporting and compliance.

KPMG LLP

Baltimore, Maryland
December 20, 2024

THE NATURE CONSERVANCY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS OF JUNE 30, 2024 AND 2023
Amounts in thousands

	2024	2023
Assets		
Cash and cash equivalents	\$ 41,693	\$ 73,323
Restricted cash and cash equivalents	60,077	85,814
Restricted short-term investments	86,261	36,359
Government grants and contracts receivable	92,123	39,455
Notes and other receivables, net	429,670	449,249
Deposits, prepaid expenses and other assets	47,523	42,142
Pledges receivable, net	271,869	215,167
Non-conservation lands	12,537	18,559
Investments	3,570,882	3,471,939
Right of use assets	32,958	38,058
Property and equipment, net	178,339	160,226
Conservation lands	2,486,519	2,456,087
Conservation easements	2,551,361	2,489,008
Total assets	\$ 9,861,812	\$ 9,575,386
Liabilities		
Accounts payable and accrued liabilities	\$ 149,108	\$ 146,901
Deferred revenue and refundable advances	243,265	185,058
Lease liabilities	37,646	43,327
Bonds and notes payable – recourse	677,947	777,008
Bonds and notes payable – non-recourse	364,000	364,000
Split interest arrangements	217,374	192,424
Total liabilities	\$ 1,689,340	\$ 1,708,718
Net Assets		
Without donor restrictions, including noncontrolling interests of \$60,889 in 2024 and \$62,215 in 2023	\$ 6,331,568	\$ 6,189,693
With donor restrictions	1,840,904	1,676,975
Total net assets	\$ 8,172,472	\$ 7,866,668
Total liabilities and net assets	\$ 9,861,812	\$ 9,575,386

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

THE NATURE CONSERVANCY
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024
Amounts in thousands

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Activities			
Contribution Revenues			
Dues and contributions	\$ 412,371	\$ 532,370	\$ 944,741
Contributed goods and services	42,380	-	42,380
Contributed land and easements for conservation	83,618	-	83,618
Contributed non-conservation land	17,384	1,350	18,734
Government grants and contracts	175,565	-	175,565
Total contribution revenues	731,318	533,720	1,265,038
Sales of conservation land and easements	90,116	-	90,116
Investment returns on operating activities	41,544	-	41,544
Other income	146,661	-	146,661
Total revenues	1,009,639	533,720	1,543,359
Allocation of endowment spending	63,965	24,702	88,667
Net assets released from restriction	431,073	(431,073)	-
Total revenues and reclassifications	\$ 1,504,677	\$ 127,349	\$ 1,632,026
Expenses			
Conservation activities and actions	\$ 957,620	\$ -	\$ 957,620
Book value of conservation land and easements sold	152,534	-	152,534
Total program expenses	1,110,154	-	1,110,154
General and administration	223,535	-	223,535
Fundraising and membership	189,429	-	189,429
Total expenses	\$ 1,523,118	\$ -	\$ 1,523,118
Change in net assets from operating activities	\$ (18,441)	\$ 127,349	\$ 108,908
Non-operating Activities			
Investment returns on endowments	\$ 85,357	\$ 38,810	\$ 124,167
Investment returns on other non-operating activities	158,721	6,655	165,376
Allocation of endowment spending to operations	(63,965)	(24,702)	(88,667)
Reclassification of net assets	(15,817)	15,817	-
Foreign exchange losses	(2,654)	-	(2,654)
Distributions to noncontrolling interests	(1,326)	-	(1,326)
Change in net assets from non-operating activities	\$ 160,316	\$ 36,580	\$ 196,896
Total change in net assets	\$ 141,875	\$ 163,929	\$ 305,804
Beginning net assets	6,189,693	1,676,975	7,866,668
Ending net assets	\$ 6,331,568	\$ 1,840,904	\$ 8,172,472

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

THE NATURE CONSERVANCY
CONSOLIDATED STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023
Amounts in thousands

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Activities			
Contribution Revenues			
Dues and contributions	\$ 384,776	\$ 397,908	\$ 782,684
Contributed goods and services	56,099	-	56,099
Contributed land and easements for conservation	40,673	-	40,673
Contributed non-conservation land	15,433	20,783	36,216
Government grants and contracts	138,987	-	138,987
Total contribution revenues	635,968	418,691	1,054,659
Sales of conservation land and easements	37,593	-	37,593
Investment returns on operating activities	33,361	-	33,361
Other income	136,748	-	136,748
Total revenues	843,670	418,691	1,262,361
Allocation of endowment spending	83,640	-	83,640
Net assets released from restriction	344,506	(344,506)	-
Total revenues and reclassifications	\$ 1,271,816	\$ 74,185	\$ 1,346,001
Expenses			
Conservation activities and actions	\$ 816,931	\$ -	\$ 816,931
Book value of conservation land and easements sold	66,718	-	66,718
Total program expenses	883,649	-	883,649
General and administration	214,602	-	214,602
Fundraising and membership	176,058	-	176,058
Total expenses	\$ 1,274,309	\$ -	\$ 1,274,309
Change in net assets from operating activities	\$ (2,493)	\$ 74,185	\$ 71,692
Non-operating Activities			
Investment returns on endowments	\$ 100,853	\$ 51,516	\$ 152,369
Investment returns on other non-operating activities	109,292	7,611	116,903
Allocation of endowment spending to operations	(83,640)	-	(83,640)
Reclassification of net assets	(1,482)	1,482	-
Gain on swap agreements	4,603	-	4,603
Foreign exchange losses	(1,357)	(31)	(1,388)
Distributions to noncontrolling interests	(370)	-	(370)
Change in net assets from non-operating activities	\$ 127,899	\$ 60,578	\$ 188,477
Total change in net assets	\$ 125,406	\$ 134,763	\$ 260,169
Beginning net assets	6,064,287	1,542,212	7,606,499
Ending net assets	\$ 6,189,693	\$ 1,676,975	\$ 7,866,668

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

THE NATURE CONSERVANCY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024
Amounts in thousands

	Conservation Programs	General and Administration	Fundraising and Membership	Total Expenses
Salaries and benefits	\$ 399,711	\$ 135,633	\$ 105,229	\$ 640,573
Professional services	194,007	21,697	36,588	252,292
Grants and subawards	134,449	158	19	134,626
Travel	26,435	3,689	3,271	33,395
Publication, printing, and postage	9,125	290	29,259	38,674
Supplies and equipment	36,844	13,338	3,873	54,055
Depreciation and amortization	13,052	1,618	-	14,670
Interest	34,531	3,500	16	38,047
Occupancy	3,109	11,912	241	15,262
Contributed goods and services non-cash expenses	25,235	11,099	5,852	42,186
All other	81,122	20,601	5,081	106,804
	957,620	223,535	189,429	1,370,584
Book value of conservation land and easements sold	152,534	-	-	152,534
Total expenses	\$ 1,110,154	\$ 223,535	\$ 189,429	\$ 1,523,118

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

THE NATURE CONSERVANCY
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023
Amounts in thousands

	Conservation Programs	General and Administration	Fundraising and Membership	Total Expenses
Salaries and benefits	\$ 337,911	\$ 121,013	\$ 94,746	\$ 553,670
Professional services	174,379	17,747	27,730	219,856
Grants and subawards	100,613	5,750	9	106,372
Travel	21,459	3,887	2,950	28,296
Publication, printing, and postage	9,455	303	36,135	45,893
Supplies and equipment	31,864	10,205	4,332	46,401
Depreciation and amortization	12,915	1,942	-	14,857
Interest	21,176	11,628	-	32,804
Occupancy	3,405	11,421	294	15,120
Contributed goods and services non-cash expenses	39,038	11,426	5,636	56,100
All other	64,716	19,280	4,226	88,222
	816,931	214,602	176,058	1,207,591
Book value of conservation land and easements sold	66,718	-	-	66,718
Total expenses	\$ 883,649	\$ 214,602	\$ 176,058	\$ 1,274,309

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

THE NATURE CONSERVANCY
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023
Amounts in thousands

	2024	2023
Cash Flows from Operating Activities		
Change in net assets	\$ 305,804	\$ 260,169
Adjustments to reconcile changes in net assets to net cash and cash equivalents used in operating activities		
Depreciation and amortization	14,670	14,857
Contributed conservation land and easements	(83,618)	(40,673)
Losses on disposition of conservation lands and easements	62,417	29,124
Proceeds from sale of conservation land and easements	90,116	37,593
Purchases of conservation land and easements	(161,700)	(159,165)
Change in value of split interest arrangements	(39,541)	(16,964)
Change in value of swap agreements	-	4,603
Contributed securities	(34,578)	(33,217)
Proceeds from sale of contributed securities	34,503	34,875
Contributed non-conservation land and contributed funds to be held for long term purposes	(34,881)	(29,836)
Net gain on investments	(257,607)	(288,870)
Changes in assets and liabilities		
Notes and other receivables	(53,227)	(24,264)
Pledges receivable, net	(56,702)	11,668
Deposits, prepaid expenses and other assets	(5,381)	(6,005)
Non-conservation lands	28,302	13,389
Right of use assets	5,100	653
Accounts payable and accrued liabilities	12,353	(1,026)
Deferred revenue and refundable advances	58,207	15,581
Split interest arrangements payable	24,950	(18,819)
Lease liabilities	(5,681)	(1,444)
Other changes	(1,040)	(194)
Net cash and cash equivalents used in operating activities	(97,534)	(197,965)
Cash Flows from Investing Activities		
Proceeds from notes collections	20,259	16,263
Issuance of notes receivable	(122)	(2,264)
Proceeds from sale of endowment, capital, and other investments	2,435,084	1,544,183
Purchases of endowment, capital, and other investments	(2,287,476)	(1,357,166)
Purchases of property and equipment	(34,373)	(24,948)
Net cash and cash equivalents provided by investing activities	133,372	176,068
Cash Flows from Financing Activities		
Proceeds from contribution for long term purpose	12,602	10,646
Purchases of split interest investments	(27,169)	(32,860)
Proceeds from split interest arrangements	27,939	34,120
Repayments of current revolving and long-term debt	(564,153)	(321,527)
Proceeds from issuance of current revolving and long-term debt	457,576	357,620
Net cash and cash equivalents (used in) provided by financing activities	(93,205)	47,999
Net (decrease) increase in cash, cash equivalents, and restricted cash	(57,367)	26,102
Cash, cash equivalents, and restricted cash at beginning of year	159,137	133,035
Cash, cash equivalents, and restricted cash at end of year	\$ 101,770	\$ 159,137
Supplemental data		
Cash paid for interest	\$ 35,514	\$ 32,336

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

THE NATURE CONSERVANCY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

Note 1. Significant Accounting Policies

Nature of Organization and Activities

The Nature Conservancy (“The Conservancy”) is a global conservation organization. The mission of The Conservancy is to conserve the lands and waters on which all life depends. The Conservancy conducts its activities throughout the United States, Canada, Latin America, the Caribbean, Europe, Africa, Asia, and the Pacific.

The Conservancy’s primary sources of revenue are contributions from the public (including gifts of land), government grants, investment income, and sales of conservation land and easements to government agencies or other conservation buyers. These resources are used to help solve critical challenges by significantly improving the health of globally important natural systems that enhance the lives of people around the world. Working with partners—including Indigenous communities, governments, investors, and lenders—The Conservancy pursues solutions that protect and restore natural systems, identify the economic value of nature, and secure financing and investments that extend the impact of philanthropic support to benefit people and nature.

Basis of Accounting

The consolidated financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The consolidated financial statements and accompanying notes include the accounts of all The Conservancy’s business units and affiliates, both domestic and international, including those which are separately incorporated, receive gifts, and perform conservation activities in the name of The Conservancy. Business units are individual reporting segments managing organizational functions or regional conservation work in all states in the United States and globally. Consolidated affiliates controlled by The Conservancy include approximately 23 non-profit and 24 for-profit entities globally that enhance The Conservancy’s ability to expand the reach of conservation activities and demonstrate the value of conservation investments. When The Conservancy owns less than a 100% interest in a consolidated entity, it reflects the third-party noncontrolling interests separately in net assets without donor restrictions on the consolidated statements of financial position. All significant intercompany transactions have been eliminated in consolidation.

Basis of Presentation

In accordance with the provisions of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*, The Conservancy presents information regarding its financial position and activities according to two classes of net assets:

Net assets without donor restrictions—resources that are not subject to donor-imposed stipulations, including revenues from membership dues, government grants and contracts, investment income (other than the unappropriated and purpose restricted portion of donor-restricted endowment investment income), and other inflows of assets over which the Board of Directors of The Conservancy (“Board”) has discretionary control. The Board may designate a portion of net assets for a specific purpose. If there is no donor-imposed stipulation, these funds are classified as net assets without donor restrictions. The Conservancy includes all expenses in this class of net assets, since the use of restricted contributions in accordance with donors’ stipulations results in the release of the restrictions.

Net assets with donor restrictions—resources that are subject to donor-imposed stipulations that are more specific than broad limits resulting from the following: a) the nature of the not-for-profit entity, b) the environment in which it operates, and c) the purposes specified in its articles of incorporation or bylaws or comparable documents. This classification includes contributions whose use by The Conservancy is limited by donor-imposed stipulations that either expire by passage of time—such as pledges receivable—or can be fulfilled by actions of The Conservancy—such as usage for land acquisition, specific programs toward meeting The Conservancy’s 2030 goals including certain overhead and indirect costs, or for appropriation from donor-restricted endowment investment income.

THE NATURE CONSERVANCY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

When stipulated time restrictions end or purpose restrictions are satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported on the consolidated statements of activities as net assets released from restrictions.

Also included in this classification are contributions whose use by The Conservancy is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of The Conservancy, such that the principal must be maintained permanently by The Conservancy. Contributions for the donor-restricted endowment fund as well as amounts contributed to create a permanent revolving fund for land preservation are classified as net assets with donor restrictions. This internal revolving fund is used to finance capital projects, and donations to this fund are to be maintained in perpetuity for only this purpose. The Conservancy is no longer accepting new donations to the revolving fund for land preservation and has implemented an internal revolving fund that is funded by internally designated unrestricted and temporarily restricted funds that otherwise would not be effectively deployed in the near term. This new fund is used to finance conservation projects.

Measure of Operations

The Conservancy's measure of operations as presented in the consolidated statements of activities includes revenues from membership dues and contributions (including donor-restricted contributions to endowments), grants and contracts, transfers of conservation land and easements, allocation of endowment spending for operations, and other revenues that are not specified as non-operating below. Operating expenses (including the book value of conservation land and easements sold or donated to the government and others) are reported on the consolidated statements of activities by functional classification. Operating results also include the reclassification of net assets with donor restrictions to net assets without donor restrictions for which purpose or time restrictions have been met.

The Conservancy's non-operating activity within the consolidated statements of activities includes investment returns and other activities related to endowments (other than annual appropriation for spending), changes in value of split interest arrangements and donor-advised funds, changes in value of derivative instruments, foreign currency remeasurement, and other infrequent transactions.

Foreign Currency

The functional currency of The Conservancy is the US dollar. Gains and losses resulting from remeasurement of foreign currencies into US dollars are recognized in other operating income in the consolidated statements of activities. Where transactions of foreign affiliates are recorded in local currency, assets and liabilities are translated into US dollars at the exchange rate in effect at the dates of the consolidated statements of financial position.

Fair Value

The Conservancy's financial assets and liabilities are generally measured at fair value and are classified in the fair value hierarchy based on the lowest level of input that is significant to the valuation. This hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments based on market data obtained from sources independent of The Conservancy. The three-tier hierarchy of inputs is summarized in the three broad levels as follows:

Level 1 is based upon quoted or published prices in active markets for identical assets and liabilities. Market price data is generally obtained from exchange or deal markets.

Level 2 is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and on model-based valuation techniques, for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources including market participants, dealers, and brokers.

THE NATURE CONSERVANCY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

Level 3 is based on valuation techniques that use significant inputs that are unobservable as they trade infrequently or not at all.

The Conservancy applies the practical expedient guidance contained in FASB ASC-820-10, *Fair Value Measurement and Disclosure*, to determine the fair value for some of its investments at the net asset value (NAV) reported by the fund managers. The guidance permits the use of NAV without adjustment under certain circumstances, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. As of June 30, 2024 and 2023, The Conservancy had no plans to sell investments at amounts different from NAV. Investments measured at NAV as a practical expedient are not classified in the fair value hierarchy.

Most investments are carried at estimated fair value using the valuation hierarchy framework and NAV. Certain equity investments without readily determinable fair value presented using the measurement alternative in ASC 320 *Investments-Debt Securities* are valued using the initial investment in the underlying investment adjusted for impairment and observable price changes.

Contributions

Unconditional donor promises to give cash and other assets are reported at fair value at the date that there is sufficient verifiable evidence documenting that a promise was made by the donor and received by The Conservancy. The promises are reported as dues and contributions with donor restrictions if received with donor stipulations that sufficiently limit the use of the donated assets.

At times, The Conservancy receives funds as an agent for donor-specified third-party beneficiaries. Such receipts are recorded in deferred revenue and refundable advances in the consolidated statements of financial position until the assets are remitted to the beneficiaries.

The Conservancy recognizes contributed goods and contributed professional services from third parties as revenue and as expense or assets at the fair value of those goods and services when received. During the years ended June 30, 2024 and 2023, contributed goods totaled \$18,490,000 and \$14,021,000, respectively, and contributed services totaled \$23,890,000 and \$42,078,000, respectively, in the accompanying consolidated statements of activities. Contributed goods consisted primarily of donated software used in conservation and marketing work. At times, The Conservancy receives donated assets that are to be sold by The Conservancy for fundraising purposes. Such assets are sold as soon as reasonably practicable. Contributed services consisted primarily of services by professional legal and consulting firms advising The Conservancy on various administrative and mission-related matters. Estimated fair value of contributed services reported in the financial statements is based on the current rates for similar services.

Government grants and contracts are primarily considered to be contribution transactions, the majority of which are cost-reimbursable grants. The Conservancy has elected the “simultaneous release” accounting policy option such that grants received and used within the same period are reported in net assets without donor restrictions. Revenue, including approved indirect cost recovery, is recognized when allowable costs have been incurred. The Conservancy’s costs incurred under its government grants and contracts are subject to audit by government agencies. Management believes that disallowance of costs, if any, would not be material to the consolidated financial position or consolidated changes in net assets of The Conservancy.

Expense Allocation

Operating expenses are allocated to separate program and support categories as defined below. The book values of conservation land and easements sold or donated by The Conservancy are recognized as program expenses on the consolidated statements of activities. See Note 13 Conservation Land and Easements.

THE NATURE CONSERVANCY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

The Conservancy accounts for its program and support services expenditures in the following categories:

Conservation Programs—expenditures related to the broad spectrum of activities and actions critical to advancing The Conservancy’s mission. Expenditures related to understanding, monitoring, maintaining, restoring, and managing natural areas owned by The Conservancy and others are included, as well as expenditures for developing and enhancing The Conservancy’s ability to gather and share ecological information and to assess and evaluate threats to natural systems. In addition, this area includes expenditures to mitigate, prevent, or slow the effects of these threats, including investments in the institutional development of global conservation organizations. Expenditures related to improving public land management and supporting the development of sound global policies, including participating in conferences and events that help establish a common vision for conservation worldwide are included, as well as expenditures associated with community outreach and education of key stakeholders and land users in areas where The Conservancy’s conservation programs reside.

General and Administration—expenditures related to building and maintaining an efficient business infrastructure, including those related to corporate governance, to support and advance the programmatic conservation objectives of The Conservancy.

Fundraising and Membership—expenditures related to fundraising strategies that provide the revenue stream for both operations and capital needs to further the accomplishment of The Conservancy’s mission and objectives, and expenditures related to the acquisition and retention of The Conservancy’s members primarily through the use of a direct-mail program.

The consolidated statements of functional expenses display expenses related to the underlying operations by natural classification. Expenses are allocated directly to program and support services for each functional expense category. Certain expenses are attributable to more than one functional expense category and require allocation on a reasonable basis that is consistently applied. Salaries and other compensation that constitute direct conduct or supervision of program or support functions are allocated on the basis of estimates of time and effort, and employee benefits are allocated proportionately to salaries. Depreciation and amortization are allocated to the functional categories in which the underlying assets are used. Interest expense on external debt is allocated to the functional categories which have benefitted from the proceeds of the external debt.

Income Taxes

The Conservancy has been granted an exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Internal Revenue Service has classified The Conservancy as other than a private foundation. The Conservancy pays income tax on its unrelated business taxable income. Taxable income is primarily generated by income from alternative investments in partnerships held by related entities. The Conservancy takes no tax positions that it considers to be uncertain.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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. Actual results could differ from the estimated amounts.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Retirement Plans

The Conservancy’s employees are eligible after one month of service to participate in The Nature Conservancy Savings and Retirement Plan (the “Plan”), in which employees can make voluntary, tax-deferred contributions within specified limits. The Plan was established under the provision of Internal Revenue Code Section 401(k) and has received a favorable

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determination as to its tax status from the Internal Revenue Service. Certain employees are also eligible to participate in a non-qualified deferred compensation plan created pursuant to the Internal Revenue Code Section 457(b). The Conservancy's contributions to the plans were \$27,903,000 and \$24,485,000 for the years ended June 30, 2024 and 2023, respectively.

Subsequent Events

All subsequent events were evaluated through December 20, 2024, which is the date the financial statements were issued.

Contingencies

The Conservancy is a party to various litigation arising out of the normal conduct of its operations. In the opinion of management, the ultimate resolution of these matters will not materially affect the financial position, change in net assets, or cash flows of The Conservancy.

Related Party Transactions

The Conservancy recorded \$6,538,000 and \$2,968,000 in contribution revenues from current and former Board members during the years ended June 30, 2024 and 2023, respectively, and \$3,400,000 and \$102,000 as pledges receivable from current and former Board members as of June 30, 2024 and 2023, respectively, in the accompanying consolidated statements of financial position. The Conservancy has an unsecured zero-interest loan payable in full in 2026 to a current Board member reflected in notes payable in the accompanying consolidated statements of financial position. The loan balance as of June 30, 2024 and 2023 was \$8,000,000 and \$10,000,000, respectively. \$2,000,000 was forgiven by the Board member and is included in contribution revenues for the year ended June 30, 2024.

The Conservancy has a conditional pledge of \$10,000,000 as of June 30, 2024 from a current Board member which is not reflected in the accompanying consolidated financial statements.

Recent Accounting Pronouncement

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. ASU 2016-13 and subsequent amendments require financial assets measured at amortized cost to be presented at the net amount expected to be collected, through an allowance for credit losses that is deducted from the amortized cost basis. The measurement of expected credit losses is based on relevant information about past events, including historical experience, current conditions and reasonable and supportable forecasts that affect the collectability of the reported amount. ASU 2016-13 (as amended) is effective for annual periods and interim periods within those annual periods beginning after December 15, 2022 (fiscal year 2024). The Conservancy adopted this standard as of July 1, 2023 and noted no material impact on its consolidated financial statements.

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Note 2. Liquidity

Financial assets and liquidity resources available within one year for general expenditure such as operating expenses, scheduled principal payments on debt, and land acquisition are as follows as of June 30 (in thousands):

	2024	2023
Cash and cash equivalents	\$ 41,693	\$ 73,323
Government grants and contracts receivable	92,123	39,455
Current notes and other receivables for operations	42,257	56,140
Pledge payments available for operations	191,226	125,026
Working capital investments	313,733	289,544
Board approved appropriation for endowment spending	71,488	76,486
Total financial assets available within one year	\$ 752,520	\$ 659,974
Additional liquidity resources:		
Bank line of credit	\$ 52,000	\$ 17,000
Private foundation line of credit	-	634
Total financial assets and liquidity resources available within one year	\$ 804,520	\$ 677,608

The Conservancy's endowment funds consist of donor-restricted and Board-designated endowment funds. Income from donor-restricted endowments is restricted for specific purposes and therefore is not available for general expenditure. Although The Conservancy does not intend to spend from its Board-designated endowment funds other than amounts appropriated for general expenditure as part of the annual budget process as described in the schedule above, the total \$1,030,375,000 and \$996,071,000 of unrestricted Board-designated net assets as of June 30, 2024 and 2023, respectively, could be made available with Board or designee approval.

The Conservancy's cash flows have seasonal variations due to a concentration of contributions received at calendar year end, and financial assets are structured to be available as general expenditures, liabilities, and other obligations come due. To help manage seasonal cash flows or meet unanticipated liquidity needs, The Conservancy maintains a \$100,000,000 line of credit with a bank that can be drawn upon as needed. The balance outstanding as of June 30, 2024 and 2023 was \$48,000,000 and \$83,000,000, respectively. As of June 30, 2023, The Conservancy held a \$20,000,000 line of credit with a private foundation with an outstanding balance of \$19,366,000. This line of credit matured, and the balance was paid down in December of 2023.

Note 3. Cash and Cash Equivalents

Cash represents working capital held in bank accounts in high quality financial institutions in the United States and 38 other countries. The cash in most non-U.S. accounts is uninsured but is limited per country to amounts that—in the opinion of management—are not material to the financial statements. Cash equivalents represent short-term, highly liquid investments with maturities of three months or less when purchased that do not have donor-imposed restrictions that limit their use to long-term investment, such as endowment funds.

Financial instruments that potentially subject The Conservancy to concentration of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. As

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of June 30, 2024 and 2023, The Conservancy had \$95,358,000 and \$97,869,000, respectively, in excess of the FDIC insured limit.

The balances of cash and cash equivalents and restricted cash and cash equivalents reported within the statements of financial position sum to the total amount of cash, cash equivalents, and restricted cash at end of year as reported on the consolidated statements of cash flows. These amounts are as follows as of June 30 (in thousands):

	2024	2023
Cash and cash equivalents	\$ 41,693	\$ 73,323
Restricted cash and cash equivalents	60,077	85,814
Total cash, cash equivalents, and restricted cash	\$ 101,770	\$ 159,137

Note 4. Restricted Cash and Cash Equivalents and Restricted Short-Term Investments

Restricted cash and cash equivalents and restricted short-term investments represent monies segregated to meet requirements of specific conservation project agreements. Restricted short-term investments are considered Level 1 investments.

Restricted cash and cash equivalents and restricted short-term investments consist of the following as of June 30 (in thousands):

	2024	2023
Cash held in trust for mitigation agreements	\$ 60,077	\$ 85,814
Total restricted cash and cash equivalents	\$ 60,077	\$ 85,814

Certificates of deposit and U.S. Government treasury investments

held in trust for mitigation agreements

	\$ 79,203	\$ 30,109
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Certificates of deposit to satisfy reserve requirements under

charitable gift annuity agreement

	250	250
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Highly liquid bond and fixed term cash instruments under

collateral arrangements

	6,808	6,000
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Total restricted short-term investments	\$ 86,261	\$ 36,359
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Note 5. Government Grants and Contracts Receivable

The Conservancy receives grants and contracts from federal, state, and local agencies to be used for specific programs or land purchases. The excess of reimbursable expenditures over cash receipts is included in government grants receivable, and any excess of cash receipts over reimbursable expenditures is included in deferred revenue and refundable advances. Government receivables are expected to be realized within one year.

Unspent advances from government grants and contracts including both exchange and contribution transactions of \$24,571,000 and \$19,230,000 as of June 30, 2024 and 2023, respectively, are reflected within deferred revenue and refundable advances on the consolidated statements of financial position.

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The Conservancy had \$686,515,000 and \$497,388,000 in conditional government grants and contracts as of June 30, 2024 and 2023, respectively, which are not reflected in the consolidated statements of activities.

Note 6. Notes and Other Receivables

Notes and other receivables consist of the following as of June 30 (in thousands):

	2024	2023
Notes receivable, net allowance for credit losses and accrued interest	\$ 382,252	\$ 390,644
Advances to federal, state, and local grant subaward recipients	6,526	5,115
Bequests receivable	11,781	16,600
Other receivables	29,111	36,890
Total notes and other receivables	\$ 429,670	\$ 449,249

The Conservancy's consolidated affiliate, Belize Blue Investment Company, LLC ("BzBIC"), which is a wholly owned subsidiary of Blue Investments for Nature Inc. ("BIN"), a wholly owned subsidiary of The Conservancy, holds a note receivable from the country of Belize totaling \$364,000,000 as of June 30, 2024 and 2023. The note has an interest rate ranging from 3.55% to 6.04% from October 2022 through maturity in October 2040. Interest payments are due semi-annually in April and October. Principal payments will be due semi-annually in April and October, beginning April of 2032. The payment terms of this note receivable are aligned with the terms of a related loan payable as described in Note 15 under The Conservancy's Blue Bonds for Ocean Conservation Program. This note receivable is subject to an insurance policy issued by the United States government that mitigates the risk of default and future credit losses.

The Conservancy is a named irrevocable beneficiary under various wills, trusts, and non-probate gifts. Bequest receivables are recognized for significant incoming gifts which have matured and are known but for which The Conservancy has not yet received the funds.

Notes receivable are expected to be realized in the following periods (in thousands):

	2024	2023
Less than one year	\$ 1,965	\$ 3,250
One to five years	3,905	5,242
More than five years	372,553	379,797
	378,423	388,289
Plus: Accrued interest receivable	3,829	2,355
Total notes receivable and accrued interest	\$ 382,252	\$ 390,644

Advances to federal, state, and local grant subaward recipients, bequests receivable, and other receivables are expected to be realized within one year.

Management regularly assesses the adequacy of the allowance for credit losses by performing evaluations of accounts receivable and notes receivable, including factors such as the financial state of borrowers, expected economic conditions, and the existence of any guarantees. Balances are written off when deemed uncollectable.

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Note 7. Deposits, Prepaid Expenses, and Other Assets

Deposits, prepaid expenses, and other assets consist of the following as of June 30 (in thousands):

	2024	2023
Deposits on conservation land and easements	\$ 1,997	\$ 1,087
Prepaid expenses	12,770	11,997
Other assets	32,756	29,058
Total deposits, prepaids and other assets	\$ 47,523	\$ 42,142

Note 8. Pledges Receivable

Pledges receivable represent unconditional promises to give and are reported at fair value by discounting the expected future pledge payments at a risk-adjusted rate as of the consolidated statement of financial position date, and accordingly are categorized as Level 3 assets. The primary unobservable input used in the fair value measurement of The Conservancy's pledges receivable is the discount rate. Significant fluctuations in the discount rate could result in a material change. The discount rate used in the present value technique to determine fair value of pledges receivable is based on the U.S. Prime rate and is revised at each measurement date to reflect current market conditions and the creditworthiness of donors. In addition, management evaluates payment history and market conditions to estimate allowances for doubtful pledges.

Changes in the fair value of pledges receivable are reported in the consolidated statements of activities as contribution revenue except for changes in the allowance which are reported as program expenses at each subsequent reporting date. Net pledge activity resulted in a \$56,702,000 increase and an \$11,668,000 decrease in pledges receivable reflected in the accompanying statements of financial position as of June 30, 2024 and 2023, respectively. 2024 and 2023 activities comprised of new pledges of \$291,324,000 and \$184,930,00, pledge payments of \$226,409,000 and \$191,917,000, and net increases in pledge discount and allowance of \$8,213,000 and \$4,681,000, respectively.

Unconditional pledges are expected to be received in the following periods (in thousands):

	2024	2023
Less than one year	\$ 192,512	\$ 126,599
One to five years	106,259	110,553
More than five years	4,464	1,168
	303,235	238,320
Less: Discount of 8.50% in 2024 and 8.25% in 2023	(19,270)	(13,656)
Less: Allowance for doubtful accounts	(12,096)	(9,497)
Total pledges receivable, net	\$ 271,869	\$ 215,167

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Unconditional pledges receivable had the following donor-imposed restrictions as of June 30 (in thousands):

	2024	2023
Conservation programs and activities	\$ 229,522	\$ 192,940
Conservation land and easement acquisition and stewardship	24,487	17,765
Endowment	1,907	1,880
Other operating activities	15,953	2,582
Total pledges receivable, net	\$ 271,869	\$ 215,167

In addition, as of June 30, 2024 and 2023, The Conservancy had received promises to give that are conditioned upon the occurrence of specified future and uncertain events, such as The Conservancy raising matching gifts or acquiring certain conservation lands. Conditional promises to give are recognized as contribution revenue when the donor-imposed conditions are substantially met.

Conditional pledges had the following conditions as of June 30 (in thousands):

	2024	2023
Raised matching funds	\$ 39,126	\$ 25,117
Land acquisition	34,945	11,888
Completion of conservation projects	19,801	36,957
Other	11,213	10,612
Total conditional pledges	\$ 105,085	\$ 84,574

Note 9. Repurchase Agreements

The Conservancy may enter into repurchase agreements with selected commercial banks and broker-dealers, under which The Conservancy acquires securities as collateral (debt obligation) subject to an obligation of the counterparty to repurchase and The Conservancy to resell the securities (obligation) at an agreed upon time and price. The Conservancy, through the custodian or a tri-party custodian, receives delivery of the underlying securities collateralizing repurchase agreements. The Conservancy requires the custodian to take possession, to have legally segregated in the Federal Reserve Book Entry System, or to have segregated within the custodian's vault, all securities held as collateral for repurchase agreements. The Conservancy and the counterparties are permitted to sell, re-pledge, or use the collateral associated with the transaction. It is The Conservancy's policy that the market value of the collateral be at least equal to 100% of the repurchase price in the case of a repurchase agreement of one-day duration and 102% of the repurchase price in the case of all other repurchase agreements. Upon an event of default under the terms of the repurchase agreements, both parties have the right to set-off. If the seller defaults or enters into an insolvency proceeding, realization of the collateral by The Conservancy may be delayed, limited, or wholly denied.

As of June 30, 2024 and 2023, The Conservancy had investments in repurchase agreements with total gross values of \$0 and \$62,141,000, respectively, which are included as part of investments in the consolidated statements of financial position. The market value of the collateral is 102% of the face value of the repurchase agreements.

Note 10. Non-Conservation Lands

Real property with little or no ecological value acquired through contributions or in an exchange of conservation land is sold to provide funds for The Conservancy's conservation work. These assets are recorded at fair value in the consolidated statements of activities in the period received. During the years ended June 30, 2024 and 2023, contributed non-conservation lands as reflected in the accompanying consolidated statements of activities totaled \$18,734,000 and \$36,216,000,

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respectively. Fair value is generally determined by appraisal at the time of acquisition. The input to the fair value estimate is classified in Level 3 of the fair value hierarchy. The value of non-conservation lands is reduced to the net realizable value at fiscal year-end, and the change in value is reported in the consolidated statements of activities.

Changes in the fair value of non-conservation lands were as follows for the years ended June 30 (in thousands):

	2024	2023
Fair value beginning of year	\$ 18,559	\$ 12,758
Additions	22,279	19,190
Sales	(25,683)	(13,259)
Realized loss	(2,619)	(130)
Fair value end of year	<u>\$ 12,537</u>	<u>\$ 18,559</u>

Note 11. Investments

The Conservancy's investments are held in three distinct categories:

Capital fund—excess working capital and funds held primarily for the future acquisition of conservation land, easements, and for funding other conservation projects.

Endowment fund—funds held as long-term capital to generate income for The Conservancy's operations.

Split interest arrangements—funds and other assets held in trust by The Conservancy under agreements that include other beneficiaries or by third-party trustees representing The Conservancy's beneficial interests.

The overall investment objective of The Conservancy is to invest its assets in a prudent manner to preserve and grow the purchasing power of these funds so that they are available to support The Conservancy's global operations and conservation projects. The Conservancy manages investment activities in accordance with established policies and with oversight from the Board's Investment Committee. The amount of endowment income provided each year for operations is established by the Finance Committee through its adoption of an annual endowment spending rate and spending rate base. The spending rate for the years ended June 30, 2024 and 2023 was 5.75% of the average fair market value of the previous 36 months. As of July 1, 2024, the spending rate changed to 5.25% of the average fair market value of the previous 36 months.

The Conservancy recognizes that risk must be assumed to achieve its stated long-term investment objectives. Therefore, asset allocations and ranges are necessarily diverse and consider liquidity needs. The Conservancy has considered its ability to withstand short and intermediate term variability and concluded that the portfolio can tolerate some interim fluctuations in market values and rates of return in order to achieve its objectives. However, The Conservancy realizes that market performance varies and that the portfolio's investment objectives may not be achievable during short-term periods.

The Conservancy has chosen not to manage its underlying assets directly, but to utilize independent investment managers. To maintain prudent diversification and to manage risk, The Conservancy's portfolio is divided among 100 to 120 separate managers. The Conservancy's excess cash is invested in highly liquid cash and money market mutual funds with high quality institutions.

Pursuant to its investment policy, The Conservancy's investments cannot have more than 10% of their assets at market value in securities of any one issuer, be they short-term or long-term, other than the U.S. Government and its agencies. As of June 30, 2024 and 2023, the largest exposures in the Capital and Endowment Fund long term investments are 7% and 4%, respectively, in a single issuer.

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Investments are presented in the fair value hierarchy and consist of the following as of June 30 (in thousands):

June 30, 2024	Level 1	Level 2	Level 3	NAV	Total
Capital and endowment investments					
Short-term investments	\$ 71,897	\$ 918	\$ -	\$ -	\$ 72,815
Fixed income	70,222	205,498	-	-	275,720
Exchange traded stock	119,569	-	-	-	119,569
Exchange traded funds	44,677	-	-	-	44,677
Comingled equity and fixed income funds	-	-	-	992,751	992,751
Hedge funds	-	-	-	922,767	922,767
Private equity investments	-	-	-	570,460	570,460
Private debt investments	-	-	-	545	545
Private real estate and natural resources funds	-	-	-	115,110	115,110
Total capital and endowment investments	\$306,365	\$206,416	\$ -	\$ 2,601,633	\$ 3,114,414
Split interest arrangements					
Split interest trustee					
Mutual funds	\$ 322,275	\$ -	\$ -	\$ -	\$ 322,275
Real estate	-	-	29,854	-	29,854
U.S. treasuries	8,824	-	-	-	8,824
Short-term investments	5,704	-	-	-	5,704
Split interest, non-trusteed	-	-	31,907	-	31,907
Total split interest arrangements	\$336,803	\$ -	\$ 61,761	\$ -	\$ 398,564
Total investments measured at fair value or using NAV as a practical expedient					\$ 3,512,978

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June 30, 2023	Level 1	Level 2	Level 3	NAV	Total
Capital and endowment investments					
Short-term investments	\$ 12,358	\$ 909	\$ -	\$ -	\$ 13,267
Repurchase agreements	-	62,141	-	-	62,141
Fixed income	18,074	287,605	-	71,712	377,391
Exchange traded stock	72,817	-	-	-	72,817
Exchange traded funds	44,993	-	-	-	44,993
Comingled equity and fixed income funds	-	-	-	944,702	944,702
Hedge funds	-	-	-	914,402	914,402
Private equity investments	-	-	-	491,506	491,506
Private debt investments	-	-	-	76	76
Private real estate funds	-	-	-	121,012	121,012
Total capital and endowment investments	\$148,242	\$350,655	\$ -	\$ 2,543,410	\$ 3,042,307
Split interest arrangements					
Split interest trustee					
U.S. agency bonds	\$ 2	\$ -	\$ -	\$ -	\$ 2
Mutual funds	137,055	-	-	-	137,055
Real estate	-	-	29,944	-	29,944
U.S. treasuries	9,438	-	-	-	9,438
Short-term investments	29,969	-	-	-	29,969
Exchange traded funds	112,248	-	-	-	112,248
Commingled equity funds	-	-	-	4,746	4,746
Split interest, non-trusteed	-	-	36,391	-	36,391
Total split interest arrangements	\$ 288,712	\$ -	\$66,335	\$ 4,746	\$ 359,793
Total investments measured at fair value or using NAV as a practical expedient					\$ 3,402,100

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Of the \$3,570,882,000 and \$3,471,939,000 total investments in the accompanying consolidated statements of financial position as of June 30, 2024 and 2023, respectively, net investments not measured at fair value or reflected in the table above are as follows (in thousands):

	2024	2023
Equity method investment	\$ 22,109	\$ 22,126
Equity investment valued using the measurement alternative in ASC 320	4,508	12,419
Net investment receivables/payables and other	31,287	35,294
Total investments not measured at fair value	\$ 57,904	\$ 69,839

The Conservancy's investment funds are valued by the following valuation techniques: equity securities and exchange traded funds are typically valued at the last sale price or official closing price on the exchange or principal market where the security trades; debt obligations are valued based on the evaluated price provided by an independent pricing vendor or broker-dealer; real estate investment properties are valued based on results from an independent appraisal and a professional third-party market valuation; future contracts are typically valued at the last traded price on the exchange on which they trade. The value of certain alternative investments not included in the fair value hierarchy represents the ownership interest in the NAV of the respective partnership. If no public market exists for the investment securities, the fair value is determined by the general partner taking into consideration, among other things, the cost of the securities, prices of recent significant placements of securities of the same issuer, and subsequent developments concerning the companies to which the securities relate. The Conservancy has performed significant due diligence around these investments to ensure NAV is an appropriate measure of fair value.

Investments valued using NAV as a practical expedient consist of the following as of June 30 (in thousands):

June 30, 2024		Unfunded	Redemption	Redemption
Category of Investments	Fair Value	Commitments	Frequency	Notice Period
Domestic equity funds	\$ 371,666	\$ 35,000	Monthly, quarterly	30-60 days
Global equity funds	325,032	-	Weekly, monthly, quarterly, annually	5 business days, 7 days, 30 days, 120 days
International equity funds	268,844	-	Monthly, quarterly, semi-annually	60 days, 90 days
Fixed income funds	27,754	2,000	Daily, quarterly	1 day, 90 days
Hedge funds	922,767	6,750	Quarterly, annually	60-120 days
Private equity funds	570,460	444,500	N/A	N/A
Real estate and natural resources funds	115,110	42,290	N/A	N/A
Total investments valued using NAV	\$ 2,601,633	\$ 530,540		

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June 30, 2023				
Category of Investments	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
				30 days, 45 days, 60 days, 90 days
Domestic equity funds	\$ 364,699	\$ 25,000	Monthly, quarterly	
			Weekly, monthly,	5 business days, 7 days,
Global equity funds	336,122	-	quarterly, annually	30 days, 120 days
			Monthly, quarterly,	60 days, 90 days,
International equity funds	235,565	-	semi-annually	180 days
Fixed income funds	71,712	4,000	Quarterly	90 days
Hedge funds	914,402	9,750	Quarterly, annually	60-120 days
Private equity funds	491,506	357,171	N/A	N/A
Real estate funds	121,012	28,281	N/A	N/A
Commingled equity funds	11,923	-	N/A	N/A
Commingled bond funds	1,215	-	N/A	N/A
Total investments valued using NAV	\$ 2,548,156	\$ 424,202		

Otherwise redeemable investments valued using NAV are typically subject to lock-up periods and rates that may vary from quarterly to 5 years or longer based on contractual agreement, and there are no otherwise significant restrictions on the ability to sell investments in this portfolio.

The Conservancy's investment policy allows for the use of derivatives by investment managers and at the portfolio-level to assist in managing asset allocation and exposures. These derivative exposures are exchange-traded and are reported in the fair value of the overall portfolio within Level 1. The use of derivative instruments involves the risk of imperfect correlation in movement in the price of the instruments, interest rates, and the underlying hedged assets. As a result, The Conservancy may not achieve the anticipated benefits of hedging strategies. The Conservancy's derivative contracts held as of June 30, 2024 and 2023 are not accounted for as hedging instruments under GAAP.

Note 12. Property and Equipment

Property and equipment valued at \$50,000 or more is capitalized. Purchased property and equipment is carried at cost, and donated property and equipment is recognized at fair value at the date of contribution. Depreciation and amortization are computed using the straight-line method for all depreciable assets over the estimated useful lives of the assets, ranging from 5 to 30 years for building and building improvements, 3 to 5 years for computer equipment and software, and 4 to 25 years for furniture, fixtures, and others. Costs associated with construction in progress are held until the asset is placed in service, at which point the asset is transferred to the applicable asset category and depreciated over its estimated useful life. Assets totaling \$79,863,000 and \$72,866,000 were fully depreciated as of June 30, 2024 and 2023, respectively. Expenditures for maintenance and repairs that do not improve or extend the lives of the respective assets are expensed as incurred.

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Property and equipment consist of the following as of June 30 (in thousands):

	2024	2023
Land for operations	\$ 8,016	\$ 8,016
Construction in progress	18,552	12,272
Buildings and improvements	236,950	220,045
Computer equipment and software	44,180	44,180
Furniture, fixtures, and other	52,425	44,586
	360,123	329,099
Less: Accumulated depreciation and amortization	(181,784)	(168,873)
Total property and equipment, net	\$ 178,339	\$ 160,226

Note 13. Conservation Land and Easements

Conservation land is real property with significant ecological value. These properties are either managed in an effort to protect the natural biological diversity of the property or transferred to other organizations to manage in a similar fashion.

The Conservancy records land and land interests at cost if purchased or at fair value at the date of acquisition if all or part of the land was received as a donation. Fair value is generally determined by appraisal at the time of acquisition and is not subsequently adjusted. Upon sale or gift, the book value of the land or land interest is reported as a program expense and the related proceeds, if any, are reported as revenue in the consolidated statements of activities.

Conservation easements are comprised of listed rights and/or restrictions over the owned property that are conveyed by a property owner to The Conservancy—almost always in perpetuity—in order to protect the owned property as a significant natural area, as defined in federal tax regulations. These intangible assets may be sold or transferred to others so long as the assignee agrees to carry out, in perpetuity, the conservation purposes intended by the original grantor.

The Conservancy has entered into contracts for the purchase of land that have not closed and other purchase commitments related to operations totaling \$262,822,000 and \$209,260,000 as of June 30, 2024 and 2023, respectively.

Note 14. Leases

The Conservancy has entered into both non-cancelable lessor and lessee commitments. The Conservancy determines if a contract contains a lease at the inception of a contract. A contract is determined to contain a lease if the contract conveys the right to control the use of identified property or equipment (an identified asset) for a period of time in exchange for consideration. The Conservancy has elected the practical expedients to allow the lease and non-lease components not to be separated in the event the contract contains both and to not record leases with an initial term of 12 months or less on the consolidated statements of position.

Lessor commitments

The Conservancy's lessor commitments primarily consist of operating leases for the use of its owned premises. Leases may include options to renew at the end of the lease term. Lease payments received under these commitments include fixed payments for the rental space as well as variable payments based on usage of services and escalating costs of building operations. Total lease income was \$3,917,000 and \$4,303,000 for the years ended June 30, 2024 and 2023, respectively.

THE NATURE CONSERVANCY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

Future fixed lease income under noncancelable operating leases is as follows as of June 30, 2024 (in thousands):

2025	\$ 2,201
2026	1,861
2027	1,264
2028	1,058
2029	1,032
Thereafter	3,536
Total	\$ 10,952

Lessee commitments

The Conservancy's lessee commitments predominantly consist of operating leases for office buildings and equipment. Right-of-use assets were \$32,958,000 and \$38,058,000, and lease liabilities were \$37,646,000 and \$43,327,000 as of June 30, 2024 and 2023, respectively. The weighted-average discount rate used to calculate the present value of future minimum lease payments was 3.98% for 2024 and 3.49% for 2023.

Lease terms may contain renewal and extension options and early termination features. The weighted-average lease terms were 5.65 and 5.81 years as of June 30, 2024 and 2023, respectively.

Lease expenses consist of the following for the years ended June 30 (in thousands):

	2024	2023
Operating lease expense (cost resulting from lease payments)	\$ 14,023	\$ 13,401
Short-term lease expense	822	794
Variable lease expense	1,402	1,263
Less: Sublease income	(1,484)	(1,651)
Total lease expense	\$ 14,763	\$ 13,807

The total cash payments for operating leases were \$16,664,000 and \$16,095,000, and noncash additions to operating lease assets were \$4,479,000 and \$6,591,000 for the years ended June 30, 2024 and 2023, respectively.

THE NATURE CONSERVANCY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

Maturity analysis of future minimum lease payments for all operating leases are shown as follows as of June 30, 2024 (in thousands):

2025	\$ 10,023
2026	7,995
2027	7,171
2028	5,174
2029	3,500
Thereafter	8,472
	42,335
Less: net present value adjustment	(4,689)
Present value of total minimum lease payments	\$ 37,646

As of June 30, 2024, The Conservancy has two additional operating leases that had not yet commenced for office buildings with total estimated right-of-use assets of \$2,084,000 and lease liabilities of \$2,430,000 to be recognized upon the anticipated lease commencements in July and August 2024.

Note 15. Bonds and Notes Payable

Bonds and notes payable consist of the following as of June 30 (in thousands):

	Interest Rate	Maturity	2024	2023
Revenue Bonds				
Series 2019A, Taxable, Unsecured	4.50%	February 2049	\$ 40,000	\$ 40,000
Series 2019B, Taxable, Unsecured	6.72%	February 2024	-	62,000
Series 2021A, Taxable, Unsecured	0.63%-1.86%	July 2023-July 2033	99,973	109,878
Series 2022A Green Bonds, Taxable, Unsecured	3.96%	March 2052	350,000	350,000
Series 2022B, Taxable, Unsecured	2.45%-3.32%	March 2025-March 2033	62,000	62,000
Mortgages and loans	0%-6.24%	2023-2041	125,974	153,130
Bonds and notes payable - recourse			677,947	777,008
Notes payable - non-recourse	2.10%-4.47%	October 2040	364,000	364,000
Total bonds and notes payable			\$ 1,041,947	\$ 1,141,008

Debt is reported at carrying value. Certain of The Conservancy's debt agreements include covenants that require The Conservancy to meet various reporting and financial metrics. The most restrictive financial covenants include maintaining minimum bond ratings, minimum liquidity ratios, and limits on total debt. The Conservancy was in compliance with all financial debt covenants as of June 30, 2024 and 2023.

Recourse bonds and notes payable are those for which the lenders can hold The Conservancy liable if the bond or payable is defaulted upon.

THE NATURE CONSERVANCY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

In March 2022, The Conservancy issued Series 2022A Green Bonds (“Green Bonds”) totaling \$350,000,000. Proceeds from the Green Bonds issuance are used to fund eligible green projects that advance priorities for achieving sustainable development goals. Eligible green projects may include but are not limited to environmentally sustainable land use, biodiversity, water management, climate change adaptation, energy efficiency, and renewable energy.

In fiscal year 2022, a consolidated affiliate of The Conservancy entered into a transaction to purchase the debt of the country of Belize. The affiliate is Belize Blue Investment Company, LLC (“BzBIC”), which is a wholly owned subsidiary of Blue Investments for Nature Inc. (“BIN”), a wholly owned subsidiary of The Conservancy. The transaction involved BzBIC obtaining a funding facility from a financial institution. BzBIC then in turn loaned those funds to the country of Belize for use in cancelling certain outstanding debt obligations. As a result of this transaction, the country of Belize pledged to commit significantly more resources to marine protection.

As part of this transaction, BzBIC obtained a loan from a financial institution totaling \$364,000,000 as of June 30, 2024 and 2023. The note has an interest rate ranging from 2.10% to 4.47% from October 2022 through maturity in October 2040. Interest payments are due semi-annually in April and October. Principal payments will be due semi-annually in April and October, beginning April of 2032. In accordance with the loan agreement, pledged collateral totaling \$29,531,000 and \$31,298,000 is reflected in investments on the consolidated statements of financial position as of June 30, 2024 and 2023, respectively. This note is categorized as non-recourse to The Conservancy because liability in the event of default is limited to BzBIC.

Additionally, BzBIC issued a note receivable to the country of Belize as described in Note 6 with payment terms aligned with the payment terms of the loan.

The following schedule of amounts due is based on the maturity dates per the debt agreements (in thousands):

2025	\$	81,215
2026		28,803
2027		41,653
2028		18,132
2029		19,039
Thereafter		853,105
Total bonds and notes payable	\$	1,041,947

Interest expense incurred on total bonds and notes payable for the years ended June 30, 2024 and 2023 was \$36,974,000 and \$32,550,000, respectively.

Note 16. Split Interest Arrangements

The Conservancy enters into split interest arrangements whereby donations are held in trust by The Conservancy or third-party trustees. Agreed-upon amounts or percentages of invested funds are payable to the donor or the donor’s designee for a specified period of time or until the donor’s death. In the case of retained life estates, the donor contributes real estate in which the donor or designee retains the life interest to use the property for a specified period or until the donor’s death. Upon termination, The Conservancy may use the assets for operations or a restricted use specified by the donor. Total contributions received for split interest arrangements were \$27,169,000 and \$32,860,000 for the years ended June 30, 2024 and 2023, respectively.

The donated trust asset investments are recorded at fair value based on the latest available information and are included in investments following the fair value hierarchy. The marketable securities and exchange traded funds are priced using unadjusted market quotes. Debt obligations are valued based on the evaluated prices provided by an independent pricing

THE NATURE CONSERVANCY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

vendor or broker-dealer. Alternative investments are valued based on NAV as a practical expedient, and real properties are valued by market-based appraisals. For split interest arrangements where The Conservancy is not the trustee, valuations are based on the values reported by third-party trustees. There is no market for these arrangements, and therefore, they are classified within Level 3. See Note 11 Investments for the fair value hierarchy of investments from split interest arrangements.

Changes in the fair value of split interest investments classified as Level 3 financial instruments are shown as follows for the years ended June 30 (in thousands):

	2024		2023
Fair value beginning of year	\$ 66,335	\$	57,247
Purchases	1,703		1,740
Transfers-in	2,199		9,824
Sales	(3,819)		(2,675)
Realized loss	(173)		(311)
Unrealized (loss) gain	(4,484)		510
Fair value end of year	\$ 61,761	\$	66,335

A liability for split interest obligations is recorded for the actuarially determined present value of the estimated future payments to be made to the beneficiaries or the donor's real estate usage under a retained life estate.

The Conservancy utilizes the 2012 Individual Annuity Reserving table to actuarially calculate the liability associated with the estimated donor interests under these arrangements. The Conservancy determines the discount rate to be used in the month the split interest arrangements are entered into with the donor and these rates have ranged from near 0% to 12%. The present value of the actuarially determined liability resulting from these gifts is recorded at the date of gift and adjusted annually thereafter to reflect fair value. The changes in value of split interest arrangements included in non-operating activities in the accompanying consolidated statements of activities were increases of \$6,655,000 and \$7,611,000 for the years ended June 30, 2024 and 2023, respectively.

Split interest arrangements payable consist of the following as of June 30 (in thousands):

	2024		2023
Payable under charitable gift annuities	\$ 99,837	\$	97,750
Payable under charitable remainder trusts	105,338		83,658
Payable under pooled income funds	1,450		1,527
Payable under retained life estates	10,749		9,489
Total split interest arrangements payable	\$ 217,374	\$	192,424

THE NATURE CONSERVANCY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

Note 17. Net Assets

The Conservancy's net assets as of June 30 include the following (in thousands):

	Without Donor	With Donor	
	Restrictions	Restrictions	Total
June 30, 2024			
Undesignated	\$ 264,204	\$ -	\$ 264,204
Board-designated funds functioning as endowment	1,030,375	32,313	1,062,688
Land preservation and conservation impact funds	251,470	185,898	437,368
Land, easements, and capital funds	4,719,251	407,930	5,127,181
Restricted for specific purposes	-	521,681	521,681
Split interest arrangements	5,379	162,359	167,738
Donor-restricted endowment funds	-	530,723	530,723
Total net assets – controlling interests	6,270,679	1,840,904	8,111,583
Noncontrolling interests	60,889	-	60,889
Total net assets	\$ 6,331,568	\$ 1,840,904	\$ 8,172,472
	Without Donor	With Donor	
	Restrictions	Restrictions	Total
June 30, 2023			
Undesignated	\$ 275,939	\$ -	\$ 275,939
Board-designated funds functioning as endowment	996,071	24,008	1,020,079
Land preservation and conservation impact funds	235,417	183,308	418,725
Land, easements, and capital funds	4,614,672	347,628	4,962,300
Restricted for specific purposes	-	476,076	476,076
Split interest arrangements	5,379	141,539	146,918
Contributed long-lived assets to create permanent endowments	-	560	560
Donor-restricted endowment funds	-	503,856	503,856
Total net assets – controlling interests	6,127,478	1,676,975	7,804,453
Noncontrolling interests	62,215	-	62,215
Total net assets	\$ 6,189,693	\$ 1,676,975	\$ 7,866,668

The Board has approved management's interpretation of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as enacted by the Council of the District of Columbia. UPMIFA requires the preservation of the fair value of the original gifts as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

The Conservancy's endowment includes funds designated by the Board to function as endowment and donor-restricted endowment funds. Board-designated funds functioning as endowment are classified as net assets with or without donor restrictions based on the underlying net asset class of the funds at the time of designation. Over time, donor restrictions are met as appropriations, subject to the spending policy, are spent on the restricted purpose. Donor-restricted endowment funds with donor requirements that they be held in perpetuity include the original value of gifts donated and accumulations

THE NATURE CONSERVANCY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

made in accordance with the applicable donor gift instrument at the time the accumulation is added to the fund. Donor-restricted endowment funds that are not required to be held in perpetuity are classified in donor-restricted net assets until those amounts are appropriated for expenditure by The Conservancy in accordance with the spending policy stated in Note 11.

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

- The duration and preservation of the endowment fund,
- The purpose of the institution and the endowment funds,
- General economic conditions,
- The possible effect of inflation or deflation,
- The expected total return from income and appreciation of investments,
- Other resources of the institution, and
- The investment policy of the institution.

Endowment funds are categorized as follows in net asset classes as of June 30 (in thousands):

	Without Donor	With Donor	
	Restrictions	Restrictions	Total
June 30, 2024			
Donor-restricted endowment funds	\$ -	\$ 530,723	\$ 530,723
Board-designated funds functioning as endowment	1,030,375	32,313	1,062,688
Total endowment funds	\$ 1,030,375	\$ 563,036	\$ 1,593,411

	Without Donor	With Donor	
	Restrictions	Restrictions	Total
June 30, 2023			
Donor-restricted endowment funds	\$ -	\$ 503,856	\$ 503,856
Board-designated funds functioning as endowment	996,071	24,008	1,020,079
Total endowment funds	\$ 996,071	\$ 527,864	\$ 1,523,935

THE NATURE CONSERVANCY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

Changes in endowment net assets are summarized as follows for the years ended June 30 (in thousands):

	Without Donor	With Donor	
	Restrictions	Restrictions	Total
2024			
Endowment funds beginning of year	\$ 996,071	\$ 527,864	\$ 1,523,935
Investment returns on endowments, net	85,357	38,810	124,167
Contributions and pledge payments received	-	12,329	12,329
Matching fund to donor-restricted endowment	-	570	570
Transfers to create funds functioning as endowment	12,912	8,306	21,218
Allocation of endowment spending	(63,965)	(24,702)	(88,667)
Total endowment funds before reclassification	1,030,375	563,177	1,593,552
Reclassification and transfer of net assets	-	(141)	(141)
Total endowment funds	\$ 1,030,375	\$ 563,036	\$ 1,593,411
	Without Donor	With Donor	
	Restrictions	Restrictions	Total
2023			
Endowment funds beginning of year	\$ 977,998	\$ 461,552	\$ 1,439,550
Investment returns on endowments, net	103,926	51,515	155,441
Contributions and pledge payments received	(130)	10,388	10,258
Matching fund to donor-restricted endowment	-	760	760
Transfers to create funds functioning as endowment	875	(15)	860
Allocation of endowment spending	(61,141)	(22,499)	(83,640)
Total endowment funds before reclassification	1,021,528	501,701	1,523,229
Reclassification and transfer of net assets	(25,457)	26,163	706
Total endowment funds	\$ 996,071	\$ 527,864	\$ 1,523,935

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires The Conservancy to retain as principal in perpetuity. Deficiencies of this nature existed in three and eight donor-restricted endowment funds as of June 30, 2024 and 2023, respectively, which together had an original gift value of \$2,035,000 and \$3,145,000, current fair values of \$1,954,000 and \$2,920,000, and deficiencies of \$81,000 and \$225,000, respectively. These deficiencies resulted from unfavorable market fluctuations that occurred shortly after the investment of new contributions for donor-restricted endowment funds and authorized appropriation that was deemed prudent.

The Conservancy has a policy that permits spending from underwater endowment funds up to the Board-approved annual endowment spending rate in accordance with UPMIFA's prudence standard.

THE NATURE CONSERVANCY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023

Note 18. Guarantee Liability

In September 2022, The Conservancy entered into a co-guarantee structure with the Inter-American Development Bank (IADB) that enabled the Government of Barbados (Barbados) to pay down certain of its existing debt with the proceeds from a new term loan issuance with more favorable financing terms. Barbados has agreed to direct a portion of the savings gained from this refinancing to marine conservation under The Conservancy's Blue Bonds for Ocean Conservation Program. The Conservancy and IADB act as co-guarantors of the payment risk on Barbados' \$150,000,000 term loan, of which IADB guaranteed \$100,000,000, and The Conservancy guaranteed \$50,000,000. The maximum amount that The Conservancy could be required to pay under the guarantee was \$50,000,000 as of June 30, 2024 and 2023. This amount decreases over time as Barbados makes payments on the loan and is expected to reach zero in 2030. As of June 30, 2024 and 2023, Barbados was up to date on required payments. The agreement is subject to a counter-guarantee agreement with Barbados, and The Conservancy has obtained reinsurance over the full guaranteed amount. As of June 30, 2024 and 2023, the fair value of the related guarantee liability was approximately \$1,448,000 and \$1,838,000, respectively, which is included in deferred revenue and refundable advances in the accompanying consolidated statements of financial position.

Note 19. Noncontrolling Interests

When The Conservancy owns less than a 100% interest in a consolidated entity, it reflects the third-party noncontrolling interests separately in net assets without donor restrictions on the consolidated statements of financial position.

Changes in consolidated net assets without donor restrictions are summarized as follows for the years ended June 30 (in thousands):

	Controlling	Noncontrolling	
	Interests	Interests	Total
2024			
Net assets without donor restrictions beginning of year	\$ 6,127,478	\$ 62,215	\$ 6,189,693
Change in net assets from operating activities	(17,702)	(739)	(18,441)
Distributions to noncontrolling interests	-	(1,326)	(1,326)
Other changes in net assets from non-operating activities	160,903	739	161,642
Total net assets without donor restrictions	\$ 6,270,679	\$ 60,889	\$ 6,331,568

	Controlling	Noncontrolling	
	Interests	Interests	Total
2023			
Net assets without donor restrictions beginning of year	\$ 6,001,702	\$ 62,585	\$ 6,064,287
Change in net assets from operating activities	(1,710)	(783)	(2,493)
Distributions to noncontrolling interests	-	(370)	(370)
Other changes in net assets from non-operating activities	127,486	783	128,269
Total net assets without donor restrictions	\$ 6,127,478	\$ 62,215	\$ 6,189,693



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Independent Auditors' Report on Supplementary Information

The Board of Directors
The Nature Conservancy:

We have audited the consolidated financial statements of The Nature Conservancy (The Conservancy) as of and for the year ended June 30, 2024, and have issued our report thereon dated December 20, 2024, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedules of indirect cost rate computation and fringe benefit rate calculation for the year ended June 30, 2024, are presented for the purposes of additional analysis and are not a required part of the consolidated financial statements. Such 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 audit of the consolidated financial statements and certain additional procedures, including 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

Portland, Oregon
December 20, 2024

THE NATURE CONSERVANCY

Schedule of Indirect Cost Rate Computation

For the Year Ended June 30, 2024

Elements of cost	Cost for indirect cost rate calculation
Personnel (salaries and fringe benefits)	\$ 640,573,440
Contract, professional fees	252,292,754
Grants and subawards	104,499,706
Travel	33,360,270
Publication, printing and postage	38,669,593
Supplies and equipment	53,249,156
Depreciation and amortization	14,669,740
Interest expenses	—
Occupancy	15,262,026
Contributed goods & services non-cash expenses	—
All other	83,137,374
Book value of donated conservation land and easements	—
Total Costs for Indirect Cost Rate Calculation	1,235,714,059
Exclusions	270,292,479
Unallowables	17,112,012
Direct costs before exclusions	1,299,740,251
Indirect costs before exclusions	223,378,299
The Nature Conservancy's Total Expenses per Audited Financial Statements	1,523,118,550
Direct costs before exclusions	1,299,740,251
Less: exclusions to direct costs	270,292,479
Total Direct After Exclusions	\$ 1,029,447,772
Indirect costs before exclusions	223,378,299
Less: exclusions to indirect costs	—
Less: unallowables to indirect costs	(17,112,012)
Indirect cost pool after exclusions and unallowables	206,266,287
Indirect cost rate	20.04 %

Excluded from the computation of the allowable indirect costs are unallowable costs totaling \$17,112,012 as of June 30, 2024. Exclusions from the computation of the total direct cost base are primarily composed of external transfers of land and the value of land sold or donated to government agencies and other conservation organizations totaling \$206,266,287 because their inclusion distorts the assessment of indirect costs.

See accompanying independent auditors' report.

THE NATURE CONSERVANCY
Schedule of Fringe Benefit Rate Calculation
For the Year Ended June 30, 2024

Fringe benefit account	Fringe benefit expense – regular employees	Fringe benefit expense – short-term employees	Fringe benefit expense – foreign employees	Total
Accrued Vacation Expense	\$ 28,059,129	—	—	28,059,129
Sick, Hol, Admin Leave & Non-term Limit Mandatory Severance	—	—	—	—
Vacation Expense	—	—	—	—
Sick Leave Expense	9,408,785	26,447	—	9,435,232
Holiday Leave Expense	22,874,913	64,299	—	22,939,212
Military Leave Expense	16,651	—	—	16,651
Health Plan Expense	41,925,922	—	—	41,925,922
Life Insurance	968,909	—	—	968,909
Accidental Death/dismemberment	149,955	—	—	149,955
Disability Insurance	1,223,551	—	—	1,223,551
Travel Accident Insurance	—	—	—	—
Workers' Compensation	1,032,677	11,710	—	1,044,387
Fica Tax	30,323,631	343,844	—	30,667,475
Pension Plans	27,692,662	78,211	—	27,770,873
State Employment Taxes	534,451	8,147	—	542,598
Medical Insurance Expense	—	—	4,200,175	4,200,175
Pension/ss Tax Expense	—	—	21	21
Other Social Tax Expense	—	—	72,923	72,923
Savings Plan Expense	—	—	3,277,623	3,277,623
Life Insurance	—	—	924,083	924,083
Educational Assistance	—	—	—	—
Employee Relocation/moving Expenses & Expat Allowances	(112,142)	—	—	(112,142)
Professional Fees	1,020,566	—	—	1,020,566
Total Fringe Benefit Expense	\$ 165,119,660	532,658	8,474,825	174,127,143
Total Salaries Expense	\$ 365,762,749	4,147,442	64,021,940	433,932,131
Fringe Benefit Expense As a Percentage of Salaries Expense	45.14 %	12.84 %	13.24 %	

See accompanying independent auditors' report.



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Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Directors
The Nature Conservancy:

We have audited, in accordance with the 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, the consolidated financial statements of The Nature Conservancy (The Conservancy), which comprise The Conservancy's consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 20, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered The Conservancy'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 consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of The Conservancy's internal control. Accordingly, we do not express an opinion on the effectiveness of The Conservancy'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 entity'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 Conservancy'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 Conservancy'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Baltimore, Maryland
December 20, 2024



KPMG LLP
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Portland, OR 97201

Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

The Board of Directors
The Nature Conservancy:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited The Nature Conservancy's (The Conservancy) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of The Conservancy's major federal programs for the year ended June 30, 2024. The Conservancy's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, The Conservancy complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of The Conservancy and to meet our other ethical responsibilities, in accordance with 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 Conservancy's compliance with the compliance requirements referred to above.

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 Conservancy's federal programs.

Auditors' 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 Conservancy'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 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 Conservancy's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with 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 Conservancy'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 The Conservancy's 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 Conservancy'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 Auditors' 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 in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not 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.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the consolidated financial statements of The Conservancy as of and for the year ended June 30, 2024, and have issued our report thereon dated December 20, 2024, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the consolidated financial statements. Such 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 audit of the consolidated financial statements and certain additional procedures, including 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 GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

Portland, Oregon
December 20, 2024

THE NATURE CONSERVANCY
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor / Assistance Listing Number	Project title/project name	Pass-through grantor	Agreement ID#	Passed to subrecipient	Fiscal Year 2024 Total Federal Expenditures
Research and Development (R&D) Cluster:					
U.S. DEPARTMENT OF AGRICULTURE:					
10.001	Agricultural Research_Basic and Applied Research	Direct	58-2070-2-003	\$ —	70,573
10.001 R&D Total				—	70,573
U.S. DEPARTMENT OF COMMERCE:					
11.431	Climate and Atmospheric Research	Direct	NA21OAR4310286	—	3,214
11.431 R&D Total				—	3,214
U.S. DEPARTMENT OF THE INTERIOR:					
15.657	Endangered Species Conservation Recovery Implementation Funds	Direct	F20AC11276-00	—	42,058
15.657 R&D Total				—	42,058
NATIONAL SCIENCE FOUNDATION:					
47.074	Biological Sciences	Direct	42624_NSF_2346372	—	2,947
47.074 Total				—	2,947
Direct Research and Development Awards Total				—	118,792
U.S. DEPARTMENT OF AGRICULTURE:					
10.215	Sustainable Agriculture Research and Education	South Dakota State University	3TH147	—	5,630
10.215	Sustainable Agriculture Research and Education	The Mid-Atlantic 4R Nutrient Stewardship Association	MA4RNSA-TNC 030121	—	8,268
10.215 R&D Total				—	13,898
10.310	Agriculture and Food Research Initiative (AFRI)	Boise State University	10839-PO142400	—	3,925
10.310	Agriculture and Food Research Initiative (AFRI)	Utah State University	203341-746	—	7,847
10.310	Agriculture and Food Research Initiative (AFRI)	Purdue University	F9000315202083	—	77,767
10.310 R&D Total				—	89,539
10.652	Forestry Research	University of Vermont	AWD00000637SUB00000345	—	82,585
10.652 R&D Total				—	82,585
10.676	Forest Legacy Program	Land Trust Alliance	20-CS-11132544-054-001-SA	—	54,518
10.676 R&D Total				—	54,518
10.902	Soil and Water Conservation	South Dakota State University	3TC362	—	2,392
10.902 R&D Total				—	2,392
10.937	Partnerships for Climate-Smart Commodities	University of Idaho	OS7090-909993	—	11,479
10.937 R&D Total				—	11,479
U.S. DEPARTMENT OF COMMERCE:					
11.417	Sea Grant Support	Board of Regents of the University System of Georgia by and on behalf of the University of Georgia	SUB000002786	—	11,900
11.417	Sea Grant Support	University of Rhode Island	00086-2/05192020	—	23,624
11.417	Sea Grant Support	Mississippi State University	010500.320572.01	—	24,302
11.417 R&D Total				—	59,826

THE NATURE CONSERVANCY
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor / Assistance Listing Number	Project title/project name	Pass-through grantor	Agreement ID#	Passed to subrecipient	Fiscal Year 2024 Total Federal Expenditures
11.419	Coastal Zone Management Administration Awards	University of Michigan	SUBK00016386	\$ 12,671	22,977
11.419 R&D Total				12,671	22,977
11.431	Climate and Atmospheric Research	University of South Alabama	A23-0153-S001	—	12,004
11.431	Climate and Atmospheric Research	University of Minnesota	H009085801	32,795	82,609
11.431	Climate and Atmospheric Research	University of Rhode Island	0009489/110121	—	49,244
11.431 R&D Total				32,795	143,857
U.S. DEPARTMENT OF DEFENSE:					
12.630	Basic, Applied, and Advanced Research in Science and Engineering	The Rector and Visitors of the University of Virginia	GR015172.SUB00000382	—	14,983
12.630 R&D Total				—	14,983
U.S. DEPARTMENT OF THE INTERIOR:					
15.560	SECURE Water Act Research Agreements	Board of Regents, NV System Higher Education-DRI	GR11495	—	5,833
15.560 R&D Total				—	5,833
15.611	Wildlife Restoration and Basic Hunter Education	AR Game and Fish Commission	AGFC 2024-076	—	9,290
15.611	Wildlife Restoration and Basic Hunter Education	Board of Regents, NSHE University of Nevada, Reno	UNR-23-55	—	54,930
15.611 R&D Total				—	64,220
15.678	Cooperative Ecosystem Studies Units	Texas A&M University	M2100318	—	17,873
15.678 R&D Total				—	17,873
15.820	National Climate Change and Wildlife Science Center	University of Minnesota	P009481403	—	14,618
15.820	National Climate Change and Wildlife Science Center	University of Minnesota	P010965103	—	3,660
15.820	National Climate Change and Wildlife Science Center	University of Minnesota	P010955201	—	37,372
15.820 R&D Total				—	55,650
U.S. DEPARTMENT OF THE TREASURY:					
21.015	Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	The Florida State University	R000003341	—	6,272
21.015 R&D Total				—	6,272
NATIONAL SCIENCE FOUNDATION:					
47.041	Engineering Grants	Texas A&M University	M2103397-28-520060-00007	—	427
47.041	Engineering Grants	Board of Regents, NSHE University of Nevada, Reno	UNR-22-112	—	5,904
47.041 R&D Total				—	6,331
47.076	Education and Human Resources	Board of Regents NSHE – Nevada State College	NSC 21-02 GR13762	—	1,820
47.076 R&D Total				—	1,820
47.083	Integrative Activities	Woods Hole Oceanographic Institution	A101562	—	18
47.083	Integrative Activities	Woods Hole Oceanographic Institution	A101601 / 83073400	—	126,508
47.083 R&D Total				—	126,526
ENVIRONMENTAL PROTECTION AGENCY:					
66.469	Great Lakes Program	Michigan State University	RC110860B	—	12,707
66.469 R&D Total				—	12,707

THE NATURE CONSERVANCY
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor / Assistance Listing Number	Project title/project name	Pass-through grantor	Agreement ID#	Passed to subrecipient	Fiscal Year 2024 Total Federal Expenditures
U.S. DEPARTMENT OF ENERGY:					
81.135	Advanced Research Projects Agency – Energy	Marine Biological Laboratory	54335	\$ —	121,162
81.135 R&D Total				—	121,162
Pass Through Research and Development Awards Total				45,466	914,448
Total Research and Development Cluster				45,466	1,033,240
Forest Service Schools & Road Cluster:					
U.S. DEPARTMENT OF AGRICULTURE:					
10.665	Schools and Roads – Grants to States	Direct	22-CS-11061700-072	10,436	12,732
10.665 Total				10,436	12,732
Forest Service Schools & Road Cluster Total				10,436	12,732
Fish & Wildlife Cluster:					
U.S. DEPARTMENT OF THE INTERIOR:					
15.605	Sport Fish Restoration Program	Rhode Island Dept of Environmental Management	3374051	—	28,416
15.605	Sport Fish Restoration Program	Rhode Island Dept of Environmental Management	3425240	—	18,579
15.605	Sport Fish Restoration Program	Rhode Island Dept of Environmental Management	3481879	—	22,120
15.605	Sport Fish Restoration Program	Rhode Island Dept of Environmental Management	3755310	—	82,965
15.605 Total				—	152,080
15.611	Wildlife Restoration and Basic Hunter Education	Georgia Department of Natural Resources	012523MOODYFOREST15	—	140,764
15.611	Wildlife Restoration and Basic Hunter Education	Rhode Island Dept of Environmental Management	05062024-QR-FEDERAL	—	405,000
15.611	Wildlife Restoration and Basic Hunter Education	Georgia Department of Natural Resources	07102023PRDUGDOWNCORRIDOR	—	338,217
15.611	Wildlife Restoration and Basic Hunter Education	Ohio Department of Natural Resources	2022-1780	—	2,875
15.611	Wildlife Restoration and Basic Hunter Education	Rhode Island Dept of Environmental Management	3610720	—	43,772
15.611	Wildlife Restoration and Basic Hunter Education	Tennessee Wildlife Resources Agency	65092	—	50,559
15.611	Wildlife Restoration and Basic Hunter Education	Tennessee Wildlife Resources Agency	73946	—	131,212
15.611	Wildlife Restoration and Basic Hunter Education	Tennessee Wildlife Resources Agency	79310	—	1,012
15.611	Wildlife Restoration and Basic Hunter Education	Rhode Island Dept of Environmental Management	DEMFW0004	—	23,450
15.611 Total				—	1,136,861
Fish & Wildlife Cluster Total				—	1,288,941
U.S. DEPARTMENT OF TRANSPORTATION:					
20.205	Highway Planning and Construction	Hawaii Department of Transportation	301061	—	8,273
20.205	Highway Planning and Construction	Arkansas Department Of Transportation	61733	—	(1,125)
20.205 Total				—	7,148
20.219	Recreational Trails Program	Oklahoma Tourism and Recreation Dept.	21-08	—	105,126
20.219	Recreational Trails Program	Rhode Island Dept of Environmental Management	LAWTON15-90-21-C	—	10,439
20.219	Recreational Trails Program	Rhode Island Dept of Environmental Management	NARRAGANSETT15-90-21-A	—	8,845
20.219 Total				—	124,410
Highway Planning & Construction Cluster / U.S. Department of Transportation Total				—	131,558
U.S. DEPARTMENT OF AGRICULTURE:					
10.025	Plant and Animal Disease, Pest Control, and Animal Care	Direct	AP22PPQHQ000C020	—	41,790
10.025	Plant and Animal Disease, Pest Control, and Animal Care	Direct	AP22PPQHQ000C023	—	45,394
10.025	Plant and Animal Disease, Pest Control, and Animal Care	Direct	AP23PPQHQ000C019	—	137,471
10.025 Total				—	224,655

THE NATURE CONSERVANCY
Schedule of Expenditures of Federal Awards
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Federal Grantor / Assistance Listing Number	Project title/project name	Pass-through grantor	Agreement ID#	Passed to subrecipient	Fiscal Year 2024 Total Federal Expenditures
10.069	Conservation Reserve Program	Direct	NR230325XXXXG002	\$ 885	3,180
10.069 Total				885	3,180
10.072	Wetlands Reserve Program	Direct	68-5C16-17-015	313,072	338,458
10.072	Wetlands Reserve Program	Direct	WRP6652KY0800MFK	—	6,727
10.072 Total				313,072	345,185
10.129	Wildfires and Hurricanes Indemnity Program Plus	Florida Forest Service	5999	—	7,948
10.129 Total				—	7,948
10.310	Agriculture and Food Research Initiative (AFRI)	The Ohio State University	60065334	8,053	118,778
10.310 Total				8,053	118,778
10.664	Cooperative Forestry Assistance	Longleaf Alliance	06.2023.00.00	—	3,342
10.664	Cooperative Forestry Assistance	South Carolina Forestry Commission	102623 SCFC USFS SBR	—	92,459
10.664	Cooperative Forestry Assistance	Direct	17-DG-11062765-705	—	89,674
10.664	Cooperative Forestry Assistance	Direct	17-DG-11062765-709	158,164	178,069
10.664	Cooperative Forestry Assistance	Longleaf Alliance	18.2021.00.00	—	258
10.664	Cooperative Forestry Assistance	Direct	18DG11420004268	—	3,991
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.18.059583	—	4,880
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.20.067630	—	3,961
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.20.067684	—	136
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.21.071241	—	6,061
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.21.071246	5,636	69,814
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.21.071266	2,803	3,420
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.22.074675	2,230	9,483
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.22.074887	222	23,635
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.22.074889	8,092	22,704
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.22.074891	1,489	29,014
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.22.074898	—	39,588
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.23.078619	—	31,840
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.23.078646	—	5,274
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.23.078663	—	37,728
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.23.078816	—	17,407
10.664	Cooperative Forestry Assistance	Direct	19-DG-11420000-166	—	106,894
10.664	Cooperative Forestry Assistance	Direct	20-DG-11094200-011	—	19,225
10.664	Cooperative Forestry Assistance	Direct	20-DG-11094200-050	—	5,211
10.664	Cooperative Forestry Assistance	Direct	21-DG-11094200-033	—	8,800
10.664	Cooperative Forestry Assistance	Direct	21-DG-11094200-036	—	6,864
10.664	Cooperative Forestry Assistance	Direct	21-DG-11094200-051	16,820	145,648
10.664	Cooperative Forestry Assistance	Direct	21-DG-11094200-052	108,848	142,337
10.664	Cooperative Forestry Assistance	Direct	21-DG-11094200-185	—	54,825
10.664	Cooperative Forestry Assistance	Direct	22-DG-11094200-006	11,008	14,256
10.664	Cooperative Forestry Assistance	Direct	23-DG-11083150-009	—	75,305
10.664	Cooperative Forestry Assistance	Direct	23-DG-11094200-403	—	17,163
10.664	Cooperative Forestry Assistance	Direct	23-DG-11132543-093	—	1,051,983
10.664	Cooperative Forestry Assistance	Hawaii Department of Land and Natural Resources	70141	—	16,837
10.664	Cooperative Forestry Assistance	Tennessee Department of Agriculture	79727	—	74,199
10.664	Cooperative Forestry Assistance	Washington Department of Natural Resources	93-104734	—	131,574
10.664	Cooperative Forestry Assistance	Nevada Division of Forestry	CPG18-20 UF23-002	—	34,002
10.664	Cooperative Forestry Assistance	Rhode Island Dept of Environmental Management	DEMFW-0001	—	13,915

THE NATURE CONSERVANCY
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor / Assistance Listing Number	Project title/project name	Pass-through grantor	Agreement ID#	Passed to subrecipient	Fiscal Year 2024 Total Federal Expenditures
10.664	Cooperative Forestry Assistance	MD Department of Natural Resources	K00P2601412	\$ —	11,076
10.664	Cooperative Forestry Assistance	MT Department of Natural Resources and Conservation	LSR-22-001	—	8,461
10.664	Cooperative Forestry Assistance	Ohio Department of Natural Resources	RX STEP 2023-9	—	619
10.664 Total				315,312	2,611,932
10.674	Forest Products Lab: Technology Marketing Unit (TMU)	Direct	18-DG-11062765-739	14,953	18,243
10.674	Forest Products Lab: Technology Marketing Unit (TMU)	Direct	19-DG-11083150-023	—	(1)
10.674 Total				14,953	18,242
10.675	Urban and Community Forestry Program	Direct	20-DG-11132544-037	—	3,736
10.675 Total				—	3,736
10.680	Forest Health Protection	Direct	21-CA-11132546-027	—	107,645
10.680	Forest Health Protection	Direct	23-DG-11132546-055	—	4,994
10.680 Total				—	112,639
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0405.20.069980	16,261	32,369
10.683	National Fish and Wildlife Foundation	Friends of the Cheat	040924 NFWFFOC	—	14,822
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1903.17.055766	—	3,787
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1906.22.073606	84,986	108,111
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1906.23.078071	—	35,000
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1906.24.081698	—	8,518
10.683 Total				101,247	202,607
10.684	International Forestry Programs	Direct	19-DG-11132762-223	—	61,102
10.684	International Forestry Programs	Direct	20-DG-11132762-321	—	17,306
10.684	International Forestry Programs	Direct	22-DG-11132762-416	—	61,000
10.684	International Forestry Programs	Direct	23-DG-11132762-341	—	61,528
10.684 Total				—	200,936
10.693	Watershed Restoration and Enhancement Agreement Authority	Direct	20-PA-11080500-223	—	72,195
10.693	Watershed Restoration and Enhancement Agreement Authority	Direct	23-PA-11080500-076	—	33,189
10.693 Total				—	105,384
10.697	Hazardous Fuel Reduction Program	Direct	22-DG-11094200-074	—	311,695
10.697 Total				—	311,695
10.698	State & Private Forestry Cooperative Fire Assistance Program	Direct	19-DG-11420000-205	—	28,438
10.698	State & Private Forestry Cooperative Fire Assistance Program	Direct	20-DG-11094200-105	9,960	108,206
10.698	State & Private Forestry Cooperative Fire Assistance Program	Direct	21-CA-11132543-096	1,189,622	2,858,779
10.698	State & Private Forestry Cooperative Fire Assistance Program	Direct	21-DG-11094200-079	—	13,281
10.698	State & Private Forestry Cooperative Fire Assistance Program	Direct	22-CA-11132543-010	—	929,454
10.698	State & Private Forestry Cooperative Fire Assistance Program	Direct	23-DG-11094200-455	13,522	32,903
10.698	Conservation Reserve Program	Direct	23-DG-11094200-458	—	113,513
10.698 Total				1,213,104	4,084,574
10.703	Cooperative Fire Protection Agreement	Direct	21-PA-11080200-247	—	100,092
10.703	Cooperative Fire Protection Agreement	Direct	22-PA-11092100-007	—	44,021
10.703 Total				—	144,113

THE NATURE CONSERVANCY
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2024

Federal Grantor / Assistance Listing Number	Project title/project name	Pass-through grantor	Agreement ID#	Passed to subrecipient	Fiscal Year 2024 Total Federal Expenditures
10.715	Infrastructure Investment and Jobs Act Collaborative Forest Landscape Restoration Program	Direct	23-PA-11090700-001	\$ —	35,553
10.715 Total				—	35,553
10.720	Infrastructure Investment and Jobs Act Community Wildfire Defense Grants	Direct	23-DG-11021600-024	—	128,832
10.720 Total				—	128,832
10.723	Community Project Funds – Congressionally Directed Spending	Direct	22-DG-11062765-757	153,073	178,361
10.723 Total				153,073	178,361
10.727	Inflation Reduction Act Urban & Community Forestry Program	Direct	24-DG-11094200-019	—	14,200
10.727 Total				—	14,200
10.730	Community Project Funds-2023 Congressionally Directed Spending	Direct	23-DG-11094200-400	—	55,361
10.730 Total				—	55,361
10.755	Rural Innovation Stronger Economy	Spruce Root INC	SROO-2023-318	—	21,000
10.755 Total				—	21,000
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	0407.24.081641	—	5,002
10.902	Soil and Water Conservation	Longleaf Alliance	06.2023.00.00	—	8,116
10.902	Soil and Water Conservation	Longleaf Alliance	18.2021.00.00	—	697
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	1903.17.055766	—	7,574
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	1903.20.067630	—	9,002
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	1903.20.067684	—	544
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	1903.21.071241	—	18,182
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	1903.21.071266	5,606	6,839
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	1903.22.074675	3,234	13,751
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	1903.22.074887	93	9,926
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	1903.22.074891	2,216	43,177
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	1903.23.078619	—	7,960
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	1903.23.078663	—	6,185
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	1906.22.073659	—	6,301
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	2004.22.074859	1,821	10,797
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	2004.24.081703	—	248
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	2004.24.081783	—	931
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	2503.18.062009	—	(76)
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	2505.20.070703	6,632	24,311
10.902	Soil and Water Conservation	Nebraska Grazing Lands Coalition	61623-SUB SANDHILLS FIRE	—	1,653
10.902	Soil and Water Conservation	Direct	NR196740XXXXG004	—	34,473
10.902	Soil and Water Conservation	Direct	NR203A750023C024	—	33,628
10.902	Soil and Water Conservation	Direct	NR206322XXXXC009	21,520	170,355
10.902	Soil and Water Conservation	Direct	NR206526XXXXG003	52,368	63,889
10.902	Soil and Water Conservation	Direct	NR216526XXXXC018	—	1,854
10.902	Soil and Water Conservation	Direct	NR230325XXXXG002	5,507	19,793
10.902	Soil and Water Conservation	Direct	NR236526XXXXC015	—	6,744
10.902 Total				98,997	511,856
10.912	Environmental Quality Incentives Program	National Fish and Wildlife Foundation	1903.22.074898	—	16,846
10.912	Environmental Quality Incentives Program	National Fish and Wildlife Foundation	1903.22.075103	—	5,569
10.912	Environmental Quality Incentives Program	National Fish and Wildlife Foundation	1903.23.078619	—	7,960

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10.912	Environmental Quality Incentives Program	National Fish and Wildlife Foundation	1903.23.078663	\$ —	6,185
10.912	Environmental Quality Incentives Program	National Fish and Wildlife Foundation	1906.22.073659	—	6,301
10.912	Environmental Quality Incentives Program	National Fish and Wildlife Foundation	2004.24.081703	—	6,775
10.912	Environmental Quality Incentives Program	National Fish and Wildlife Foundation	2004.24.081783	—	561
10.912	Environmental Quality Incentives Program	National Fish and Wildlife Foundation	2503.18.062009	—	(81)
10.912	Environmental Quality Incentives Program	South Dakota State University	3TB089	—	2,060
10.912	Environmental Quality Incentives Program	Maybell Irrigation District	748B05221E	—	208,048
10.912	Environmental Quality Incentives Program	Direct	NR184741XXXXC002	—	52,846
10.912	Environmental Quality Incentives Program	Direct	NR196740XXXXG004	—	34,472
10.912	Environmental Quality Incentives Program	Direct	NR203A750013G025	239,240	313,056
10.912	Environmental Quality Incentives Program	Direct	NR204310XXXXC027	—	6,108
10.912	Environmental Quality Incentives Program	Direct	NR206526XXXXG003	11,902	14,521
10.912	Environmental Quality Incentives Program	Direct	NR209104XXXXG003	—	7,567
10.912	Environmental Quality Incentives Program	Direct	NR216526XXXXC018	—	2,781
10.912	Environmental Quality Incentives Program	Direct	NR221320XXXXG002	—	70,565
10.912	Environmental Quality Incentives Program	Direct	NR222D37XXXXG004	—	33,213
10.912	Environmental Quality Incentives Program	Direct	NR223A750013G038	—	147,931
10.912	Environmental Quality Incentives Program	Direct	NR224741XXXXC006	—	31,507
10.912	Environmental Quality Incentives Program	Direct	NR230325XXXXG002	1,756	6,312
10.912	Environmental Quality Incentives Program	Direct	NR235C16XXXXC024	—	176,271
10.912	Environmental Quality Incentives Program	Direct	745F48211V6	—	8,624
10.912 Total				252,898	1,165,998
10.921	Conservation Security Program	Direct	NR230325XXXXG002	1,053	3,786
10.921 Total				1,053	3,786
10.924	Conservation Stewardship Program	National Fish and Wildlife Foundation	1903.22.074898	—	33,692
10.924	Conservation Stewardship Program	National Fish and Wildlife Foundation	2503.18.062009	—	(95)
10.924	Conservation Stewardship Program	National Fish and Wildlife Foundation	2505.20.070703	5,024	18,417
10.924	Conservation Stewardship Program	Direct	NR196740XXXXG004	—	103,417
10.924	Conservation Stewardship Program	Direct	NR200325XXXXG002	8,540	58,898
10.924	Conservation Stewardship Program	Direct	NR203A750023C024	—	101,609
10.924	Conservation Stewardship Program	Direct	NR204310XXXXC027	—	6,109
10.924	Conservation Stewardship Program	Direct	NR206322XXXXC009	21,520	170,355
10.924	Conservation Stewardship Program	Direct	NR206526XXXXG003	97,312	118,721
10.924	Conservation Stewardship Program	Direct	NR216526XXXXC018	—	13,905
10.924 Total				132,396	625,028
10.928	Emergency Watershed Protection Program – Floodplain Easements Disaster Relief Appropriations Act	Direct	68-2C31-17-200	—	4,351
10.928 Total				—	4,351
10.931	Agricultural Conservation Easement Program	National Fish and Wildlife Foundation	0405.20.069980	32,050	63,800
10.931	Agricultural Conservation Easement Program	National Fish and Wildlife Foundation	1903.22.074898	—	33,692
10.931	Agricultural Conservation Easement Program	US Endowment for Forestry and Communities	22-00400	—	33,070
10.931	Agricultural Conservation Easement Program	National Fish and Wildlife Foundation	2505.20.070703	8,441	30,942
10.931	Agricultural Conservation Easement Program	Direct	5402112017U	—	1,561,875
10.931	Agricultural Conservation Easement Program	Direct	544209221EN	—	1,950,000
10.931	Agricultural Conservation Easement Program	Direct	5474422178E GSS	—	1,725,000
10.931	Agricultural Conservation Easement Program	Direct	547442217A7	—	61,000
10.931	Agricultural Conservation Easement Program	Direct	547442217A8	—	217,106

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10.931	Agricultural Conservation Easement Program	Direct	547442225FV	\$ —	900,750
10.931	Agricultural Conservation Easement Program	Direct	NR185C16XXXXC004	—	2,104,483
10.931	Agricultural Conservation Easement Program	Direct	NR193B19XXXXC008	—	2,553
10.931	Agricultural Conservation Easement Program	Direct	NR200325XXXXG002	8,231	56,768
10.931	Agricultural Conservation Easement Program	Direct	NR207103XXXXC036	—	158,951
10.931	Agricultural Conservation Easement Program	Direct	NR227217XXXXC020	—	130,625
10.931	Agricultural Conservation Easement Program	Direct	NR234423XXXXC069	—	576
10.931	Agricultural Conservation Easement Program	Direct	5474422178J	—	450,000
10.931	Agricultural Conservation Easement Program	Direct	NR230325XXXXG002	632	2,270
10.931 Total				49,354	9,483,461
10.937	Partnerships for Climate-Smart Commodities	American Forest Foundation	07202023 EFFICACI	—	383,316
10.937	Partnerships for Climate-Smart Commodities	National Fish and Wildlife Foundation	2004.23.79342	—	100,363
10.937	Partnerships for Climate-Smart Commodities	Direct	NR233A750004G005	897,257	1,717,031
10.937	Partnerships for Climate-Smart Commodities	Direct	NR243A750004G016	—	39,325
10.937 Total				897,257	2,240,035
10.U01	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.18.059583	—	4,880
10.U01 Total				—	4,880
10.U02	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.21.071246	727	9,008
10.U02 Total				727	9,008
10.U03	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.22.074887	62	6,617
10.U03 Total				62	6,617
10.U04	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.22.074889	35,219	98,816
10.U04 Total				35,219	98,816
10.U05	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.23.078619	—	31,840
10.U05 Total				—	31,840
10.U06	Department of Agriculture / UNKNOWN	US Endowment for Forestry and Communities	21-00219	—	84,182
10.U06 Total				—	84,182
10.U07	Department of Agriculture / UNKNOWN	Direct	23-CS-11094200-393	—	47,347
10.U07 Total				—	47,347
10.U08	Department of Agriculture / UNKNOWN	Hawaii Department of Land and Natural Resources	71069	—	69,248
10.U08 Total				—	69,248
10.U09	Department of Agriculture / UNKNOWN	Direct	ACEP-WRE-23-001	—	41,539
10.U09 Total				—	41,539
10.U10	Department of Agriculture / UNKNOWN	Direct	ACEP-WRE-23-002	—	42,492
10.U10 Total				—	42,492
U.S. Department of Agriculture Total				3,587,662	23,399,395

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U.S. DEPARTMENT OF COMMERCE:					
11.012	Integrated Ocean Observing System (IOOS)	Southeast Coastal Ocean Observing Regional Association	IOOS.23(81)TNC.MC.TOPIC2.1	\$ —	60,843
11.012 Total				—	60,843
11.022	Bipartisan Budget Act of 2018	Govt. of the USVI – Department of Planning & Natural Resources	SA_NA19NMF0220004	—	262,700
11.022 Total				—	262,700
11.307	Economic Development Cluster – Economic Adjustment Assistance	West Virginia University Board of Governors on behalf of West Virginia University	22-298A-TNC	—	17,710
11.307	Economic Development Cluster – Economic Adjustment Assistance	Kansas Department of Commerce	FY23-EDATASK-NC	—	24,756
11.307 Total				—	42,466
11.419	Coastal Zone Management Administration Awards	City of Kingsland	122721 COK_FLOODPLAIN	—	5,000
11.419	Coastal Zone Management Administration Awards	Direct	NA23NOS4190250	—	77,838
11.419 Total				—	82,838
11.431	Climate and Atmospheric Research	Conservation Science Partners	SC-TNC-NOAA202012	—	32,942
11.431 Total				—	32,942
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	Idaho Office of Species Conservation	012 20 SA	—	45,310
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	Washington State Recreation and Conservation Office	19-1522	—	5,150
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	Oregon Watershed Enhancement Board	220-1001-16971	—	9,259
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	Oregon Watershed Enhancement Board	222 7000 22831	—	68,850
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	Oregon Watershed Enhancement Board	222-5043-22297	—	43,310
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	Washington State Recreation and Conservation Office	23-1125	—	14,891
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	Idaho Office of Species Conservation	IOSC 006 22 SA	—	2,806
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	Idaho Office of Species Conservation	PCSRF 019 19 SA	119,979	125,227
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	California Department of Fish and Wildlife	Q1910520	—	45,086
11.438 Total				119,979	359,889
11.441	Regional Fishery Management Councils	South Atlantic Fishery Management Council	SA-23-101	—	59,441
11.441	Regional Fishery Management Councils	South Atlantic Fishery Management Council	SA-24-103	—	26,781
11.441 Total				—	86,222
11.454	Unallied Management Projects	Direct	NA20NMF4540078	4,448	40,772
11.454	Unallied Management Projects	Direct	NA23NMF4540361	—	65,152
11.454 Total				4,448	105,924
11.457	Chesapeake Bay Studies	Direct	NA18NMF4570274	—	77,632
11.457 Total				—	77,632
11.463	Habitat Conservation	Washington State Department of Fish and Wildlife	19-15089	—	71,083
11.463	Habitat Conservation	Direct	NA18NMF4630223	—	138,821
11.463	Habitat Conservation	Direct	NA19NMF4630075	18,151	2,729,661
11.463	Habitat Conservation	Direct	NA19NMF4630281	—	910,056
11.463	Habitat Conservation	Direct	NA21NMF4630545	—	129,423
11.463	Habitat Conservation	Direct	NA21NMF4630551	383,144	2,869,895
11.463	Habitat Conservation	Direct	NA22NMF4630179	—	92,082
11.463	Habitat Conservation	Direct	NA23NMF4630008	20,936	138,448
11.463	Habitat Conservation	Direct	NA23NMF4630014	—	318,515

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11.463	Habitat Conservation	Direct	NA23NMF4630056	\$ 232,484	851,510
11.463	Habitat Conservation	Direct	NA23NMF4630057	19,765	107,393
11.463	Habitat Conservation	Direct	NA23NMF4630060	—	562,438
11.463	Habitat Conservation	Direct	NA23NMF4630074	—	981,005
11.463	Habitat Conservation	Direct	NA23NMF4630075	—	473,677
11.463	Habitat Conservation	Direct	NA23NMF4630081	—	127,528
11.463	Habitat Conservation	Direct	NA23NMF4630175	—	20,219
11.463	Habitat Conservation	Direct	NA23NMF4630452	—	310,290
11.463	Habitat Conservation	Pensacola & Perdido Bays Estuary Program Inc	NOAA23-02	—	21,838
11.463	Habitat Conservation	Atlantic Salmon Federation	PENOBSCOT ALEWIFE MONITOR	—	6,788
11.463 Total				674,480	10,860,670
11.469	Congressionally Identified Awards and Projects	Hawaii Department of Land and Natural Resources	C32488	63,166	237,801
11.469	Congressionally Identified Awards and Projects	Direct	NA22NMF4690327	—	52,896
11.469	Congressionally Identified Awards and Projects	Direct	NA22NOS4690206	117,065	195,276
11.469	Congressionally Identified Awards and Projects	Direct	NA23NMF4690213	—	58,445
11.469 Total				180,231	544,418
11.472	Unallied Science Program	National Fish and Wildlife Foundation	0303.22.073554	12,583	63,527
11.472	Unallied Science Program	Gulf of Maine Research Institute	20-MAXREM-22-TNC	—	14,567
11.472	Unallied Science Program	George Mason University	E2065082	—	2,304
11.472	Unallied Science Program	Direct	NA23NMF4720290	—	354,422
11.472 Total				12,583	434,820
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.19.065706	81,298	107,490
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.19.066847	—	141,069
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.20.069532	72,800	280,572
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.22.072700	—	114,365
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.22.073433	8,761	35,058
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.22.074228	—	91,745
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.23.075734	—	330,565
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.23.075911	—	11,936
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.23.076288	—	6,920
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.23.076442	—	78,985
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.24.080063	—	18,775
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.24.080273	—	1,406
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0319.24.080319	—	16,981
11.473	Coastal Services Center	Hawaii Department of Land and Natural Resources	70141	—	64,713
11.473	Coastal Services Center	The Virginia Institute of Marine Science	725186-712683	—	33,600
11.473	Coastal Services Center	Coastal States Stewardship Foundation	CSSF-NROC-TNC-2023	—	70,272
11.473	Coastal Services Center	National Oceanic and Atmospheric Administration	NA22NOS4730024	—	16,050
11.473	Coastal Services Center	Glynn Environmental Coalition	TNC-076131-2024-001	—	4,026
11.473 Total				162,859	1,424,528
11.478	Center for Sponsored Coastal Ocean Research_Coastal Ocean Program	George Mason University	E2049263	—	3,826
11.478	Center for Sponsored Coastal Ocean Research_Coastal Ocean Program	George Mason University	E2065151	—	8,219
11.478 Total				—	12,045

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11.482	Coral Reef Conservation Program	Hawaii Department of Land and Natural Resources	C40864	\$ —	50,000
11.482	Coral Reef Conservation Program	Direct	NA20NOS4820134	—	154,824
11.482	Coral Reef Conservation Program	Direct	NA22NOS4820123	—	255,208
11.482 Total				—	460,032
U.S. Department of Commerce Total				1,154,580	14,847,969
U.S. DEPARTMENT OF DEFENSE:					
12.017	Readiness and Environmental Protection Integration (REPI) Program	National Fish and Wildlife Foundation	0126.23.078475	—	112,034
12.017	Readiness and Environmental Protection Integration (REPI) Program	National Fish and Wildlife Foundation	0318.22.073433	385,497	1,542,556
12.017	Readiness and Environmental Protection Integration (REPI) Program	Longleaf Alliance	06.2023.00.00	—	10,980
12.017	Readiness and Environmental Protection Integration (REPI) Program	Trust for Public Land	102623 TPL REPI BOHART	—	5,575,577
12.017	Readiness and Environmental Protection Integration (REPI) Program	National Fish and Wildlife Foundation	1903.22.074891	68,573	133,849
12.017	Readiness and Environmental Protection Integration (REPI) Program	National Fish and Wildlife Foundation	1903.22.074898	—	42,116
12.017	Readiness and Environmental Protection Integration (REPI) Program	National Fish and Wildlife Foundation	1903.23.078619	—	15,919
12.017	Readiness and Environmental Protection Integration (REPI) Program	National Fish and Wildlife Foundation	1903.23.078663	—	17,858
12.017	Readiness and Environmental Protection Integration (REPI) Program	US Endowment for Forestry and Communities	23-00628	—	114,454
12.017	Readiness and Environmental Protection Integration (REPI) Program	Direct	W9124J-15-2-0003	6,146	144,698
12.017	Readiness and Environmental Protection Integration (REPI) Program	Direct	W9124J2220002	—	100,000
12.017 Total				460,216	7,810,041
12.401	National Guard Military Operations and Maintenance (O&M) Projects	Department of Defense	23-PSC-01-F	—	125,156
12.401	National Guard Military Operations and Maintenance (O&M) Projects	Mississippi Military Department	24-PSC-01-F	—	299,684
12.401	National Guard Military Operations and Maintenance (O&M) Projects	Maine Department of Defense, Veterans and Emergency Management	CT 15A 20230731 0208	—	8,169
12.401 Total				—	433,009
12.610	Community Economic Adjustment Assistance for Compatible Use and Joint Land Use Studies	Direct	W9124J-15-2-0003	23,413	551,193
12.610 Total				23,413	551,193
12.632	Legacy Resource Management Program/DOD	Longleaf Alliance	18.2021.00.00	—	929
12.632	Legacy Resource Management Program/DOD	National Fish and Wildlife Foundation	1903.20.067684	—	681
12.632	Legacy Resource Management Program/DOD	National Fish and Wildlife Foundation	1903.21.071241	—	12,121
12.632	Legacy Resource Management Program/DOD	National Fish and Wildlife Foundation	1903.21.071377	—	6,388
12.632 Total				—	20,119
12.U01	Department of Defense / UNKNOWN	University of Rhode Island	0010037/102423	—	74,777
12.U01 Total				—	74,777
12.U02	Department of Defense / UNKNOWN	Direct	W9124J-15-2-0005	—	1,433,531
12.U02 Total				—	1,433,531
12.U03	Department of Defense / UNKNOWN	Department of Defense	IPA000-21-0-0002	—	136,629
12.U03 Total				—	136,629
12.U04	Department of Defense / UNKNOWN	Department of Defense	IPA-2023-ECP-04	—	53,702
12.U04 Total				—	53,702
U.S. Department of Defense Total				483,629	10,513,001

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:					
14.251	Economic Development Initiative, Community Project Funding, and Miscellaneous Grants	Direct	B-22-CP-CT-0206	\$ —	3,985
14.251 Total				—	3,985
U.S. Department of Housing and Urban Development Total				—	3,985
U.S. DEPARTMENT OF THE INTERIOR:					
15.035	Forestry on Indian Lands	Confederated Salish & Kootenai Tribes	M18-046	—	17,417
15.035	Forestry on Indian Lands	Confederated Salish & Kootenai Tribes	M22-039	—	330,100
15.035 Total				—	347,517
15.153	Hurricane Sandy Disaster Relief Coastal Resiliency Grants.	Ducks Unlimited	04042024 LIGHTHOUSE	—	28,832
15.153 Total				—	28,832
15.228	National Fire Plan – Wildland Urban Interface Community Fire Assistance	Direct	L23AC00463-00	—	32,789
15.228	National Fire Plan – Wildland Urban Interface Community Fire Assistance	Direct	L23AC00683-00	—	53,586
15.228 Total				—	86,375
15.231	Fish, Wildlife and Plant Conservation Resource Management	National Fish and Wildlife Foundation	2503.18.062009	—	(31)
15.231	Fish, Wildlife and Plant Conservation Resource Management	Direct	L17AC00150	—	1,342
15.231 Total				—	1,311
15.233	Forests and Woodlands Resource Management	Direct	L19AC00298	15,757	240,497
15.233	Forests and Woodlands Resource Management	Direct	L22AC00489	—	12,126
15.233 Total				15,757	252,623
15.236	Environmental Quality and Protection Resource Management	Wyoming Department of Environmental Quality	72318 AML NATIVE PLANTS	—	5,934
15.236 Total				—	5,934
15.237	Rangeland Resource Management	Direct	L23AC00494	—	113,478
15.237 Total				—	113,478
15.244	Aquatics Resources Management	Direct	L23AC00583	—	14,186
15.244	Aquatics Resources Management	Direct	L23AC00658	17,459	354,632
15.244 Total				17,459	368,818
15.245	Plant Conservation and Restoration Management	Direct	L17AC00150	—	6,799
15.245	Plant Conservation and Restoration Management	Direct	L22AC00232-00	—	61,539
15.245	Plant Conservation and Restoration Management	Direct	L22AC00509-00	—	89,327
15.245	Plant Conservation and Restoration Management	Direct	L23AC00267-00	—	22,646
15.245	Plant Conservation and Restoration Management	Direct	L23AC00366-00	—	3,910
15.245 Total				—	184,221
15.246	Threatened and Endangered Species	Direct	L23AC00303	—	481
15.246 Total				—	481
15.247	Wildlife Resource Management	Direct	L19AC00107	—	8,408
15.247	Wildlife Resource Management	Direct	L20AC00523	—	133,667
15.247	Wildlife Resource Management	Direct	L22AC00234-00	—	158,661

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15.247	Wildlife Resource Management	Direct	L22AC00400	\$ —	23,118
15.247 Total				—	323,854
15.252	Abandoned Mine Land Reclamation (AMLR) Program	VA Department of Mines, Minerals and Energy	012120 AML PILOT	—	1,712
15.252	Abandoned Mine Land Reclamation (AMLR) Program	Wyoming Department of Environmental Quality	72318 AML NATIVE PLANTS	—	5,934
15.252 Total				—	7,646
15.255	Science and Technology Projects Related to Coal Mining and Reclamation	Direct	S21AC10091-00	1,134	94,936
15.255 Total				1,134	94,936
15.507	WaterSMART (Sustaining and Manage America's Resources for Tomorrow)	Direct	R22AP00603-00	—	1,179,498
15.507 Total				—	1,179,498
15.508	Providing Water to At-Risk Natural Desert Terminal Lakes	Direct	R17AP00014	785,194	1,432,649
15.508 Total				785,194	1,432,649
15.517	Fish and Wildlife Coordination Act	Tule Basin Land and Water Conservation Trust	102122-CAPINERCRKRESTPLAN	—	3,078
15.517	Fish and Wildlife Coordination Act	Delta Stewardship Council	DSC23009	—	15,576
15.517 Total				—	18,654
15.529	Upper Colorado and San Juan River Basins Endangered Fish Recovery Programs	Direct	R23AP00398	—	2,776,603
15.529 Total				—	2,776,603
15.535	Upper Colorado River Basin Fish and Wildlife Mitigation Program	Utah Reclamation and Mitigation Commission	21FC-UT-2480	—	12,235
15.535 Total				—	12,235
15.557	Desert and Southern Rockies Landscape Conservation Cooperatives	Direct	R23AP00024-00	—	41,908
15.557 Total				—	41,908
15.564	Central Valley Project Conservation Program	Direct	R20AP00045	—	4,631
15.564 Total				—	4,631
15.608	Fish and Wildlife Management Assistance	National Fish and Wildlife Foundation	0314.20.070503	—	200,000
15.608	Fish and Wildlife Management Assistance	Direct	F18AC00392	160,107	203,563
15.608	Fish and Wildlife Management Assistance	Direct	F20AP00129	—	2,545
15.608	Fish and Wildlife Management Assistance	Direct	F20AP10835	—	63,219
15.608	Fish and Wildlife Management Assistance	Direct	F21AC02380	50,000	86,042
15.608	Fish and Wildlife Management Assistance	Direct	F21AC02944-00	195,857	227,857
15.608	Fish and Wildlife Management Assistance	Direct	F21AC03262-00	—	2,440
15.608	Fish and Wildlife Management Assistance	Direct	F21AP03428-03	75,000	164,084
15.608	Fish and Wildlife Management Assistance	Direct	F22AC02675-00	28,395	83,398
15.608	Fish and Wildlife Management Assistance	Direct	F22AC02821-00	—	20,736
15.608	Fish and Wildlife Management Assistance	Direct	F22AP00001	—	23,278
15.608	Fish and Wildlife Management Assistance	Direct	F22AP02674-00	—	11,267
15.608	Fish and Wildlife Management Assistance	Direct	F22AP03052-00	—	238,577
15.608	Fish and Wildlife Management Assistance	Direct	F23AP00267	76,067	108,708

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15.608	Fish and Wildlife Management Assistance	Direct	F23AP02755-00	\$ —	25,060
15.608	Fish and Wildlife Management Assistance	Direct	F23AP03156	—	31,527
15.608 Total				585,426	1,492,301
15.614	Coastal Wetlands Planning, Protection and Restoration Act	State Coastal Conservancy	21-107	28,161	129,832
15.614	Coastal Wetlands Planning, Protection and Restoration Act	Oregon Watershed Enhancement Board	215-8005-15688	—	357,036
15.614	Coastal Wetlands Planning, Protection and Restoration Act	Oregon Watershed Enhancement Board	221-9903-19500	—	490,000
15.614	Coastal Wetlands Planning, Protection and Restoration Act	Hawaii Department of Land and Natural Resources	C20530	—	40,053
15.614	Coastal Wetlands Planning, Protection and Restoration Act	Washington State Department of Ecology	SEANCWCP-2023-NATCON00049	—	347,736
15.614 Total				28,161	1,364,657
15.615	Cooperative Endangered Species Conservation Fund	Arkansas Game and Fish Commission	01302023 LYDALISK SEC6	61,275	74,755
15.615	Cooperative Endangered Species Conservation Fund	Arkansas Game and Fish Commission	2023-262	—	2,003
15.615	Cooperative Endangered Species Conservation Fund	Mississippi Department of Wildlife Fisheries & Parks	2023GF	—	30,790
15.615	Cooperative Endangered Species Conservation Fund	Tennessee Wildlife Resources Agency	72937	—	8,185
15.615	Cooperative Endangered Species Conservation Fund	Texas Parks and Wildlife Department	CA-0004856	—	1,780,000
15.615	Cooperative Endangered Species Conservation Fund	Oregon Parks & Recreation Department	E30TW32	—	7,517
15.615	Cooperative Endangered Species Conservation Fund	California Department of Fish and Wildlife	Q2120100	—	33,167
15.615	Cooperative Endangered Species Conservation Fund	Idaho Office of Species Conservation	SR2101	95,129	95,129
15.615 Total				156,404	2,031,546
15.623	North American Wetlands Conservation Fund	Direct	F18AP00414	—	3,160
15.623	North American Wetlands Conservation Fund	Direct	F19AP00664	1,632,140	1,632,140
15.623	North American Wetlands Conservation Fund	Direct	F21AP0114700	—	826
15.623	North American Wetlands Conservation Fund	North Carolina Coastal Land Trust	F22AP01206	—	20,130
15.623	North American Wetlands Conservation Fund	Direct	F23AP00599	600,000	600,000
15.623	North American Wetlands Conservation Fund	Ducks Unlimited	IL-193-12	—	81,530
15.623	North American Wetlands Conservation Fund	Ducks Unlimited, Inc.	US-KS-28-17	—	884,000
15.623 Total				2,232,140	3,221,786
15.630	Coastal Program	Coastal Bend Bays and Estuaries Program	2220	—	55,000
15.630	Coastal Program	Direct	F18AC00714	—	(9,396)
15.630	Coastal Program	Direct	F19AC00064	—	346
15.630	Coastal Program	Direct	F20AC00108	—	3,575
15.630	Coastal Program	Direct	F20AC10773-00	—	13,065
15.630	Coastal Program	Direct	F21AC03830	—	10,426
15.630 Total				—	73,016
15.631	Partners for Fish and Wildlife	Direct	F18AC00392	—	2,824
15.631	Partners for Fish and Wildlife	Direct	F18AC00633	—	1,135
15.631	Partners for Fish and Wildlife	Direct	F19AC00538	—	6,941
15.631	Partners for Fish and Wildlife	Direct	F19AC00801	—	18,739
15.631	Partners for Fish and Wildlife	Direct	F19AC00825	—	113,587
15.631	Partners for Fish and Wildlife	Direct	F20AC00246	—	1,464
15.631	Partners for Fish and Wildlife	Direct	F20AC10783-00	—	304
15.631	Partners for Fish and Wildlife	Direct	F20AC10972-00	—	952
15.631	Partners for Fish and Wildlife	Longleaf Alliance	F20AC11223-009	—	17,275
15.631	Partners for Fish and Wildlife	Direct	F21AC03264	—	969
15.631	Partners for Fish and Wildlife	Direct	F22AC02588	38,000	108,421
15.631	Partners for Fish and Wildlife	Direct	F22AC02791	—	295,736
15.631	Partners for Fish and Wildlife	Direct	F23AC02059	—	32,252

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15.631	Partners for Fish and Wildlife	Clinch-Powell Resource Conservation and Development Council	RCD-TNC031523	\$ —	7,331
15.631	Partners for Fish and Wildlife	Direct	WIPO-23-051	—	10,000
15.631	Partners for Fish and Wildlife	Direct	WIPO-23-063	—	10,000
15.631 Total				38,000	627,930
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	03102020 SWG T94	—	(201)
15.634	State Wildlife Grants	Minnesota Department of Natural Resources	189004/3000183189	—	59,508
15.634	State Wildlife Grants	Florida Fish and Wildlife Conservation Commission	20001	—	962
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	2023-005	—	15,382
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	2023-162	—	9,257
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	2023-504	—	2,125
15.634	State Wildlife Grants	Florida Fish and Wildlife Conservation Commission	23042	—	105,880
15.634	State Wildlife Grants	Minnesota Department of Natural Resources	3000244856	—	53,914
15.634	State Wildlife Grants	Rhode Island Dept of Environmental Management	3203667	—	36,516
15.634	State Wildlife Grants	Rhode Island Dept of Environmental Management	3749998	—	61
15.634	State Wildlife Grants	Tennessee Wildlife Resources Agency	80579	—	79,237
15.634	State Wildlife Grants	Oklahoma Department of Wildlife Conservation	F20AF10556	—	30,302
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	T-107	—	4,380
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	T-111	—	2,234
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	T115	—	6,030
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	T120	26,500	43,824
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	T123	—	36,401
15.634 Total				26,500	485,812
15.635	Neotropical Migratory Bird Conservation	Direct	F21AP01678-00	—	159,638
15.635 Total				—	159,638
15.637	Migratory Bird Joint Ventures	Direct	F20AC10718	—	888
15.637	Migratory Bird Joint Ventures	Direct	F22AC02713-00	12,489	384,529
15.637	Migratory Bird Joint Ventures	Direct	F23AC01873	—	46,244
15.637	Migratory Bird Joint Ventures	Pheasants Forever	PCSR-FWS 2021-01	—	119,109
15.637	Migratory Bird Joint Ventures	Pheasants Forever	PCSR-FWS 2024-07	—	3,349
15.637	Migratory Bird Joint Ventures	Pheasants Forever	PCSR-FWS 2024-09	—	15,260
15.637 Total				12,489	569,379
15.654	Visitor Facility Enhancements – Refuges and Wildlife	Direct	F23AC01430	—	20,557
15.654	Visitor Facility Enhancements – Refuges and Wildlife	Direct	F23AC02056	—	23,116
15.654	Visitor Facility Enhancements – Refuges and Wildlife	Direct	F23AC02185	—	265,748
15.654 Total				—	309,421
15.655	Migratory Bird Monitoring, Assessment and Conservation	Direct	F22AC02804	—	70,843
15.655 Total				—	70,843
15.657	Endangered Species Conservation Recovery Implementation Funds	National Fish and Wildlife Foundation	1903.21.071246	1,818	22,521
15.657	Endangered Species Conservation Recovery Implementation Funds	National Fish and Wildlife Foundation	1903.21.071746	—	21,000
15.657	Endangered Species Conservation Recovery Implementation Funds	Direct	F19AP00221	—	13,352
15.657	Endangered Species Conservation Recovery Implementation Funds	Direct	F22AC01266-00	—	605
15.657	Endangered Species Conservation Recovery Implementation Funds	U.S. Fish and Wildlife Service	F23AC02642	46,788	69,063
15.657	Endangered Species Conservation Recovery Implementation Funds	Direct	F23AC02815	—	15,402
15.657	Endangered Species Conservation Recovery Implementation Funds	Direct	F23AP00364-00	—	250,000
15.657	Endangered Species Conservation Recovery Implementation Funds	Direct	F23AP02501-00	—	861,885

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15.657	Endangered Species Conservation Recovery Implementation Funds	Oregon Desert Land Trust	ORFO-092622-01JG	\$ —	11,406
15.657 Total				48,606	1,265,234
15.658	Natural Resource Damage Assessment, Restoration and Implementation	Mississippi State University	015900.341559.01	—	26,684
15.658 Total				—	26,684
15.662	Great Lakes Restoration	Oswego County Soil and Water Conservation District	031509-FLOWPA AIS	13,474	21,364
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.19.064501	—	113
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.20.067748	—	39,692
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.21.071857	—	60,084
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.21.071888	—	51,195
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.21.071891	108,170	125,776
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.21.071994	—	93,196
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.22.075039	—	16,580
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.22.075054	—	24,891
15.662	Great Lakes Restoration	Great Lakes Commission	05112021AISPHASEIV	19,378	78,779
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	2004.24.081703	—	5,420
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	2005.23.077095	12,197	34,842
15.662	Great Lakes Restoration	Great Lakes Commission	F22AP02769-00	—	6,317
15.662 Total				153,219	558,249
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0111.21.071123	18,819	36,168
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0302.21.071732	—	58,421
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0602.19.065721	194	4,317
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0801.17.059739	—	177
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0810.22.073955	—	53,688
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0810.23.078383	—	62,991
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1201.24.081727	—	6,382
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1901.18.061914	—	1,670
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1903.21.071246	1,818	22,521
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1906.22.073606	84,986	108,111
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1906.23.078071	—	24,500
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	2007.23.076479	—	80,689
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	2503.18.062009	—	(302)
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	2505.20.070703	5,713	20,944
15.663	National Fish and Wildlife Foundation	American Bird Conservancy	78359C	—	473,500
15.663 Total				111,530	953,777
15.664	Fish and Wildlife Coordination and Assistance Programs	Direct	F20AP00217	—	440,203
15.664 Total				—	440,203
15.669	Cooperative Landscape Conservation	Nebraska Game and Parks Commission	10102023 SANDHILLS FIRE	—	2,443
15.669	Cooperative Landscape Conservation	Missouri Department of Conservation	7132	—	27,961
15.669 Total				—	30,404
15.670	Adaptive Science	National Fish and Wildlife Foundation	0403.21.072033	—	73,817
15.670	Adaptive Science	National Fish and Wildlife Foundation	0403.22.075123	—	137,032
15.670	Adaptive Science	National Fish and Wildlife Foundation	0403.22.075186	—	43,039
15.670	Adaptive Science	American Bird Conservancy	79338-02	—	5,444
15.670	Adaptive Science	Direct	F21AC01957	—	2,070

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15.670	Adaptive Science	Ruffed Grouse Society & American Woodcock Society (RGS & AWS)	RGS_79796	\$ —	1,504
15.670 Total				—	262,906
15.674	National Fire Plan-Wildland Urban Interface Community Fire Assistance	Direct	F23AC02977	—	232,055
15.674	National Fire Plan-Wildland Urban Interface Community Fire Assistance	Direct	F23AC02999-00	—	666,897
15.674 Total				—	898,952
15.686	National Fish Habitat Partnership	Direct	F23AC01933	—	2,274
15.686	National Fish Habitat Partnership	Direct	F23AC02120	—	21,720
15.686 Total				—	23,994
15.808	U.S. Geological Survey_ Research and Data Collection	Direct	G23AC00291-00	—	45,890
15.808 Total				—	45,890
15.875	Economic, Social, and Political Development of the Territories	Direct	D22AP00217-00	75,400	167,940
15.875	Economic, Social, and Political Development of the Territories	Direct	D23AP00154-00	—	53,337
15.875	Economic, Social, and Political Development of the Territories	Govt. of the USVI – Department of Planning & Natural Resources	SA_CZMP20231003	—	51,548
15.875 Total				75,400	272,825
15.944	Natural Resource Stewardship	Direct	P17AC01110	—	19,144
15.944	Natural Resource Stewardship	Direct	P22AC00266-00	—	183,472
15.944	Natural Resource Stewardship	Direct	P23AC02063	—	31,729
15.944 Total				—	234,345
15.945	Cooperative Research and Training Programs Resources of the National Park System	Direct	P20AC00948	—	118,171
15.945	Cooperative Research and Training Programs Resources of the National Park System	Direct	P22AC02126	—	2,756,333
15.945	Cooperative Research and Training Programs Resources of the National Park System	Direct	P23AC02291-00	—	212,802
15.945 Total				—	3,087,306
15.957	Emergency Supplemental Historic Preservation Fund	USVI DPNR VI State Historic Preservation Office (VISHPO)	VI-02-10014	—	47,609
15.957 Total				—	47,609
15.U01	Department of the Interior / UNKNOWN	Leech Lake Band of Ojibwe	2019073	—	6,126
15.U01 Total				—	6,126
15.U02	Department of the Interior / UNKNOWN	American Forests	60AE2782-E8A8-4908-A0C3-C	—	4,532
15.U02 Total				—	4,532
15.U03	Department of the Interior / UNKNOWN	Bureau of Land Management	063023 BLM TWINGOLDCREEK	—	48,000
15.U03 Total				—	48,000
15.U04	Department of the Interior / UNKNOWN	Bureau of Land Management	BLMHASSONIPA	—	16,032
15.U04 Total				—	16,032
15.U05	Department of the Interior / UNKNOWN	Department of Interior	MCT1086DOI202415	—	45,000
15.U05 Total				—	45,000
U.S. Department of the Interior Total				4,287,419	25,956,601

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U.S. DEPARTMENT OF STATE:					
19.017	Environmental and Scientific Partnerships and Programs	Direct	S-LMAQM-16-GR-1290	\$ (3,131)	(3,867)
19.017 Total				(3,131)	(3,867)
U.S. Department of State Total				(3,131)	(3,867)
U.S. DEPARTMENT OF THE TREASURY:					
21.015	Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	Bay County, Florida	2023-R07	46,345	104,561
21.015	Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	TCEQ10 Texas Commission on Environmental Quality	582-19-97172	—	41,514
21.015 Total				46,345	146,075
21.027	Coronavirus State and Local Fiscal Recovery Funds	County of Ontario	10062023 ONTARIO CO/ARPA	—	32,960
21.027	Coronavirus State and Local Fiscal Recovery Funds	Utah Department Of Agriculture and Food	231041	—	46,872
21.027	Coronavirus State and Local Fiscal Recovery Funds	WI Department of Natural Resources	ARPA-NCO-001	—	29,000
21.027	Coronavirus State and Local Fiscal Recovery Funds	NH Department of Environmental Services	CW-334412-01	—	37,411
21.027 Total				—	146,243
U.S. Department of the Treasury Total				46,345	292,318
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION:					
43.001	Science	Direct	80NSSC22K1816	—	109,435
43.001	Science	Direct	80NSSC24K0594	—	128,818
43.001 Total				—	238,253
National Aeronautics and Space Administration Total				—	238,253
ENVIRONMENTAL PROTECTION AGENCY:					
66.123	Puget Sound Action Agenda: Technical Investigations and Implementation Assistance Program	Washington State Department of Ecology	WQNEPSW-2023-NATCON-00002	—	162,342
66.123 Total				—	162,342
66.129	Southeast New England Coastal Watershed Restoration	Rhode Island Dept of Environmental Management	3717348	—	13,000
66.129	Southeast New England Coastal Watershed Restoration	University of Southern Maine	SNEP01-02	—	13,001
66.129 Total				—	26,001
66.130	Gulf Coast Ecosystem Restoration Council Comprehensive Plan Component	Direct	00D80221	—	332
66.130 Total				—	332
66.437	Long Island Sound Program	National Fish and Wildlife Foundation	1401.22.073323	46,705	100,695
66.437	Long Island Sound Program	National Fish and Wildlife Foundation	1401.22.073767	36,225	48,605
66.437	Long Island Sound Program	National Fish and Wildlife Foundation	1401.24.081906	17,096	38,064
66.437	Long Island Sound Program	Bronx River Alliance, Inc	091724 NFWF BRA WATER INF	—	633
66.437 Total				100,026	187,997
66.456	National Estuary Program	Roger Williams University	SG-2232008-007-NCRI	—	11,958
66.456	National Estuary Program	Audubon Society of Rhode Island	TNC03012022	—	2,568
66.456 Total				—	14,526

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66.460	Nonpoint Source Implementation Grants	NH Department of Environmental Services	177785-B002	\$ —	121,564
66.460	Nonpoint Source Implementation Grants	Ohio Environmental Protection Agency	21(H)EPA-26/TNC-FD31921	—	122,719
66.460	Nonpoint Source Implementation Grants	Department of Health – Clean Water Branch	ASO LOG NO. 20-165	—	188,693
66.460	Nonpoint Source Implementation Grants	MO Department of Natural Resources	G22-NPS-04	—	30,177
66.460	Nonpoint Source Implementation Grants	Clinch-Powell Resource Conservation and Development Council	RCD-TNC 040221	—	7,625
66.460	Nonpoint Source Implementation Grants	NH Department of Environmental Services	RI-21-C-01	—	21,398
66.460	Nonpoint Source Implementation Grants	Arkansas Natural Resources Commission	22-1500	27,300	37,153
66.460	Nonpoint Source Implementation Grants	Arkansas Natural Resources Commission	SGA 20-1500	—	181,503
66.460	Nonpoint Source Implementation Grants	Arkansas Natural Resources Commission	SGA 20-900	72,935	78,188
66.460 Total				100,235	789,020
66.466	Chesapeake Bay Program	Sustainable Chesapeake	022723-SUS CHES NFWF 7520	—	8,107
66.466	Chesapeake Bay Program	National Fish and Wildlife Foundation	0602.19.065721	7,295	162,488
66.466	Chesapeake Bay Program	National Fish and Wildlife Foundation	0602.23.078477	—	20,549
66.466	Chesapeake Bay Program	National Fish and Wildlife Foundation	0603.22.075637	—	33,300
66.466	Chesapeake Bay Program	The Mid-Atlantic 4R Nutrient Stewardship Association	068263-003	—	33,948
66.466 Total				7,295	258,392
66.469	Great Lakes Program	Indiana Department of Natural Resources	60866	—	282,140
66.469	Great Lakes Program	Direct	00E02810	28,655	207,511
66.469	Great Lakes Program	Ohio Department of Natural Resources	20191211 ODNR EPA MBSP	—	382
66.469	Great Lakes Program	Ohio Department of Natural Resources	2022-1815	—	160,135
66.469	Great Lakes Program	Michigan Department of Natural Resources	FISH 2022-11	—	38,021
66.469	Great Lakes Program	Minnesota Department of Natural Resources	3000231555	—	52,344
66.469 Total				28,655	740,533
66.475	Gulf of Mexico Program	Direct	02D19222	36,922	57,933
66.475	Gulf of Mexico Program	Direct	02D19322	38,932	139,426
66.475 Total				75,854	197,359
66.481	Lake Champlain Basin Program	New England Interstate Water Pollution Control Commission	LC00A00981 / LS-2023-003	—	39,372
66.481	Lake Champlain Basin Program	New England Interstate Water Pollution Control Commission	LS-2023-076	—	281
66.481	Lake Champlain Basin Program	New England Interstate Water Pollution Control Commission	LS-BIL-2023-077	—	738
66.481 Total				—	40,391
66.485	Gulf Hypoxia Program	Arkansas Natural Resources Commission	GHP-22-200	—	699
66.485 Total				—	699
66.605	Performance Partnership Grants	New Jersey Department of Environmental Protection	WQR-2020-TNC-00078	—	1,364
66.605 Total				—	1,364
66.818	Brownfields Assessment and Cleanup Cooperative Agreements	Direct	96378601	—	1,680
66.818 Total				—	1,680
66.964	Geographic Programs-Chesapeake Bay Program Implementation, Regulatory/Accountability and Monitoring Grants	Chesapeake Bay Trust	22837	—	227,770
66.964 Total				—	227,770

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66.U01	Environmental Protection Agency / UNKNOWN	Partnership for Gulf Coast Land Conservation	PAF-00D80121-012	\$ —	25,000
66.U01 Total				—	25,000
Environmental Protection Agency Total				312,065	2,673,406
U.S. DEPARTMENT OF ENERGY:					
81.U01	Department of Energy / UNKNOWN	Direct	CLN201483	—	59,164
81.U01 Total				—	59,164
U.S. Department of Energy Total				—	59,164
U.S. ENVIRONMENTAL PROTECTION AGENCY - GULF COAST ECOSYSTEM RESTORATION COUNCIL:					
87.052	Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program	MS Department of Environmental Quality	20-00077	—	39,579
87.052 Total				—	39,579
U.S. Environmental Protection Agency - Gulf Coast Ecosystem Restoration Council Total				—	39,579
DEPARTMENT OF HOMELAND SECURITY:					
97.039	Hazard Mitigation Grant	Virgin Islands Territorial Emergency Management Agency (VITEMA)	HMGP 4335-0009	—	169,008
97.039 Total				—	169,008
97.045	Cooperating Technical Partners	Direct	EMF-2020-CA-00006	—	2,402
97.045	Cooperating Technical Partners	Direct	EMF-2021-CA-00007	—	78,608
97.045	Cooperating Technical Partners	Direct	EMF-2022-CA00016	—	196,764
97.045	Cooperating Technical Partners	Direct	EMN-2021-CA-00013-S01	—	24,784
97.045	Cooperating Technical Partners	Direct	EMN-2022-CA-00013-S01	—	63,493
97.045 Total				—	366,051
Department of Homeland Security Total				—	535,059
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT:					
98.001	USAID Foreign Assistance for Programs Overseas	Yayasan Keanekaragaman Hayati (KEHATI)	001/KHT/LGL/SUB-AGRMNT	—	1,521,164
98.001	USAID Foreign Assistance for Programs Overseas	DT Global, Inc	4752-001-CRA-002	—	323,892
98.001	USAID Foreign Assistance for Programs Overseas	Direct	72052321CA00001	2,757,343	5,231,341
98.001	USAID Foreign Assistance for Programs Overseas	Direct	72061121CA00003	727,149	2,527,916
98.001	USAID Foreign Assistance for Programs Overseas	Direct	72067422CA00002	485,559	1,218,529
98.001	USAID Foreign Assistance for Programs Overseas	Direct	720FDA19CA00029	—	154,210
98.001	USAID Foreign Assistance for Programs Overseas	Sociedad Peruana de Derecho Ambiental	DOC-2805/005-2021	—	75,163
98.001	USAID Foreign Assistance for Programs Overseas	Micronesia Conservation Trust	MCT1088PAF202287	—	44,566
98.001	USAID Foreign Assistance for Programs Overseas	The Nature Conservancy	EKŽ/TEP/USAID/4/2022	—	67,807
98.001 Total				3,970,051	11,164,588
98.U01	USAID Foreign Assistance for Programs Overseas	Chemonics International Inc.	FO-TM-002	—	97,132
98.U01 Total				—	97,132
U.S. Agency for International Development Total				3,970,051	11,261,720
Total all other federal expenditures				13,838,620	89,816,583
Total federal expenditures				\$ 13,894,522	92,283,054

See accompanying independent auditors' report.

THE NATURE CONSERVANCY

Notes to Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2024

(1) Basis of presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) summarizes the federal expenditures of The Nature Conservancy (The Conservancy) under programs of the U.S. federal government for the year ended June 30, 2024. The amounts reported as federal expenditures were obtained from The Conservancy's financial system. Because the Schedule presents only a selected portion of the operations of The Conservancy, it is not intended to and does not present the consolidated financial position, changes in net assets and cash flows of The Conservancy.

The Schedule includes all grants, contracts, and similar agreements entered into directly between The Conservancy and agencies and departments of the U.S. federal government or passed through directly to The Conservancy through agencies receiving federal funding.

The schedule also includes the amounts awarded to subrecipients, which includes approximately \$13.9 million of subawards to organizations assisting in project implementation in FY 2024.

The Conservancy has a negotiated indirect cost rate agreement with the Department of the Interior as the cognizant agency for indirect costs. As such, The Conservancy is not eligible to use the 10 percent de minimis indirect cost rate allowed under Uniform Guidance.

(2) Summary of significant accounting policies

For the purpose of the Schedule, expenditures for federal award programs are recognized on the accrual basis of accounting. Negative amounts on the Schedule are adjustments to expenditures reported in the prior year in the course of normal business. Full assistance listing numbers and pass-through numbers are presented when available.

THE NATURE CONSERVANCY
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2024

(1) Summary of Auditor's Results

Financial Statements

Type of auditors' report issued: Unmodified opinion

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X None reported

Type of auditors' report issued on compliance for major programs: Unmodified opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) _____ Yes X No

Identification of Major Programs

Assistance Listing

Numbers:	Name of Federal Program of Cluster
11.463	Habitat Conservation
15.529	Upper Colorado and San Juan River Basins Endangered Fish Recovery
98.001	USAID Foreign Assistance for Programs Overseas

Dollar threshold used to distinguish between type A and type B programs: \$ 2,768,491

Auditee qualified as low-risk auditee? X Yes _____ No

(2) Financial Statement Findings

None identified.

(3) Federal Award Findings and Questioned Costs

None identified.

THE NATURE CONSERVANCY
Schedule of Findings and Questioned Costs
For the Year ended June 30, 2024

(2) Financial Statement Findings

None identified.

(3) Federal Award Findings and Questioned Costs

None identified.



KPMG LLP
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1300 South West Fifth Avenue
Portland, OR 97201

Independent Auditors' Report on Supplementary Information

The Board of Directors
The Nature Conservancy:

We have audited the consolidated financial statements of the Nature Conservancy (The Conservancy) as of and for the year ended June 30, 2024, and have issued our report thereon dated December 20, 2024 which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of compensation, reimbursements, benefits and other payments to agency head, political subdivision head, or chief executive officer for the year ended June 30, 2024 is presented for purposes of additional analysis as required by Louisiana Legislative Auditor and is not a required part of the consolidated financial statements. Such 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 audit of the consolidated financial statements and certain additional procedures, including 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

Portland, Oregon
December 20, 2024

THE NATURE CONSERVANCY

Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency
Head, Political Subdivision Head, or Chief Executive Officers

For the Year Ended June 30, 2024

Name: Jennifer Morris
Title: Chief Executive Officer

	July 1, 2023 – June 30, 2024
Purpose	Amount Paid with Public Funds
Salary	—
Fringe Benefits - Medical	—
Fringe Benefits - Retirement	—
Fringe Benefits - Insurance	—
Fringe Benefits - Pre-tax Health	—
Reimbursements	—
Total	—



KPMG LLP
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Independent Accountants' Agreed-Upon Procedures Report

The Board of Directors
The Nature Conservancy

We have performed the procedures enumerated in Appendix A, related to The Nature Conservancy's compliance with the Louisiana Legislative Auditor – Statewide Agreed-Upon Procedures for the year ended June 30, 2024 ("the specified requirements"). Management of The Nature Conservancy is responsible for compliance with the specified requirements and for the subject matter.

The Nature Conservancy has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of assisting the Louisiana Legislative Auditor in determining compliance with the specified requirements. This report may not be suitable for any other purpose. Additionally, the Louisiana Legislative Auditor has agreed to and acknowledged that the procedures performed are appropriate for its purposes. No other parties have agreed to or acknowledged the appropriateness of these procedures for the intended purpose or any other purpose.

The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. We make no representation regarding the appropriateness of the procedures either for the intended purpose or for any other purpose.

The procedures performed and results thereof are included in Appendix A.

We were engaged by The Nature Conservancy to perform this agreed-upon procedures engagement. We conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, which involves us performing the specific procedures agreed to and acknowledged above and reporting on findings based on performing those procedures. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on The Nature Conservancy's compliance with the specified requirements. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of The Nature Conservancy and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of management of The Nature Conservancy and the Louisiana Legislative Auditor, and is not intended to be, and should not be, used by anyone other than the specified parties.

KPMG LLP

Portland, Oregon
December 20, 2024

Specified Procedures	Results
<i>1) Written Policies and Procedures</i>	
A. Obtain and inspect the entity's written policies and procedures and observe whether they address each of the following categories and subcategories if applicable to public funds and the entity's operations: ¹	KPMG obtained written policies and procedures from the Grant Services Department and observed whether they contained the topics as detailed below. No exceptions noted.
i) Budgeting , including preparing, adopting, monitoring, and amending the budget.	KPMG obtained from the Grant Services Department the policies titled 'Grants Manual Chapter 17. Budgeting, Quarterly Review, and Financial Reports, revised July 2020' and 'Grants Manual Chapter 1. Overview' and observed that the policies contained a topic with the following title: Budgeting (including the sub-topics of preparing, adopting, monitoring, and amending the budget). No exceptions noted.
ii) Purchasing , including (1) how purchases are initiated, (2) how vendors are added to the vendor list, (3) the preparation and approval process of purchase requisitions and purchase orders, (4) controls to ensure compliance with the Public Bid Law, and (5) documentation required to be maintained for all bids and price quotes.	KPMG obtained the Financial Management Handbook (FMH) from the Grant Services Department, which included the policies titled 'FMH.7 Expenses and Payments: Vendor and Payee Records, revised June 2020', 'Grants Manual 9. Purchasing and Procurement, revised October 2018', 'Finance – Purchasing SOP', and 'Checklist/Documentation for Procurement of Goods and Services (\$25,001-\$100,000).' KPMG observed that the policies contained a topic with the following title: Purchasing (including the following sub-topics: (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes). No exceptions noted.
iii) Disbursements , including processing, reviewing, and approving.	KPMG obtained from the Grant Services Department the policies titled 'FMH.7 Expenses and Payments: Payment Procedures – Payment Guidelines, revised June 2020', 'FMH.7 Expenses and Payments: Introduction to Expenses at TNC, revised June 2020', and 'Finance – Disbursement Authority SOP'. KPMG observed that the policies contained a topic with the following title: Disbursements (including the sub-topics of processing, reviewing, and approving). No exceptions noted.
iv) Receipts/Collections , including receiving, recording, and preparing deposits. Also, policies and procedures should include management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g., periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation).	KPMG obtained from the Grant Services Department the policies titled 'Grant Manual, Chapter 16 – Agreement Accounting', 'Finance – Cash Receipting SOP', 'FMH.5 Banking and Receipting: Accounts Receivable – Public Awards Receivable, revised June 2020', 'FMH.5 Banking and Receipting: Cash Receipting – Accounting for Cash Receipts, revised June 2020', 'FMH.5 Banking and Receipting: Cash Receipting – Banking and Deposits Overview for US, revised June 2022', 'FMH.5 Banking and Receipting: Cash Receipting – Frequency of Deposits, revised June 2020' and 'FMH.5 Banking and Receipting: Cash Receipting – Creating a Bank Deposit via CashPro, revised June 2020'. KPMG observed that the policies contained a topic with the following title: Receipts / Collections (including the sub-topics of receiving, recording, and preparing deposits as well as management's actions to determine the completeness of all collections for each type of revenue or agency fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, agency fund forfeiture monies confirmation). No exceptions noted.

Specified Procedures	Results
v) Payroll/Personnel , including (1) payroll processing, (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee rates of pay or approval and maintenance of pay rate schedules.	KPMG obtained from the Grant Services Department the policies titled 'People Team – Compensation, Benefits, and Leave SOP', 'Equity Adjustments, updated September 2021', 'Compensation, Benefits, and Leave SOP - Time Reporting Quick Guide', and 'Annual Gender & Ethnicity Equity Analysis Process'. KPMG observed that the policies contained a topic with the following title: Payroll / Personnel (including the following sub-topics: (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked), and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules. No exceptions noted.
vi) Contracting , including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.	KPMG obtained from the Grant Services Department the policies titled 'Grants Manual – Overview', 'Grants Manual, Chapter 10 – Contracting for Goods and Services, revised May 2016', 'Legal – Agreements SOP', and 'Contract for Services – Long Form Template'. KPMG observed that the policies contained a topic with the following title: Contracting (including the following sub-topics: (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process). No exceptions noted.
vii) Travel and expense reimbursement , including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.	KPMG obtained from the Grant Services Department the policies titled 'FMH.7 Expenses and Payments: Global Travel Management – Miscellaneous Travel, revised November 2021', 'FMH.7 Expenses and Payments: Employee Expense Reporting, revised December 2021', 'FMH.7 Expenses and Payments: Global Travel Management – Global Travel Management, revised November 2021', 'FMH.7 Expenses and Payments: Global Travel Management – Air Travel, revised February 2023', 'FMH.7 Expenses and Payments: Global Travel Management – Lodging, revised March 2022', 'FMH.7 Expenses and Payments: Global Travel Management – Ground Transportation, revised August 2023', 'FMH.7 Expenses and Payments: Global Travel Management – Meals, Alcohol, and Entertainment, revised November 2021', and 'Finance – Global Travel Management SOP'. KPMG observed that the policies contained a topic with the following title: Travel and expense reimbursement (including the following sub- topics: (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers). No exceptions noted.
viii) Credit Cards (and debit cards, fuel cards, purchase Cards, if applicable) , including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).	KPMG obtained from the Grant Services Department the policies titled 'Finance – Credit Card Program SOP', 'FMH.7 Expenses and Payments: Corporate Credit Card Program – Corporate Card SOP, revised June 2020', 'FMH.7 Expenses and Payments: Corporate Credit Card Program – Corporate Card SOP – Acceptable Use of Corporate Cards, August 2024' and 'FMH.7 Expenses and Payments: Employee Expense Reporting SOP, revised December 2021'. KPMG observed that the policies contained a topic with the following title: Credit Cards – and debit cards, fuel cards, P-Cards if applicable (including the following sub-topics: (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases). No exceptions noted.

Specified Procedures	Results
ix) Ethics , including (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy. ²	KPMG obtained from the Grant Services Department the policies titled 'The Nature Conservancy Ethics and Compliance Office Charter', 'HR and Ethics & Compliance - Workplace Conduct, Harassment Prevention and Reporting', 'HR - Reporting Suspected Violations of Law and Policy', and 'Our Code of Conduct: At a Glance', in addition to The Nature Conservancy Ethics & Compliance Helpline, and the annual mandatory ethics training. KPMG observed that the policies contained a topic with the following title: Ethics (including the following sub-topics: (1) the prohibitions as defined in Louisiana Revised Statute (R.S.) 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy. No exceptions noted.
x) Debt Service , including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.	Procedure not applicable for the purposes of the Louisiana Statewide Agreed-Upon Procedures for The Nature Conservancy.
xi) Information Technology Disaster Recovery/Business Continuity , including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.	KPMG obtained from the Grant Services Department policies titled 'Information Technology Security of Technology Resources - SOP', Technology and Information Systems - Information Security, revised October 2017', including the following sub-topics: (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event. No exceptions noted.
xii) Prevention of Sexual Harassment , including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.	KPMG obtained from the Grant Services Department policies titled 'Human Resources and Ethics & Compliance - Workplace Conduct, Harassment Prevention and Reporting, revised October 2019', and 'Human Resources - Reporting Suspected Violations of Law and Policy, revised October 2017', including the following sub-topics: (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting. No exceptions noted.
¹ For governmental organizations, the practitioner may eliminate those categories and subcategories not applicable to the organization's operations. For quasi-public organizations, including nonprofits, the practitioner may eliminate those categories and subcategories not applicable to public funds administered by the quasi-public.	
² The Louisiana Code of Governmental Ethics (Ethics Code) is generally not applicable to nonprofit entities but may be applicable in certain situations, such as councils on aging. If the Ethics Code is applicable to a nonprofit, the nonprofit should have written policies and procedures relating to ethics.	
2) Board or Finance Committee³	
A. Obtain and inspect the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent document in effect during the fiscal period, and	KPMG obtained from The Nature Conservancy Arlington Office Management the Board of Directors and Finance Committee minutes for each meeting which occurred during the fiscal period (7/1/23 – 6/30/24), as well as The Nature Conservancy Bylaws in effect during the fiscal period, which govern both the Board of Directors and Finance Committee. Board of Directors meeting minutes obtained: October 17-19, 2023, December 12, 2023, February 26 - 29, 2024, April 16, 2024, June 3 - 6, 2024, September 17, 2024, October 15 - 18, 2024. Finance Committee meeting minutes obtained: October 10, 2023, February 13, 2024, May 30, 2024, and October 10, 2024. No exceptions noted.

Specified Procedures	Results
i) Observe that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.	KPMG inspected the minutes obtained in procedure 2A above and observed that the minutes indicated both the Board of Directors and Finance Committee met with a quorum in accordance with the frequency set forth in The Nature Conservancy Bylaws, as amended and restated February 23, 2023. No exceptions noted.
ii) For those entities reporting on the governmental accounting model, observe whether the minutes referenced or included monthly budget-to-actual comparisons on the general fund, quarterly budget-to-actual comparisons, at a minimum, on all proprietary funds ⁴ , and semiannual budget-to-actual comparisons, at a minimum, on all special revenue funds. Alternatively, for those entities reporting on the not-for-profit accounting model, observe that the minutes referenced or included financial activity relating to public funds ⁵ if those public funds comprised more than 10% of the entity's collections during the fiscal period.	Procedure not applicable for the purposes of the Louisiana Agreed-Upon procedures for The Nature Conservancy.
iii) For governmental entities, obtain the prior year audit report and observe the unassigned fund balance in the general fund. If the general fund had a negative ending unassigned fund balance in the prior year audit report, observe that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the general fund.	Procedure not applicable for the purposes of the Louisiana Agreed-Upon procedures for The Nature Conservancy.
iv) Observe whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved. ⁶	Procedure not applicable as there were no findings and no corrective action plan.
³ These procedures are not applicable to entities managed by a single elected official, such as a sheriff or assessor.	
⁴ Proprietary fund types are defined under GASB standards and include enterprise and internal service funds. The related procedure addresses these funds as a way to verify that boards are provided with financial information necessary to make informed decisions about entity operations, including proprietary operations that are not required to be budgeted under the Local Government Budget Act.	
⁵ R.S. 24:513 (A)(1)(b)(iv) defines public funds.	
⁶ No exception is necessary if management's opinion is that the cost of taking corrective action for findings related to improper segregation of duties or inadequate design of controls over the preparation of the financial statements being audited exceeds the benefits of correcting those findings.	
3) Bank Reconciliations	
A. Obtain a listing of entity bank accounts for the fiscal period from management and management's representation that the listing is complete. Ask management to identify the entity's main operating account. Select the entity's main operating account and randomly select 4 additional accounts ⁷ (or all accounts if less than 5). Randomly select one month from the fiscal period, obtain and inspect the corresponding bank statement and reconciliation for each selected account, and observe that:	KPMG obtained from management a listing of client bank accounts for the fiscal period used in the state of Louisiana and indicating which account is the main operating account. KPMG obtained a written representation from management that the list is a complete list of all bank accounts utilized in the state of Louisiana. KPMG selected the main operating account as identified by management on the listing, as well as 4 additional accounts randomly selected. For each client bank account selected, KPMG randomly selected one month from the fiscal period, and obtained the bank statement and reconciliation for each selected account, and observed the following (see procedures 3.A.i, 3.A.ii, and 3.A.iii below):
i) Bank reconciliations include evidence that they were prepared within 2 months of the related statement closing date (e.g., initialed and dated or electronically logged);	KPMG observed that a typed name appeared either in the preparer box of the bank reconciliation template obtained or within the 'Bank Reconciliation Status Report', with a corresponding date within 2 months of the related statement closing date for the selected months. No exceptions noted.

Specified Procedures	Results
<p>ii) Bank reconciliations include written evidence that a member of management or a board member who does not handle cash, post ledgers, or issue checks has reviewed each bank reconciliation within 1 month of the date the reconciliation was prepared (e.g., initialed and dated or electronically logged); and</p>	<p>KPMG observed that a typed name appeared either in the reviewer box of the bank reconciliation template obtained or within the 'Bank Reconciliation Status Report'. We inquired of the Director of Finance – Louisiana Field Office and Director of Operations – Louisiana Field Office, whether the signing individual handed cash, posted ledgers or issued checks, noting that these individuals did not handle cash, post ledgers, or issue checks.</p> <p>KPMG obtained a written representation that the signing individuals did not handle cash, post ledgers, or issued checks.</p> <p>No exceptions noted.</p>
<p>iii) Management has documentation reflecting it has researched reconciling items that have been outstanding for more than 12 months from the statement closing date, if applicable.</p>	<p>KPMG observed whether the bank reconciliations had indicated any reconciling items (i.e. deposits in transit, outstanding checks, or other adjustments) within the reconciliation template, and whether any of these reconciling items have been outstanding for more than 12 months based on the date noted.</p> <p>For the June 2024 bank reconciliation for account 101200 named, "Bank of America - Disbursements" \$54,102.83 in checks aged over 12 months old were documented. Management provided documentation that it had researched the reconciling items.</p> <p>No other reconciling items outstanding for more than 12 months were observed in the bank reconciliations.</p> <p>No exceptions noted.</p>
<p>⁷ Accounts selected may exclude savings and investment accounts that are not part of the entity's daily business operations.</p>	
<p>4) Collections (excluding electronic funds transfers) ⁸</p>	
<p>A. Obtain a listing of deposit sites⁹ for the fiscal period where deposits for cash/checks/money orders (cash) are prepared and management's representation that the listing is complete. Randomly select 5 deposit sites (or all deposit sites if less than 5).</p>	<p>KPMG obtained from management a listing of deposit sites for the fiscal period that are utilized in in the state of Louisiana for preparation of cash/check/money order deposits.</p> <p>KPMG obtained a written representation from management that the list of deposit sites is complete.</p> <p>Only one deposit site exists related to Louisiana, and KPMG therefore selected that one deposit site.</p> <p>No exceptions noted.</p>
<p>B. For each deposit site selected, obtain a listing of collection locations¹⁰ and management's representation that the listing is complete. Randomly select one collection location for each deposit site (e.g., 5 collection locations for 5 deposit sites), obtain and inspect written policies and procedures relating to employee job duties (if there are no written policies or procedures, then inquire of employees about their job duties) at each collection location, and observe that job duties are properly segregated at each collection location such that</p>	<p>For the deposit site selected, KPMG obtained a listing of collection locations.</p> <p>KPMG obtained a written representation from management that the list is a complete list of all collection locations for each deposit selected in procedure #4A above.</p> <p>No exceptions noted.</p> <p>Only one collection site exists, and KPMG therefore selected the one collection location for the deposit site, and obtained and inspected written policies and procedures relating to employee job duties at the collection location observing the following:</p>
<p>i) Employees responsible for cash collections do not share cash drawers/registers;</p>	<p>KPMG observed that written policies and procedures obtained indicate safeguarding procedures for employees responsible for drawers / registers for collections, noting that only one individual has access to a cash drawer.</p> <p>No exceptions noted.</p>

Specified Procedures	Results
ii) Each employee responsible for collecting cash is not also responsible for preparing/making bank deposits, unless another employee/official is responsible for reconciling collection documentation (e.g., pre-numbered receipts) to the deposit;	KPMG observed that the written policies and procedures obtained indicate each employee responsible for collecting cash is not responsible for preparing/making bank deposits. No exceptions noted.
iii) Each employee responsible for collecting cash is not also responsible for posting collection entries to the general ledger or subsidiary ledgers, unless another employee/official is responsible for reconciling ledger postings to each other and to the deposit; and	KPMG observed that the written policies and procedures obtained indicated each employee responsible for collecting cash is not responsible for posting collection entries to the general ledger or subsidiary ledgers. No exceptions noted.
iv) The employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or custodial fund additions, is (are) not also responsible for collecting cash, unless another employee/official verifies the reconciliation.	KPMG observed that written policies and procedures obtained indicate the employee(s) responsible for reconciling cash collections to the general ledger and/or subsidiary ledgers, by revenue source and/or agency fund additions are not responsible for collecting cash, unless another employee verifies the reconciliation. No exceptions noted.
C. Obtain from management a copy of the bond or insurance policy for theft covering all employees who have access to cash. Observe that the bond or insurance policy for theft was in force during the fiscal period.	KPMG obtained the Certificate of Liability Insurance for the commercial crime policy, noting it was in force during the fiscal period. No exceptions noted.
D. Randomly select two deposit dates for each of the 5 bank accounts selected for Bank Reconciliations procedure #3A (select the next deposit date chronologically if no deposits were made on the dates randomly selected and randomly select a deposit if multiple deposits are made on the same day). Alternatively, the practitioner may use a source document other than bank statements when selecting the deposit dates for testing, such as a cash collection log, daily revenue report, receipt book, etc. Obtain supporting documentation for each of the 10 deposits and	KPMG selected two deposit dates for each of the 5 bank accounts selected for procedure #3 under "Bank Reconciliations" above. In cases where no deposits were made on the dates selected, we selected the next deposit date chronologically, and randomly selected a deposit if multiple deposits are made on the same day. KPMG obtained supporting documentation consisting of check copies, bank deposit slips, and bank statements for each of the 10 deposits for the below procedures:
i) Observe that receipts are sequentially pre-numbered. ¹¹	KPMG observed that the receipts for the selections made were sequentially numbered. No exceptions noted.
ii) Trace sequentially pre-numbered receipts, system reports, and other related collection documentation to the deposit slip.	KPMG agreed the sequentially numbered receipts to the deposit slip. No exceptions noted.
iii) Trace the deposit slip total to the actual deposit per the bank statement.	KPMG agreed the deposit slip total to the actual deposit per the bank statement. No exceptions noted.
iv) Observe that the deposit was made within one business day of receipt ¹² at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100 and the cash is stored securely in a locked safe or drawer).	KPMG observed that the deposit was made within one business day of receipt at the collection location (within one week if the depository is more than 10 miles from the collection location or the deposit is less than \$100) by comparing the deposit slip with the receipts. No exceptions noted.
v) Trace the actual deposit per the bank statement to the general ledger.	KPMG obtained from management the applicable bank reconciliation with the corresponding Trial Balance information for each of the months selected in procedure 4D above. KPMG agreed the balance per bank statement to the trial balance via inspection of the bank reconciliation and observed that any reconciling items were explained in the bank reconciliation. No exceptions noted.
⁸ The Collections category is not required to be performed if the entity has a third-party contractor performing all collection functions (e.g., receiving collections, preparing deposits, and making deposits).	

Specified Procedures	Results
⁹ A deposit site is a physical location where a deposit is prepared and reconciled.	
¹⁰ A collection location is a physical location where cash is collected. An entity may have one or more collection locations whose collections are brought to a deposit site for deposit. For example, in a school district a collection location may be a classroom and a deposit site may be the school office. For school boards only, the practitioner should consider the deposit site and collection location to be the same if there is a central person (secretary or bookkeeper) through which collections are deposited.	
¹¹ The practitioner is not required to test for completeness of revenues relative to classroom collections by teachers.	
¹² As required by Louisiana Revised Statute 39:1212.	
5) Non-Payroll Disbursements (excluding card purchases/payments, travel reimbursements, and petty cash purchases)	
A. Obtain a listing of locations that process payments for the fiscal period and management's representation that the listing is complete. Randomly select 5 locations (or all locations if less than 5).	<p>KPMG obtained a listing of locations that processed payments for the fiscal period.</p> <p>KPMG obtained a written representation from management that the list was a complete list of all locations that processed payments in the fiscal year.</p> <p>Management noted although requests are initiated and locally approved (in accordance with their policy), Louisiana does not process the payments, but rather all payments are processed through the Arlington Office. As such, only one location, the Arlington Office, was subject to selection by KPMG.</p> <p>No exceptions noted.</p>
B. For each location selected under procedure #5A above, obtain a listing of those employees involved with non-payroll purchasing and payment functions. Obtain written policies and procedures relating to employee job duties (if the agency has no written policies and procedures, then inquire of employees about their job duties), and observe that job duties are properly segregated such that	<p>As noted in 5A above, only the Arlington Office AP department processes payments. KPMG obtained the listing of AP department members. Given that requests are initiated and approved locally (in accordance with policy) at the Louisiana BU level, KPMG also obtained a listing of individuals requesting payment for disbursements locally.</p> <p>No exceptions noted.</p> <p>KPMG obtained written policies and procedures relating to employee job duties for both the BU level and Arlington Office involvement and observed the following:</p>
i) At least two employees are involved in initiating a purchase request, approving a purchase, and placing an order or making the purchase;	<p>KPMG observed that the written policies and procedures obtained indicate at least two employees are involved in initiating a purchase request, approving a purchase, and placing an order/making the purchase.</p> <p>No exceptions noted.</p>
ii) At least two employees are involved in processing and approving payments to vendors;	<p>KPMG observed that the written policies and procedures obtained indicate at least two employees are involved in processing and approving payments to vendors.</p> <p>No exceptions noted.</p>
iii) The employee responsible for processing payments is prohibited from adding/modifying vendor files, unless another employee is responsible for periodically reviewing changes to vendor files;	<p>KPMG observed that the written policies and procedures obtained indicate that only designated AP personnel at Arlington Office (two individuals) have the ability to add, delete or make changes to vendor information and must do so in accordance with policy. These staff have no access to create, modify, or delete invoice information.</p> <p>No exceptions noted.</p>
iv) Either the employee/official responsible for signing checks mails the payment or gives the signed checks to an employee to mail who is not responsible for processing payments; and	<p>KPMG observed that the written policies and procedures obtained state that individuals who issue payments at the Arlington office are separate from those who process payment requests in the business unit offices.</p> <p>No exceptions noted.</p>

Specified Procedures	Results
v) Only employees/officials authorized to sign checks approve the electronic disbursement (release) of funds, whether through automated clearinghouse (ACH), electronic funds transfer (EFT), wire transfer, or some other electronic means.	KPMG observed that the written policies and procedures obtained indicate only the employees/officials that are authorized to sign checks are the ones who approve the electronic disbursement of funds. No exceptions noted.
C. For each location selected under procedure #5A above, obtain the entity's non-payroll disbursement transaction population (excluding cards and travel reimbursements) and obtain management's representation that the population is complete. Randomly select 5 disbursements for each location, obtain supporting documentation for each transaction, and	As indicated above, disbursements are not processed in the Louisiana office. KPMG obtained the disbursements population related to Louisiana and selected 5 disbursements. KPMG obtained a written representation from management that the list was a complete list of all non-payroll disbursements processed in the fiscal year. No exceptions noted.
i) Observe whether the disbursement, whether by paper or electronic means, matched the related original itemized invoice and supporting documentation indicates that deliverables included on the invoice were received by the entity, and	KPMG observed that the disbursement matched the related itemized invoice and that deliverables were received by the entity. No exceptions noted.
ii) Observe whether the disbursement documentation included evidence (e.g., initial/date, electronic logging) of segregation of duties tested under procedure #5B above, as applicable.	KPMG observed that the documentation included segregation of duties through different employees submitting and approving disbursement requests. No exceptions noted.
D. Using the entity's main operating account and the month selected in Bank Reconciliations procedure #3A, randomly select 5 non-payroll-related electronic disbursements (or all electronic disbursements if less than 5) and observe that each electronic disbursement was (a) approved by only those persons authorized to disburse funds (e.g., sign checks) per the entity's policy, and (b) approved by the required number of authorized signers per the entity's policy. Note: If no electronic payments were made from the main operating account during the month selected the practitioner should select an alternative month and/or account for testing that does include electronic disbursements.	KPMG selected five non-payroll related disbursements from the May 2024 bank statement and observed that each disbursement was approved by persons authorized to disburse funds and approved by the required number of authorized signers per entity policy. No exceptions noted.
6) Credit cards/Debit cards/Fuel cards/Purchase Cards (Cards)	
A. Obtain from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. ¹³ Obtain management's representation that the listing is complete.	KPMG obtained from management a listing of all active employees who maintain possession of credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the corresponding credit limit. KPMG obtained a written representation from management that the listing is a complete list of all active employees who maintain possession of credit cards, bank debit cards, fuel cards, and P-cards for the period applicable to Louisiana. No exceptions noted.
B. Using the listing prepared by management, randomly select 5 cards (or all cards if less than 5) that were used during the fiscal period. Randomly select one monthly statement or combined statement for each card (for a debit card, randomly select one monthly bank statement). Obtain supporting documentation, and	From the listing obtained in 6A above, KPMG selected 4 cards noting that these are all cards used during the fiscal period. KPMG randomly selected one monthly statement or combined statement for each selection (for a debit card, randomly select one monthly bank statement), obtained supporting documentation consisting of the Concur Expense Report, receipts for credit/debit purchases, and exception reports and observed the following detailed below. No exceptions noted.

Specified Procedures	Results
i) Observe whether there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) were reviewed and approved, in writing (or electronically approved) by someone other than the authorized card holder (those instances requiring such approval that may constrain the legal authority of certain public officials, such as the mayor of a Lawrason Act municipality, should not be reported); and	KPMG observed the monthly Concur Expense Report and noted that the corresponding supporting documentation obtained (consisting of receipts for credit/debit card purchases as described in the US Concur Policy per procedure 1A above) has an electronic approval within Concur and observed that the listed name was an individual who was not listed as the authorized card holder. No exceptions noted.
ii) Observe that finance charges and late fees were not assessed on the selected statements.	KPMG observed that finance charges and late fees were not assessed on the selected Concur Expense Reports. No exceptions noted.
C) Using the monthly statements or combined statements selected under procedure #7B above, <u>excluding fuel cards</u> , randomly select 10 transactions (or all transactions if less than 10) from each statement, and obtain supporting documentation for the transactions (e.g., each card should have 10 transactions subject to inspection) ¹⁴ . For each transaction, observe that it is supported by (1) an original itemized receipt that identifies precisely what was purchased, (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). For missing receipts, the practitioner should describe the nature of the transaction and observe whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.	Using the Concur Expense Reports selected under 6B above, excluding fuel cards, KPMG randomly selected 10 transactions (or all transactions in one case where there were less than 10 transactions) from each statement, and obtained supporting documentation for the transactions. For each transaction, KPMG observed that it was supported by: (1) an original itemized receipt that identifies precisely what was purchased (in the context of their policy). In accordance with the written policies, only expenses over US \$50 require receipts. KPMG observed whether the supporting documentation in the form of receipts is attached to the expense report for all expenses of US \$50 or greater when submitted to the supervisor for approval. Additionally, KPMG observed that original itemized receipts are attached. (2) written documentation of the business/public purpose, and (3) documentation of the individuals participating in meals (for meal charges only). No exceptions noted, except as described above.
¹³ Including cards used by school staff for either school operations or school activity fund operations.	
¹⁴ For example, if 3 of the 5 cards selected were fuel cards, transactions would only be selected for each of the 2 credit cards. Conceivably, if all 5 cards randomly selected under procedure #7B were fuel cards, procedure #7C would not be applicable.	
7) Travel and Travel-Related Expense Reimbursements¹⁵ (excluding card transactions)	
A. Obtain from management a listing of all travel and travel related expense reimbursements during the fiscal period and management's representation that the listing or general ledger is complete. Randomly select 5 reimbursements and obtain the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. For each of the 5 reimbursements selected	KPMG obtained from management a listing of all travel and travel-related expense reimbursements (Expense Detail Report) during the fiscal period. KPMG obtained a written representation from management that the listing is a complete list of all travel and travel-related expense reimbursements for the period applicable to public awards. KPMG randomly selected 5 reimbursements and obtained the related expense reimbursement forms/prepaid expense documentation of each selected reimbursement, as well as the supporting documentation. No exceptions noted.
i) If reimbursed using a per diem, observe that the approved reimbursement rate is no more than those rates established either by the State of Louisiana or the U.S. General Services Administration (www.gsa.gov);	For selected reimbursements, no items were reimbursed using a per diem, as evident in the Expense Detail Report provided. No exceptions noted.
ii) If reimbursed using actual costs, observe that the reimbursement is supported by an original itemized receipt that identifies precisely what was purchased;	For selections reimbursed using actual costs, KPMG observed that the reimbursement was supported by an original itemized receipt that identifies precisely what was purchased. No exceptions noted.

Specified Procedures	Results
<p>iii) Observe that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observe that the documentation includes the names of those individuals participating) and other documentation required by Written Policies and Procedures procedure #1A(vii); and</p>	<p>KPMG observed that each reimbursement is supported by documentation of the business/public purpose (for meal charges, observed that the documentation includes the names of those individuals participating) and other documentation specifically required by the written policies per procedure #1g.</p> <p>In accordance with the written policies, only expenses over US \$50 require receipts. KPMG observed that the supporting documentation in the form of receipts is attached to the expense report for all expenses of US \$50 or greater when submitted to the supervisor for approval. Additionally, KPMG observed that original itemized receipts or other supporting documentation were attached.</p> <p>No exceptions noted, except as described above.</p>
<p>iv) Observe that each reimbursement was reviewed and approved, in writing, by someone other than the person receiving reimbursement.</p>	<p>KPMG observed that each reimbursement included approval via Concur electronic sign-off. KPMG observed that the listed individual was a separate individual from the person receiving the reimbursement.</p> <p>No exceptions noted.</p>
<p>¹⁵ Non-travel reimbursements are not required to be inspected under this category.</p>	
8) Contracts	
<p>A. Obtain from management a listing of all agreements/contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period. Alternatively, the practitioner may use an equivalent selection source, such as an active vendor list. Obtain management's representation that the listing is complete. Randomly select 5 contracts (or all contracts if less than 5) from the listing, <u>excluding the practitioner's contract</u>, and</p>	<p>KPMG obtained from management a list of all contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period specific to the state of Louisiana.</p> <p>Obtained a written representation from management that the listing was a complete list of all agreements / contracts for professional services, materials and supplies, leases, and construction activities that were initiated or renewed during the fiscal period.</p> <p>No exceptions noted.</p> <p>KPMG randomly selected 5 contracts from the listing, <u>excluding the practitioner's contract</u>, and performed the below procedures:</p>
<p>i) Observe whether the contract was bid in accordance with the Louisiana Public Bid Law¹⁶ (e.g., solicited quotes or bids, advertised), if required by law;</p>	<p>KPMG observed whether the contract was quote or bid solicited, or advertised, and therefore subject to Louisiana Public Bid Law, as represented to us by management. 2 of the 5 selected contracts required bids and had documentation included supporting completion of the bid process.</p> <p>No exceptions noted.</p>
<p>ii) Observe whether the contract was approved by the governing body/board, if required by policy or law (e.g., Lawrason Act, Home Rule Charter);</p>	<p>KPMG observed whether the selected contract was approved by the governing body/board. No selected contracts were required to be approved by the Board based on policy.</p> <p>No exceptions noted.</p>
<p>iii) If the contract was amended (e.g., change order), observe that the original contract terms provided for such an amendment and that amendments were made in compliance with the contract terms (e.g., if approval is required for any amendment, the documented approval); and</p>	<p>In cases where the selected contract was amended (e.g. change order) as indicated by an original contract and subsequent amendment provided in procedure a) above, KPMG observed that the original contract terms provided for such an amendment.</p> <p>No exceptions noted.</p>
<p>iv) Randomly select one payment from the fiscal period for each of the 5 contracts, obtain the supporting invoice, agree the invoice to the contract terms, and observe that the invoice and related payment agreed to the terms and conditions of the contract.</p>	<p>KPMG randomly selected one payment from the fiscal period for each of the 5 contracts, obtained the supporting invoice, agreed the invoice to the contract terms, and observed that the invoice and related payment agreed to the terms and conditions of the contract / amendment.</p> <p>No exceptions noted.</p>
<p>¹⁶ If the entity has adopted the state Procurement Code, replace "Louisiana Public Bid Law" with "Louisiana Procurement Code."</p>	

Specified Procedures	Results
9) Payroll and Personnel	
A. Obtain a listing of employees and officials ¹⁷ employed during the fiscal period and management's representation that the listing is complete. Randomly select 5 employees or officials, obtain related paid salaries and personnel files, and agree paid salaries to authorized salaries/pay rates in the personnel files.	<p>KPMG obtained a listing of employees/elected officials employed during the fiscal period.</p> <p>Obtained a written representation from management that the listing was a complete list of all employees / elected officials employed during the fiscal period.</p> <p>KPMG randomly selected 5 employees/officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.</p> <p>No exceptions noted.</p>
B. Randomly select one pay period during the fiscal period. For the 5 employees or officials selected under procedure #9A above, obtain attendance records and leave documentation for the pay period, and	KPMG randomly selected one pay period for each of the 5 sampled employees during the fiscal period. For the 5 employees/officials selected under 9A above, KPMG obtained attendance records and leave documentation for the pay period, and performed the following:
i) Observe that all selected employees or officials ¹⁸ documented their daily attendance and leave (e.g., vacation, sick, compensatory);	<p>KPMG observed that all selected employees/officials documented their daily attendance and leave (e.g., vacation, sick, compensatory) for the selected pay period.</p> <p>No exceptions noted.</p>
ii) Observe whether supervisors approved the attendance and leave of the selected employees or officials;	<p>KPMG observed that the employee / official attendance records and leave documentation included an electronic signature which management represented was the supervisor's approval.</p> <p>No exceptions noted.</p>
iii) Observe that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records; and	<p>KPMG observed that any leave accrued or taken during the pay period was reflected in the entity's cumulative leave records.</p> <p>No exceptions noted.</p>
iv) Observe the rate paid to the employees or officials agrees to the authorized salary/pay rate found within the personnel file	<p>KPMG observed that the rate paid to the employees or officials agreed to the authorized salary/pay rate found within the personnel file.</p> <p>No exceptions noted.</p>
C. Obtain a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. Randomly select two employees or officials and obtain related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. Agree the hours to the employee's or official's cumulative leave records, agree the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and agree the termination payment to entity policy.	<p>KPMG inquired with management and noted that no employees received a termination payment during fiscal year 2024.</p> <p>Obtained a written representation from management that there were not any employees / officials that received terminations payments during the fiscal period.</p> <p>Therefore, the procedure is not applicable for the purposes of the Louisiana Agreed-Upon Procedures for The Nature Conservancy.</p>
D. Obtain management's representation that employer and employee portions of third-party payroll related amounts (e.g., payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.	<p>KPMG obtained management's written representation that employer and employee portions of payroll taxes, retirement contributions, health insurance premiums, and workers' compensation premiums have been paid, and associated forms have been filed, by required deadlines.</p> <p>No exceptions noted.</p>
¹⁷ "Officials" would include those elected, as well as board members who are appointed.	
¹⁸ Generally, officials are not eligible to earn leave and do not document their attendance and leave. However, if the official is earning leave according to a policy and/or contract, the official should document his/her daily attendance and leave.	

Specified Procedures	Results
10) Ethics ¹⁹	
A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A obtain ethics documentation from management, and	KPMG inquired with the The Conservancy Louisiana State Director concerning the applicability of R.S. 42:1170, who noted that these statutes are not applicable to awards received by the Louisiana state chapter. As such, this procedure is not applicable for the purposes of the Louisiana Agreed Upon Procedures for The Nature Conservancy.
i) Observe whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170; and	KPMG inquired with the The Conservancy Louisiana State Director concerning the applicability of R.S. 42:1170, who noted that these statutes are not applicable to awards received by the Louisiana state chapter. As such, this procedure is not applicable for the purposes of the Louisiana Agreed Upon Procedures for The Nature Conservancy.
ii) Observe whether the entity maintains documentation which demonstrates that each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.	KPMG inquired with the The Conservancy Louisiana State Director concerning the applicability of R.S. 42:1170, who noted that these statutes are not applicable to awards received by the Louisiana state chapter. As such, this procedure is not applicable for the purposes of the Louisiana Agreed Upon Procedures for The Nature Conservancy.
B. Inquire and/or observe whether the agency has appointed an ethics designee as required by R.S. 42:1170.	KPMG inquired with the The Conservancy Louisiana State Director concerning the applicability of R.S. 42:1170, who noted that these statutes are not applicable to awards received by the Louisiana state chapter. As such, this procedure is not applicable for the purposes of the Louisiana Agreed Upon Procedures for The Nature Conservancy.
¹⁹ The Louisiana Code of Ethics is generally not applicable to non-profit entities but may be applicable in certain situations, such as councils on aging. If ethics is applicable to a non- profit, the procedures should be performed.	
11) Debt Service ²⁰	
A. Obtain a listing of bonds/notes and other debt instruments issued during the fiscal period and management's representation that the listing is complete. Select all debt instruments on the listing, obtain supporting documentation, and observe that State Bond Commission approval was obtained for each debt instrument issued as required by Article VII, Section 8 of the Louisiana Constitution.	Procedure not applicable for the purposes of the Louisiana Agreed Upon Procedures for The Nature Conservancy.
B. Obtain a listing of bonds/notes outstanding at the end of the fiscal period and management's representation that the listing is complete. Randomly select one bond/note, inspect debt covenants, obtain supporting documentation for the reserve balance and payments, and agree actual reserve balances and payments to those required by debt covenants (including contingency funds, short-lived asset funds, or other funds required by the debt covenants).	Procedure not applicable for the purposes of the Louisiana Agreed-Upon Procedures for The Nature Conservancy.
²⁰ This AUP category is generally not applicable to non-profit entities; however, if applicable, the procedures should be performed.	
12) Fraud Notice ²¹	
A. Obtain a listing of misappropriations of public funds and assets during the fiscal period and management's representation that the listing is complete. Select all misappropriations on the listing, obtain supporting documentation, and observe that the entity reported the misappropriation(s) to the legislative auditor and the district attorney of the parish in which the entity is domiciled as required by R.S. 24:523.	KPMG obtained a written representation from management that there was no misappropriation of public funds and assets during the fiscal period and that the listing provided is a complete list of misappropriation of public funds and assets during the fiscal period. No exceptions noted.
B. Observe that the entity has posted, on its premises and website, the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds. ¹³	KPMG was provided with a photograph from the The Conservancy Louisiana location, and the The Conservancy Louisiana website, indicating the notice required by R.S. 24:523.1 concerning the reporting of misappropriation, fraud, waste, or abuse of public funds. KPMG obtained a written representation from management that the photograph was from the The Conservancy Louisiana location. No exceptions noted.

Specified Procedures	Results
²¹ Observation may be limited to those premises that are visited during the performance of other procedures under the AUPs. The notice is available for download at www.lla.la.gov/hotline	
13) Information Technology Disaster Recovery/Business Continuity	
<p>A. Perform the following procedures, verbally discuss the results with management, and report "We performed the procedure and discussed the results with management."</p> <p>i) Obtain and inspect the entity's most recent documentation that it has backed up its critical data (if there is no written documentation, then inquire of personnel responsible for backing up critical data) and observe evidence that such backup (a) occurred within the past week, (b) was not stored on the government's local server or network, and (c) was encrypted.</p> <p>ii) Obtain and inspect the entity's most recent documentation that it has tested/verified that its backups can be restored (if there is no written documentation, then inquire of personnel responsible for testing/verifying backup restoration) and observe evidence that the test/verification was successfully performed within the past 3 months.</p> <p>iii) Obtain a listing of the entity's computers currently in use and their related locations, and management's representation that the listing is complete. Randomly select 5 computers and observe while management demonstrates that the selected computers have current and active antivirus software and that the operating system and accounting system software in use are currently supported by the vendor.</p>	<p>We performed the procedure and discussed the results with management.</p>
<p>B. Randomly select 5 terminated employees (or all terminated employees if less than 5) using the list of terminated employees obtained in Payroll and Personnel procedure #9C. Observe evidence that the selected terminated employees have been removed or disabled from the network.</p>	<p>One employee retired in January 2024, as listed in the payroll documentation obtained in 9C. KPMG obtained evidence that the employee's system access was terminated in January 2024.</p> <p>No exceptions noted.</p>
<p>C. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain cybersecurity training documentation from management, and observe that the documentation demonstrates that the following employees/officials with access to the agency's information technology assets have completed cybersecurity training as required by R.S. 42:1267²². The requirements are as follows:</p> <ul style="list-style-type: none"> • Hired before June 9, 2020 - completed the training; and • Hired on or after June 9, 2020 - completed the training within 30 days of initial service or employment. 	<p>R.S 42:1267 specifically refers to individuals who have access to a state agency's technology. The Conservancy staff do not have access to any Louisiana agency's information technology assets, therefore this procedure is not applicable.</p>
²² While it appears to be a good practice for charter schools to ensure its employees are trained to keep their information technology assets safe from cyberattack, charter schools do not appear required to comply with 42:1267. An individual charter school, though, through specific provisions of its charter, may mandate that all employees/officials receive cybersecurity training.	
14) Prevention of Sexual Harassment²³	
<p>A. Using the 5 randomly selected employees/officials from Payroll and Personnel procedure #9A, obtain sexual harassment training documentation from management, and observe that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.</p>	<p>KPMG inquired with the The Conservancy Louisiana State Director concerning the applicability of R.S. 42:341 and 42:344, who noted that these statutes are not applicable to awards received by the Louisiana state chapter. As such this procedure not applicable for the purposes of the Louisiana Agreed-Upon Procedures for The Nature Conservancy.</p>
<p>B. Observe that the entity has posted its sexual harassment policy and complaint procedure on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).</p>	<p>KPMG observed the entity has posted its sexual harassment policy and complaint procedure on its website.</p> <p>No exceptions noted.</p>

Specified Procedures	Results
<p>C. Obtain the entity's annual sexual harassment report for the current fiscal period, observe that the report was dated on or before February 1, and observe that the report includes the applicable requirements of R.S. 42:344:</p> <p>i) Number and percentage of public servants in the agency who have completed the training requirements;</p> <p>ii) Number of sexual harassment complaints received by the agency;</p> <p>iii) Number of complaints which resulted in a finding that sexual harassment occurred;</p> <p>iv) Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and</p> <p>v) Amount of time it took to resolve each complaint.</p>	<p>KPMG inquired with the The Conservancy Louisiana State Director concerning the applicability of R.S. 42:341 and 42:344, who noted that these statutes are not applicable to awards received by the Louisiana state chapter. As such this procedure not applicable for the purposes of the Louisiana Agreed-Upon Procedures for The Nature Conservancy.</p>
<p>²³ While it appears to be a good practice for charter schools to ensure it has policies and training for sexual harassment, charter schools do not appear required to comply with the Prevention of Sexual Harassment Law (R.S. 42:341 et seq). An individual charter school, through the specific provisions of its charter, may mandate sexual harassment training.</p>	