

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, 2020**

EIN 53-0242652

The Nature Conservancy

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June 30, 2020

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Report of Independent Auditors

To the Board of Directors of
The Nature Conservancy:

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of The Nature Conservancy and its chapters and affiliates (the "Conservancy"), which comprise the consolidated statement of financial position as of June 30, 2020, and the related consolidated statements of activities and of cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Conservancy's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Conservancy's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The Nature Conservancy and its chapters and affiliates as of June 30, 2020, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America

Emphasis of Matter

As discussed in Note 1 to the consolidated financial statements, the Conservancy changed the manner in which it accounts for leases in fiscal year 2020. Our opinion is not modified with respect to this matter.

Other Matters

We previously audited the consolidated statement of financial position as of June 30, 2019, and the related consolidated statements of activities and of cash flows for the year then ended (not presented herein), and in our report dated December 20, 2019, we expressed an unmodified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying supplemental schedules of consolidated statements of financial position as of June 30, 2019 and of summarized consolidated statements of activities for the year then ended is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying supplemental schedules of consolidated statements of financial position as of June 30, 2020 and 2019 and of summarized consolidated statements of activities for the year ended June 30, 2020 and 2019 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. The 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 taken as a whole.

Our audit was conducted 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and is not a required part of the consolidated financial statements. The accompanying schedule of indirect cost rate computation, and schedule of fringe benefit rate calculation for the year ended June 30, 2020 are presented for purposes of additional analysis, and are not a required part of the



basic consolidated financial statements. The 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 schedule of expenditures of federal awards, the schedule of indirect cost rate computation, and schedule of fringe benefit rate calculation, are fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2020 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 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.

PricewaterhouseCoopers LLP

McLean, VA
December 22, 2020

The Nature Conservancy
Consolidated Statement of Financial Position
As of June 30, 2020

Assets

Cash and cash equivalents	\$ 76,606
Restricted cash and cash equivalents	29,813
Restricted short-term investments	35,307
Government grants and contracts receivable	32,285
Notes and other receivables, net	63,979
Deposits, prepaid expenses and other assets	17,794
Pledges receivable, net	236,719
Securities pledged under securities lending agreement	37,081
Non-conservation lands	10,016
Investments	2,592,077
Right to use assets	48,771
Property and equipments, net	152,334
Conservation lands	2,150,851
Conservation easements	2,386,747
Total assets	\$ 7,870,380

Liabilities

Accounts payable and accrued liabilities	\$ 145,425
Payable under securities lending agreement	37,081
Deferred revenue and refundable advances	126,181
Lease liability	54,746
Bonds and notes payable - Non-recourse	23,000
Bonds and notes payable - Recourse	315,123
Split interest arrangements	202,283
Total liabilities	\$ 903,839

Net Assets

Without donor restrictions, including noncontrolling interests of \$41,855	\$ 5,593,696
With donor restrictions	1,372,845
Total net assets	\$ 6,966,541

Total liabilities and net assets	\$ 7,870,380
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The accompanying notes are an integral part of these consolidated financial statements.

The Nature Conservancy
Consolidated Statement of Cash Flows
June 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Activities			
Contribution Revenues			
Dues and contributions	\$ 298,234	\$ 442,300	\$ 740,534
Contributed goods and services	39,997	-	39,997
Contributed land and easements for conservation	84,716	-	84,716
Contributed non-conservation land	1,960	754	2,714
Government grants and contracts	126,423	-	126,423
Total contribution revenues	551,330	443,054	994,384
Sales of conservation land and easements	64,227	-	64,227
Investment returns on operating activities	10,519	-	10,519
Other income	122,711	-	122,711
Total revenues	748,787	443,054	1,191,841
Allocation of endowment spending	61,626	-	61,626
Net assets released from restriction	291,144	(291,144)	-
Total revenues and reclassifications	\$ 1,101,557	\$ 151,910	\$ 1,253,467
Expenses			
Conservation activities and actions	\$ 536,341	\$ -	\$ 536,341
Book value of conservation land and easements	124,988	-	124,988
Total program expenses	661,329	-	661,329
General and administration	180,679	-	180,679
Fund-raising	138,127	-	138,127
Total expenses	980,135	-	980,135
Increase (decrease) in net assets from operating activities	\$ 121,422	\$ 151,910	\$ 273,332
Non-operating Activities			
Investment returns on endowments	\$ 40,770	\$ 21,170	\$ 61,940
Investment returns on other non-operating activities	26,321	(20,528)	5,793
Allocation of endowment spending to operations	(61,626)	-	(61,626)
Reclassification of net assets	(4,773)	4,773	-
Loss on interest rate swap agreements	(24,602)	-	(24,602)
Foreign exchange gains (losses)	(2,533)	-	(2,533)
Distributions from noncontrolling interests	(2,398)	-	(2,398)
Increase (decrease) in net assets from non-operating activities	\$ (28,841)	\$ 5,415	\$ (23,426)
Total increase/(Decrease) in net assets	\$ 92,581	\$ 157,325	\$ 249,906
Beginning net assets	5,501,115	1,215,520	6,716,635
Ending net assets	\$ 5,593,696	\$ 1,372,845	6,966,541

The Nature Conservancy
Consolidated Statement of Cash Flows
June 30, 2020

Cash Flows from Operating Activities	
Change in Net Assets	\$ 249,906
Adjustments to reconcile changes in net assets to net cash and cash equivalents used in operating activities	
Depreciation and amortization	9,911
Contributed conservation land and easements	(84,716)
Losses on disposition of conservation lands and easements	60,761
Contributed securities	(63,597)
Contribution of non-conservation land, and for long term purpose	(18,915)
Increase in notes and other receivable	57,918
Decrease in pledge receivable	(22,597)
Decrease in deposits on land, prepaid and other assets	(1,813)
Decrease in accounts payable, and other liabilities	(19,947)
Increase in split interest arrangements payable	11,277
Increase in right of use assets	1,898
Decrease in lease liabilities	(1,299)
Proceeds from sale of contributed securities	48,755
Change in value of split interest investment	(6,415)
Change in value of interest rate swaps	(24,602)
Change in non-conservation land	11,387
Net gain on investments	(90,577)
Other changes	2,658
Proceeds from sale of conservation land and easements	64,227
Purchases of conservation land and easements	(156,210)
Net cash and cash equivalents used in operating activities	28,010
Cash Flows from Investing Activities	
Proceeds from notes collections	3,162
Issuance of notes receivable	(799)
Proceeds from sale of endowment and capital investments	2,149,589
Purchases of endowment and capital investments	(2,242,452)
Purchases of property and equipment	(22,352)
Net cash and cash equivalents provided by investing activities	(112,852)
Cash Flows from Financing Activities	
Changes in securities pledged under securities lending agreement	50,924
Changes of payable under securities lending agreement	(50,924)
Distributions from noncontrolling interests	-
Proceeds from contribution for long term purpose	15,457
Purchases of split interest investments	(23,625)
Proceeds from split interest arrangements	36,779
Repayments of long-term debt	(104,690)
Proceeds from issuance of long-term debt	44,568
Net cash and cash equivalents provided by financing activities	(31,511)
Net increase in cash, cash equivalents and restricted cash	(116,353)
Cash, cash equivalents and restricted cash at beginning of year	222,773
Cash, cash equivalents and restricted cash at end of year	\$ 106,419
Supplemental data	
Cash paid for interest	\$ 12,418

The Nature Conservancy

Notes to Consolidated Financial Statements

June 30, 2020

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 interests 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, and businesses – The Conservancy pursues solutions that protect and restore natural systems, use nature sustainably, and broaden support for conservation.

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 chapters and affiliates, both domestic and international, including those which are separately incorporated, receive gifts, and perform conservation activities in the name of The Conservancy. The Conservancy is a general partner and has substantive rights to manage and control certain partnerships and reflects the noncontrolling interests separately in net assets without donor restriction. 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 with donor restriction – A donor-imposed restriction is a stipulation that specifies a use for a contributed asset that is 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 within the shared conservation agenda - including certain overhead and indirect costs – or for appropriation from true endowment investment income.

When a stipulated time restriction ends or purpose restriction is satisfied, net assets with donor restriction are reclassified to net assets without donor restriction and are reported on the consolidated statement 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 restriction. 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 Nature Conservancy

Notes to Consolidated Financial Statements

June 30, 2020

Net assets without donor restriction – 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 true endowment investment income), and other inflows of assets over which the Board of Directors of The Conservancy (“Board”) has discretionary control. The Board of Directors or management may designate a portion of net assets for a specific purpose; however, these funds are classified as net assets without donor restriction. Noncontrolling interests in limited partnerships represent third-party limited partner ownership in partnerships for which the Conservancy serves as general partner. 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 restriction.

Measure of Operations

The Conservancy’s measure of operations as presented in the consolidated statement 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 statement of activities by functional classification. Operating results also include the reclassification of net assets with donor restriction to net assets without donor restriction for which purpose or time restriction has been met.

The Conservancy’s non-operating activity within the consolidated statement of activities includes investment returns and other activities related to endowment (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 as non-operating activities in the consolidated statement 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 date of the consolidated statement of financial position.

Fair value

The Conservancy’s 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 source 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 prices in active market 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.

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

The Nature Conservancy

Notes to Consolidated Financial Statements

June 30, 2020

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, 2020, 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 are valued using the initial investment in the underlying investment adjusted for impairment and observable price changes. As of June 30, 2020, based on lack of observable price changes for identical or similar investments of the same issuer no adjustments have been made.

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.

The Conservancy recognizes contributed professional services from third parties and contributed goods as revenue and as expense or assets, at the fair value of those services or goods when received. During the fiscal year ended June 30, 2020 contributed goods and services totaled \$39,997,000 in the accompanying consolidated statement of activities.

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 restriction. 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.

Revenue from exchange transactions with government agencies that is reflected as other income in the accompanying consolidated statement of activities totaled \$4,999,000 for the fiscal year ended June 30, 2020.

Other Accounting Policies

Disclosures related to specific items in the consolidated statement of financial position and consolidated statement of activities are included in the footnotes of these items respectively.

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 a nominal amount of tax relating to several unrelated business income activities, primarily revenue from debt-financed property. The Conservancy takes no tax positions that it considers to be uncertain.

Use of Estimates

The Nature Conservancy

Notes to Consolidated Financial Statements

June 30, 2020

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 services 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 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 \$20,283,000 for the year ended June 30, 2020.

Subsequent events

All subsequent events were evaluated through December 20, 2020, 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, changes in net assets, or cash flows of The Conservancy.

Related party transactions

The Conservancy recorded \$6,751,000 in contribution revenue from current and former members of the Board of Directors of The Conservancy ("Board") during the fiscal year ended June 30, 2020, and \$4,910,000 from current and former Board members that is reflected as pledges receivable in the accompanying consolidated statement of financial position. The Conservancy has an unsecured \$10,000,000 zero-interest loan agreement payable in full in 2026 to a current Board member reflected in notes payable in the accompanying consolidated statement of financial position.

There are no conditional pledges from current and former Board members included in the accompanying note to the consolidated financial statements.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases*, which requires recognition of rights and obligations arising from lease contracts - existing and new arrangements - as assets and liabilities on the balance sheet. The following ASUs clarify the guidance in ASU 2016-02 and have the same effective date:

- In January 2018, the FASB issued ASU 2018-01, *Land Easements Practical Expedient for Transition to Topic 842*, which provides an optional transition practical expedient to not evaluate existing or expired land easements that were not previously accounted for as leases under the current guidance in Topic 840.
- In July 2018, the FASB issued ASU 2018-11, *Targeted Improvements*, which allows entities to initially apply the new leases standard at the adoption date and recognize a cumulative-effect adjustment to the opening balance of net assets in the period of adoption.

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Notes to Consolidated Financial Statements

June 30, 2020

- In December 2018, the FASB issued ASU 2018-20, *Narrow improvements for lessors*, which provides a practical expedient for lessors to not separate lease and non-lease components by class of underlying asset when certain conditions are met and technical improvement for lessor accounting for certain lessor costs.

The Conservancy adopted ASC 842 as of July 1, 2019 using the modified retrospective adoption method, and applied certain practical expedients allowed under the standard including:

- Not reassessing (i) whether any expired or existing contracts are or contain leases, (ii) the lease classification for any expired or existing leases, and (iii) the accounting for initial direct costs for any existing leases;
- Not evaluating short term leases;
- Not assessing whether existing land easements are, or contain leases, and
- Making an accounting policy election by class of underlying asset, to not separate non-lease components from lease components and instead to account for each separate lease and non-lease component as a single lease component.

As a result of adopting this standard, The Conservancy recognized an incremental right of use assets and corresponding lease liabilities on its consolidated statement of financial position, however there was no material impact to The Conservancy's consolidated financial statements.

In November 2016, the FASB adopted ASU 2016-18, *Restricted Cash*, which requires that the change in restricted cash and cash equivalents be presented in the statement of cash flows along with cash and cash equivalents. ASU 2016-18 is effective for fiscal years beginning after December 15, 2018 (fiscal year 2020). The Conservancy has included the required presentation change within the Consolidated Statement of Cash Flows.

In July 2016, the FASB issued ASU 2016-01, *Recognition and Measurement of Financial Assets and Financial Liabilities*, which eliminates the classification categories of equity investments and their differing treatments, except for those accounted for under the equity method of accounting or those that result in consolidation of the investee. Under ASU 2016-01, all equity investments are required to be reflected at fair value on the balance sheet with changes in fair value recognized in net income. ASU 2016-01 is effective for fiscal years beginning after December 15, 2018 (fiscal year 2020). This includes carrying all equity investments at fair values, except for those accounted for under the equity method of accounting and recognizing the fair value through non-operating activities on the Consolidated Statement of Activities. This guidance has been appropriately reflected within the financial statements.

In August 2018, the FASB issued ASU 2018-13, *Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*, which removes the requirement to disclose the valuation process for Level 3 fair value measurements and modifies other disclosures related to Level 3 fair value measurements. ASU 2018-13 is effective for fiscal years beginning after December 15, 2019 (fiscal year 2021); early adoption is permitted for any removed disclosures and entities are permitted to delay adoption of the additional disclosures until the effective date. The Conservancy partially adopted the removal of disclosures as of June 30, 2019 and is currently evaluating the impact of the additional disclosures.

Note 2. Liquidity

Financial assets and liquidity resources available within one year of June 30, 2020 for general expenditure such as operating expenses, scheduled principal payments on debt, and land acquisition are as follows (in thousands):

The Nature Conservancy
Notes to Consolidated Financial Statements
June 30, 2020

Cash and cash equivalents	\$ 76,606
Government grants and contract receivables	32,285
Current notes and other receivables for operations	39,246
Pledge payments available for operations	132,813
Working capital investments	256,178
Board approved appropriation for endowment spending (fiscal 2021)	39,844
Total financial assets available within one year	\$ 576,972
Additional liquidity resources:	
Bank line of credit	\$ 60,000
Private foundation line of credit	634
Total financial assets and liquidity resources available within one year	\$ 637,606

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 Note 2 schedule above, the total \$940,453,000 of Board-designated net assets as of June 30, 2020, 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 – such as for opportunistic acquisition of conservation land and easements – the Conservancy maintains lines of credit with banks and private foundations that are drawn upon as needed. At June 30, 2020, amounts outstanding under these lines of credit amounted to \$19,366,000.

Note 3. Cash and Cash Equivalents

Cash represents working capital held in bank accounts in high quality financial institutions in the United States and 37 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 institutions 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. At June 30, 2020, The Conservancy had \$49,221,000 in excess of the FDIC insured limit.

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

Restricted cash, cash equivalents, and 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 consist of the following at June 30, 2020 (in thousands):

The Nature Conservancy
Notes to Consolidated Financial Statements
June 30, 2020

Cash held in trust for mitigation agreements	\$ 29,813
Cash contractually restricted for use by affiliates	-
Total restricted cash and cash equivalents	\$ 29,813

Certificates of deposit held in trust for mitigation agreements	\$ 30,000
Certificates of deposit to satisfy reserve requirements under charitable gift annuity agreement	248
Highly liquid U.S. government and cash instruments under collateral arrangement	5,059
Total restricted short-term investments	\$ 35,307

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 – both exchange and contribution transactions of \$5,709,000 as of June 30, 2020 are reflected in the consolidated statement of financial position.

The Conservancy has \$263,994,000 in conditional government grants and contracts as of June 30, 2020.

Note 6. Notes and Other Receivables

Notes and other receivable consist of the following at June 30, 2020 (in thousands):

Notes receivables, net allowance for doubtful accounts and accrued interest	\$ 21,262
Advances to federal, state, and local subaward receipts	1,341
Bequest receivables	27,200
Other receivables, net allowance for doubtful accounts	14,176
Total notes and other receivables	\$ 63,979

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

Less than one year	\$ 2,070
One to five years	9,474
More than five years	9,588
	21,132
Plus: Accrued interest receivable	130
Total notes receivable and accrued interest	\$ 21,262

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

Management regularly assesses the adequacy of the allowance for doubtful accounts by performing evaluations of accounts receivable and notes receivable, including factors such as the financial condition of borrowers 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 at June 30, 2020 (in thousands):

Deposits on conservation land and easements	\$ 4,863
Prepaid expenses	7,238
Other assets	5,693
Total deposits, prepaids and other assets	\$ 17,794

Note 8. Pledges Receivable, net

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 at the balance sheet 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 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 statement 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 \$22,597,000 increase in pledges receivable reflected in the accompanying statement of financial position, comprised of new pledges of \$199,545,000, pledge payments of \$181,022, and a \$4,858,000 net change in pledge discount and allowance.

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

Less than one year	\$ 133,024
One to five years	118,430
More than five years	1,566
	253,020
Less: Discount of 5.5%	(7,296)
Less: Allowance for doubtful accounts	(9,005)
Total pledges receivable, net	\$ 236,719

Unconditional pledges receivable at June 30, 2020 have the following donor-imposed restrictions (in thousands):

Conservation programs and activities	\$ 223,213
Conservation land and easement acquisition and stewardship	10,283
Endowment	755
Other operating activities	2,468
Total pledges receivable, net	\$ 236,719

In addition, at June 30, 2020, the Conservancy has 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 at June 30, 2020 have the following conditions (in thousands):

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Raised matching funds	\$ 28,117
Land acquisition	16,199
Completion of conservation projects	13,989
Other	8,634
Total conditional pledges	\$ 66,939

Note 9. Securities Lending Agreement

The Conservancy lends certain securities in its investment portfolio to qualified borrowers on a short-term, fully collateralized basis in exchange for interest to help offset custodial fees. Collateral in the form of cash in US dollars, securities issued or guaranteed by the US government, or irrevocable letters of credit issued by banks independent of the borrowers is market-to-market on a daily basis, and the borrower is required to deliver the difference between the daily market value of the collateral and 102% of the loaned securities original fair market value if denominated in US dollars or 105% if denominated in foreign currency. The lending agent, in its agreement with The Conservancy, guarantees the repayment of the loan in the event of the borrower defaults. The Conservancy retains all the benefits of ownership including rights to dividends, interest, and other cash distributions pertaining to the loaned securities. The Conservancy also retains the right to redeem the loaned securities prior to the stipulated redemption date.

At June 30, 2020, The Conservancy recorded \$37,081,000 in securities pledged under its securities lending agreement and an equal amount payable to the borrowers under the agreement. These amounts are reflected in assets and liabilities in the consolidated statement of financial position.

Note 10. Repurchase Agreements

TNC may enter into repurchase agreements, under the terms of a Master Repurchase Agreement, with selected commercial banks and broker-dealers, under which TNC acquires securities as collateral (debt obligation) subject to an obligation of the counterparty to repurchase and TNC to resell the securities (obligation) at an agreed upon time and price. TNC, through the custodian or a tri-party custodian, receives delivery of the underlying securities collateralizing repurchase agreements. TNC 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. TNC and the counterparties are permitted to sell, re-pledge, or use the collateral associated with the transaction. It is TNC'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 Master Repurchase Agreement, both parties have the right to set-off. If the seller defaults or enters an insolvency proceeding, realization of the collateral by TNC may be delayed, limited or wholly denied.

At June 30, 2020, TNC had an investment in a repurchase agreement with a gross value of \$32,511,000, which is included as part of investments on the Consolidated Statement of Financial Position. The market value of the collateral is 102% of the face value of the repurchase agreement.

Note 11. 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 statement of activities in the period received. During the fiscal year ended June 30, 2020 contributed non-conservation lands that is reflected in the accompanying consolidated statement of activities totaled \$2,714,000. 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

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value hierarchy. The value of non-conservation lands is reduced to the net realizable value at fiscal yearend, and the valuation allowance is reported in the consolidated statement of activities.

Changes in the fair value of non-conservation lands were shown as follows for the year ended June 30, 2020 (in thousands):

	Fair value			Realized	Unrealized	Fair value
	30-Jun-19	Transfer-in	Sales	Gain/(Loss)	Gain/(Loss)	30-Jun-20
Non-conservation lands	\$17,945	3,457	(8,440)	(52)	(2,894)	\$10,016

Note 12. 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* – donations that are held in trust by The Conservancy or third-party trustees, representing beneficial interests in trusts.

The overall investment objective of the Conservancy is to invest its assets in a prudent manner that will achieve a long-term return sufficient to fund a portion of its operating activities and increase investment value after inflation. Major investment decisions are authorized by the Board's Finance Committee, which oversees The Conservancy's investment activities in accordance with established policies. 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 year ended June 30, 2020 was 5% of the average fair market value of the 60 months of calendar year 2015 through 2019.

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 70 to 75 separate managers. To mitigate concentration of credit risk, the Conservancy's excess cash is invested with high quality institutions, the largest concentrations of which are invested in commercial paper (29%), repurchase agreements (22%), certificates of deposit (21%), U.S. Treasuries (16%) and corporate bonds and notes (10%).

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 the short-term or long-term, other than the U.S. Government and its Agencies. At June 30, 2020, the largest exposures in the Capital and Endowment Fund long term investments is 5.4% in a single manager.

Investments are presented in the fair value hierarchy and consist of the following as of June 30, 2020 (in thousands):

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	Level 1	Level 2	Level 3	NAV	Total
Capital and Endowment Investments					
Assets					
Short-term investments	\$ 76,978	\$ 6,516	\$ -	\$ -	\$ 83,494
Repurchase agreements	-	32,511	-	-	32,511
Fixed income	41,480	112,045	-	-	153,525
Preferred securities	911	-	-	-	911
Exchange traded stock	172,536	-	-	-	172,536
Exchange traded funds	2,861	-	-	-	2,861
Closed end funds	33,958	-	-	-	33,958
Comingled equity funds	-	-	-	371,352	371,352
Hedge funds	-	-	-	533,402	533,402
Private equity investments	-	-	4,459	232,918	237,377
Private real estate funds	-	-	-	110,780	110,780
Endowment investments	777	-	-	4,388	5,165
Total capital and endowment investments	\$ 329,501	\$ 151,072	\$ 4,459	\$ 1,252,840	\$ 1,737,872

Liabilities					
Derivatives	\$ (5)	\$ -	\$ -	\$ -	\$ (5)

Split interest arrangements

Split interest trustee					
U.S. Agency Bonds	\$ 8	\$ 5,662	\$ -	\$ -	\$ 5,670
Mutual Funds	138,952	-	-	-	138,952
Real Estate	-	-	18,099	-	18,099
U.S. Treasuries	10,198	-	-	-	10,198
Short Term Investments	6,315	-	-	-	6,315
Exchange Traded Funds	21,461	-	-	-	21,461
Municipals	-	5	-	-	5
Commingled Equity Funds	-	-	-	79,805	79,805
Split interest, non-trusted	-	-	35,389	-	35,389
Total Split interest arrangements	\$ 176,934	\$ 5,667	\$ 53,488	\$ 79,805	\$ 315,894

Total Investments measured at fair value or using NAV as a practical expedient **\$ 2,053,761**

Of the \$2,592,077,000 total Investments in the accompanying consolidated statement of financial position, net investments not measured at fair value or reflected in the table above are as follows (in thousands):

Equity method investment	\$ 21,659
Equity investment valued using the measurement alternative in ASC 320	4,709
Net investment receivables/payables and other	511,948
Total investments not measured at fair value	\$ 538,316

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 prices provided by an independent pricing vendor or

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broker-dealers; real estate investment properties are valued based on results from an independent appraisal and a professional third-party market valuations; 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 consists of following for the year ended at June 30, 2020 (in thousands):

Category of Investments	Unfunded		Redemption frequency	Redemption Notice Period
	Fair Value at June 30, 2020	Commitment \$		
Domestic equity funds	\$ 45,780	\$ -	Monthly	60 days
Global equity funds	268,159	-	Weekly, monthly, quarterly	7 days, 10 business days, 30 days, 90 days
International equity funds	57,413	-	Monthly, quarterly	90 days
Hedge funds	533,402	-	Monthly, quarterly, semi-annually, annually, biannually, rolling 2, 3 & 4 years	30 - 90 days
Private equity funds	232,918	188,016	N/A	N/A
Real estate funds	110,780	50,088	N/A	N/A
Endowment investments	4,388	-	N/A	N/A
Total investments valued using N	\$ 1,252,840	\$ 238,104		

Otherwise redeemable investments valued using NAV are typically subject to lockup 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 investments policy allows for the use of derivatives by investment managers and at the portfolio-level to assist in managing assets 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 at June 30, 2020 are not accounted as hedging instruments under GAAP.

The Conservancy's interest rate swap arrangements have inputs which can generally be corroborated by observable market data and are therefore classified within Level 2. Such inputs include market prices for reference securities, yield curves, credit curves, measures of volatility, prepayment rates, assumptions for nonperformance risk, and correlations of such inputs. The valuation methods described above may produce fair value calculations that may not be indicative of net realized value or reflective of future fair values. The Conservancy believes the use of different methodologies or

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assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. The fair value of these interest rate swap agreements is reflected in the accompanying consolidated statement of financial position as accounts payable and accrued liabilities. No collateral is required to be posted/received for the interest rate swaps.

Swap contracts expose the Conservancy to credit risk arising from the potential inability of counterparties to perform under the terms of the contracts. The notional amounts of these contracts do not represent the Conservancy's risk of loss due to counterparty nonperformance. The Conservancy's exposure to credit risk associated with counterparty nonperformance for these contracts is limited to the fair value of such contracts and any related collateral placed with the counterparty, after enforcing any master netting agreements with counterparties that allow the Conservancy to offset amounts owed by the counterparty with amounts payable to the same counterparty. The International Swaps and Derivatives Association, Inc. Master Agreements ("ISDA") Agreements that govern and establish terms for the OTC swaps provide the Conservancy with legal right of set off that is enforceable under law.

Activity and balances related to swap instruments held at June 30, 2020 are shown as follows:

Counterparty	Original Notional	Notional at 6/30/2020	Type	Trade Date	Maturity Date	Fixed Rate	Floating Rate	Fair Value (in thousands)*
Morgan Stanley	62,000,000	62,000,000	IRS - Fixed/Pay	4/4/2019	2/1/2029	4.200%	100% of 3 mo USD LIBOR	\$ (18,532)
Morgan Stanley	190,000,000	127,500,000	CNC - Fixed/Pay	4/23/2007	7/1/2033	2.962%	67% of 3 mo USD LIBOR	(23,014)
Morgan Stanley	25,053,000	11,682,000	IRS - Fixed/Pay	11/8/2002	7/1/2027	3.560%	67% of 1 mo USD LIBOR	(1,640)
Total Fair Value of Swaps								\$ (43,186)

*Includes credit valuation adjustment

Note 13. Property and Equipment

Property and equipment valued \$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. \$57,395,000 was fully depreciated at June 30, 2020.

Property and equipment consist of the following at June 30, 2020 (in thousands):

Land for operations	\$ 7,775
Construction in progress	17,158
Buildings and improvements	195,074
Computer equipment and software	34,799
Furniture, fixtures, and other	35,706
	290,512
Less: Accumulated depreciation and amortization	(138,178)
Total property and equipment, net	\$ 152,334

Note 14. 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

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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 statement 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 and other purchase commitments that have not closed as of June 30, 2020 in the amount of \$105,236,000.

Note 15. Leases

The Conservancy has entered into both non-cancelable lessor and lessee commitments.

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. The total lease income of \$1,813,000 was recorded for fiscal year ended June 30, 2020.

Future fixed lease income under noncancelable operating leases is as follows as of June 30, 2020 (in thousands):

2021	\$	1,403
2022		1,121
2023		1,029
2024		632
2025		635
Thereafter		2,734
Total	\$	7,554

Lessee commitments

The Conservancy's lessee commitments predominantly consist of operating leases for office buildings and equipment. On July 1, 2019, the Conservancy recognized \$49,530,000 of right-of-use assets and \$54,617,124 of lease liabilities. Right-of-use assets were \$48,771,000 and lease liabilities were \$54,746,000, as of June 30, 2020. The weighted-average discount rate used to calculate the present value of future minimum lease payments was 3.65%.

Lease terms may contain renewal and extension options and early termination features. The weighted-average lease term was 7.97 years at June 30, 2020.

Lease expenses consist of the following as of June 30, 2020 (in thousands):

Operating lease expenses (cost resulting from lease payments)	\$	14,813
Short-term lease expense		498
Variable lease expense		1,356
Less: Sublease income		(228)
Total lease expense	\$	16,439

The total cash amount paid for operating leases was \$16,803,000, and noncash additions to operating lease assets was \$6,881,000, for the fiscal year ended June 30, 2020.

Maturity analysis of future minimum lease payments for all operating leases are shown as follows as of June 30, 2020 (in thousands):

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2021	\$	10,346
2022		8,738
2023		8,379
2024		7,353
2025		6,122
Thereafter		22,851
Total minimum lease payment	\$	63,789
Less: net present value adjustment	\$	(9,152)
Present value of minimum payments	\$	54,637

At June 30, 2019 based on lease guidance in effect prior to the adoption of ASC 842 on July 1, 2019, minimum lease payments for operating leases were as follows (in thousands):

2020	\$	13,036
2021		9,250
2022		7,806
2023		7,303
2024		6,903
Thereafter		23,282
Total minimum lease payment	\$	67,580

As of June 30, 2020, the Conservancy has an additional operating lease for office buildings that has not yet commenced with an estimated ROU asset and lease liability of approximately \$927,000 to be recognized upon the anticipated lease commencement in September 2020.

Note 16. Bonds and Notes Payable

Bonds and notes payable consists of the following at June 30, 2020 (in thousands):

	Interest Rate	Maturity	2020
Colorado Educational and Cultural Facilities Authority Revenue Bonds			
Series 2002A, Tax Exempt, Unsecured	0.20%	July 2024	\$ 6,582
Series 2012, Tax Exempt, Unsecured	0.13%	July 2033	108,755
Revenue Bonds			
Series 2019A, Taxable, Unsecured	4.50%	February 2049	40,000
Series 2019B, Taxable, Unsecured	1.77%	February 2024	62,000
Mortgages and loans	0%-3.00%	2020-2039	92,958
Notes Payables	0%	On demand	4,828
Bonds and notes payables - recourse			315,123
Notes payables - non-recourse	2.57%	December 2020	23,000
Total bonds and notes payables			\$ 338,123

The Conservancy uses debt, both fixed and variable, primarily to finance the acquisition of conservation lands and easements. Debt is reported at carrying value. At June 30, 2020, The Conservancy is in compliance with all financial debt covenants, including requirements to maintain specified liquidity ratios.

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

Due to the nature of certain variable rate bond agreements, The Conservancy may receive notice of an optional tender on its variable-rate bonds, in which case The Conservancy would have an obligation to purchase the bonds tendered if unable to secure a different source of financing at that time. At June 30, 2020, The Conservancy had a standby liquidity support agreement with a financial institution to support the original principal amount of \$50,000,000 of the variable rate demand obligations. Under this agreement, the financial institution agreed to supply additional liquidity to The Conservancy up to that amount, with which The Conservancy could purchase the bonds if The Conservancy could not remarket the bonds. In the event of a draw on the \$50,000,000 liquidity support line, the due date would be September 14, 2021.

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

2021	\$ 92,054
2022	57,459
2023	10,200
2024	87,948
2025	6,332
Thereafter	84,130
Total bonds and notes payable	\$ 338,123

Interest expense incurred on total notes payable for the year ended at June 30, 2020 was \$12,950,000.

Note 17. Split Interest Arrangements

The Conservancy enters into split interest arrangements whereby donations are held in trust by The Conservancy or third-party trustees and invested. Agreed-upon amounts of the invested funds are payable to the donor or the donor's designee for a specified period of time or until the donor's death, after which time The Conservancy may use the investments for operations or a restricted use specified by the donor.

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 vendor or broker-dealers. Alternative investments are valued based on NAV as practical expedient, and real properties are valued by subsequent sales price. 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 is classified within Level 3. See Note 12 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 for the year ended June 30, 2020 are shown as follows (in thousands):

	Fair value				Realized	Unrealized	Fair value
	30-Jun-19	Purchases	Transfer-in	Sales	Gain/(Loss)	Gain/(Loss)	30-Jun-20
Split interest arrangement	\$46,269	2,188	2,712	(6,213)	(88)	\$8,620	\$53,488

A liability for split-interest obligation is recorded for the actuarially-determined present value of the estimated future payments to be made to the beneficiaries.

The Conservancy utilizes the 2012 Individual Annuity Reserving table to actuarially calculate the liability associated with the estimated donor payments under these arrangements. The Conservancy determines the discount rate to be used in the

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month the split interest arrangements are entered into with the donor and these rates have ranged from 1% to 9%. 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.

Split interest arrangements payables consist of the following as of June 30, 2020 (in thousands):

Payable under charitable gift annuities	\$	101,290
Payable under charitable remainder trusts		76,785
Payable under pooled income funds		2,770
Payable under unsold unitrust		21,438
Total split interest arrangements payable	\$	202,283

Note 18. Net Assets

The Conservancy's net assets as of June 30, 2020, includes the following (in thousands):

	Without Donor Restrictions	With Donor Restrictions	Total Net Assets
Undesignated	\$ 184,591	\$ -	\$ 184,591
Board-designated funds functioning as endowment	940,453	-	940,453
Land preservation fund	167,296	177,633	344,929
Land, easements, and capital funds	4,254,311	257,219	4,511,530
Restricted for specific purposes	-	420,254	420,254
Split interest arrangements	5,213	109,833	115,046
Contributed long-lived assets to create permanent endowments	-	936	936
Invested in perpetuity, subject to endowment spending policy	(23)	406,970	406,947
Total net assets before other	5,551,841	1,372,845	6,924,686
Non-controlling interests	41,855	-	41,855
Total net assets	\$ 5,593,696	\$ 1,372,845	\$ 6,966,541

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 Endowment includes both donor-restricted endowment funds and funds designated by the Board to function as endowments. The Conservancy classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, and (b) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by The Conservancy.

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;

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- 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 following in net asset classes as of June 30, 2020 (in thousands):

	Without Donor Restrictions	With Donor Restrictions	Total Endowment
Invested in perpetuity, subject to endowment spending policy	\$ (23)	\$ 406,970	\$ 406,947
Board-designated funds functioning as endowment	940,453	-	940,453
Total endowment funds	\$ 940,430	\$ 406,970	\$ 1,347,400

Changes in endowment net assets for the year ended June 30, 2020 are summarized as follows (in thousands):

	Without Donor Restrictions	With Donor Restrictions	Total Endowment
Endowment net assets at beginning of year	\$ 936,726	\$ 385,824	\$ 1,322,550
Investment returns on endowments, net	40,770	21,170	61,940
Contributions and pledge payments received	(110)	14,255	14,145
Matching fund to donor restricted true endowment	-	2	2
Transfers to create funds functioning as endowment	8,675	901	9,576
Appropriation of endowment assets for expenditure	(61,626)	-	(61,626)
Net assets released from restrictions	15,995	(15,995)	-
Subtotal of endowment funds before reclassification	940,430	406,157	1,346,587
Reclassification and transfer of net assets	-	813	813
Total endowment funds	\$ 940,430	\$ 406,970	\$ 1,347,400

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 the Uniform Prudent Management of Institutional Funds Act (UPMIFA) requires The Conservancy to retain as principal in perpetuity. Deficiencies of this nature exist in 15 donor-restricted endowment funds, which together have an original gift value of \$37,308,000, a current fair value of \$36,590,000, and a deficiency of \$718,000 as of June 30, 2020. 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.

Note 19. Program expense allocation

Operating expenses are allocated to program and support categories based on separate cost center types as defined below. Conservation land and easements that are acquired by The Conservancy, but not sold or donated, are reflected as an increase in conservation land and easements on the consolidated statements of financial position and are excluded from the program expense categories on the consolidated statements of activities.

The Nature Conservancy

Notes to Consolidated Financial Statements

June 30, 2020

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

- *Conservation* – 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 domestic and international 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 Conservancy conservation programs reside.
- *General and Administrative* – 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 fund-raising 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.

Each functional classification displays expenses related to the underlying operations by natural classification. Expenses are allocated directly to program and support services based on separate cost centers 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.

Expenses by functional classification are shown as follows for the year ended June 30, 2020 (in thousands):

The Nature Conservancy
Notes to Consolidated Financial Statements
June 30, 2020

	Conservation	General and Administrative	Fundraising and Membership	Total Expenses
Salaries and Benefits	\$ 262,705	\$ 96,662	\$ 79,069	\$ 438,436
Professional services	115,965	11,891	16,402	144,258
Grants and subawards	68,980	41	55	69,076
Travel	12,269	2,222	2,087	16,578
Publication, printing and postage	5,419	268	26,872	32,559
Supplies and equipment	16,983	9,372	3,195	29,550
Depreciation and amortization	7,073	2,755	82	9,910
Interest expenses	11,900	1,050	-	12,950
Occupancy	2,364	13,752	131	16,247
Contributed goods and services non-cash expenses	15,532	18,186	6,734	40,452
All other	17,151	24,480	3,500	45,131
	536,341	180,679	138,127	855,147
Book value of donated conservation land & easements	124,988	-		124,988
Total expenses	\$ 661,329	\$ 180,679	\$ 138,127	\$ 980,135

Note 20. Noncontrolling interests

The Conservancy is a general partner in partnerships in which third parties have noncontrolling equity investments, which are separately presented on the consolidated statement of position as a component of net assets without donor restriction. Changes in consolidated net assets without donor restrictions for the year ended June 30, 2020 are summarized as follows (in thousands):

	Controlling Interests	Noncontrolling interests	Total net assets without donor restrictions
Net assets without donor restrictions at beginning of year	\$ 5,456,862	\$ 44,253	\$ 5,501,115
Change in net assets from operating activities	121,856	(434)	121,422
Distributions from noncontrolling interests	-	(2,396)	(2,396)
Other changes in net assets from non-operating activities	(26,879)	434	(26,445)
Total net assets without donor restrictions	\$ 5,551,839	\$ 41,857	\$ 5,593,696

Note 21. Other Items

The outbreak of the COVID-19 pandemic has caused domestic and global disruptions in operations for not-for-profit organizations. The long-term effect to the Conservancy of the COVID-19 pandemic depends on various factors, including, but not limited to, the effect on donations, government grants, and the long-term effect on financial markets and consequently the returns on and value of the Conservancy's investments, which cannot be fully quantified at this time. As of June 30, 2020, and through the date of these financial statements, the Conservancy evaluated its accounting estimates

The Nature Conservancy
Notes to Consolidated Financial Statements
June 30, 2020

for any potential future impacts of the pandemic. While this evaluation did not result in a material effect to the Conservancy's financial statements as of June 30, 2020, future evaluations could result in a material effect depending on the eventual impact to the Conservancy of the pandemic in future periods.

The Nature Conservancy
Supplemental Schedules
For the years ended June 30, 2020 and 2019

Supplemental Schedules

The following supplemental schedules include the consolidated statements of financial position as of June 30, 2020 (with comparative totals as of June 30, 2019) and the summarized consolidated statements of activities for the year ended June 30, 2020 (with comparative totals for the year ended June 30, 2019).

While these schedules are not required under Generally Accepted Accounting Principles, they provide useful additional detail to help the user of these financial statements understand how funds are spent, as well as providing prior year comparisons.

The Nature Conservancy
Supplemental Schedules
For the years ended June 30, 2020 and 2019

Assets	2020		2019	
Cash and cash equivalents	\$	76,606	\$	193,731
Restricted cash and cash equivalents		29,813		29,042
Restricted short-term investments		35,307		30,216
Government grants and contracts receivable		32,285		31,845
Notes and other receivables		63,979		124,887
Deposits, prepaid expenses and other assets		17,794		15,981
Pledges receivable, net		236,719		214,122
Securities pledged under securities lending agreement		37,081		88,005
Non-conservation lands		10,016		17,945
Investments		2,592,077		2,405,977
Right to use assets		48,771		-
Property and equipment, net		152,334		141,972
Conservation easements		2,150,851		2,288,383
Conservation lands		2,386,747		2,128,184
Total Assets		\$ 7,870,380		\$ 7,710,290
Liabilities				
Accounts payable and accrued liabilities	\$	145,425	\$	219,410
Payable under securities lending agreement		37,081		88,005
Deferred revenue and refundable advances		126,181		96,743
Lease liability		54,746		-
Bonds and notes payable - Non-recourse		23,000		45,500
Bonds and notes payable - Recourse		315,123		352,991
Split interest arrangements payable		202,283		191,006
Total Liabilities		903,839		993,655
Net Assets				
Without donor restrictions, including noncontrolling interests of \$41,855 in 2020 and \$44,253 in 2019	\$	5,593,696	\$	5,501,115
With donor restrictions		1,372,845		1,215,520
Total Net Assets		6,966,541		6,716,635
Total Liabilities and Net Assets		\$ 7,870,380		\$ 7,710,290

The Nature Conservancy
Supplemental Schedules
For the years ended June 30, 2020 and 2019

Operating Activities	2020	2019
Contribution revenues:		
Dues and contributions	\$ 740,534	\$ 554,378
Contributed goods and services	39,997	31,811
Contributed conservation land and easements	84,716	41,543
Contributed non-conservation land	2,714	9,122
Government grants and contracts	126,423	127,764
Total contribution revenues	994,384	764,618
Sale of conservation land and easements	64,227	57,921
Investment returns on operating activities	10,519	2,500
Other income	122,711	106,574
Total revenues	1,191,841	931,613
Allocation of endowment spending	61,626	60,492
Total revenues and reclassifications	1,253,467	992,105
Expenses:		
Conservation	536,341	520,142
Book value of conservation land and easements sold or donated	124,988	112,997
Total program expenses	661,329	633,139
General and administrative	180,679	161,705
Fundraising and membership	138,127	142,548
Total expenses	980,135	937,392
Increase (decrease) in net assets from operating activities	273,332	54,713
Non-Operating Activities		
Investment returns on endowments	61,940	91,494
Investment returns on other non-operating activities	5,793	-
Allocation of endowment spending to operations	(61,626)	(60,492)
Sale of noncontrolling interests	-	44,253
Gains (losses) on interest rate swap agreements	(24,602)	(9,309)
Foreign exchange gains (losses)	(2,533)	(2,497)
Distributions from noncontrolling interests	(2,398)	-
Increase (decrease) in net assets from non-operating activities	(23,426)	63,449
Total increase in net assets	249,906	118,162
Net assets at beginning of year	6,716,635	6,598,473
Net assets at end of year	\$ 6,966,541	\$ 6,716,635

Schedule of Expenditures of Federal Awards, Notes to Schedule of Federal Awards, Schedule of Indirect Cost Rate Computation and Fringe Benefit Rate Calculation, and Reports under OMB Uniform Guidance

The Nature Conservancy

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2020

CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
R&D Direct Awards					
10.001	Agricultural Research_Basic and Applied Research	DIRECT	58-2070-7-003	\$ -	\$ 107,847
10.001 R&D Total				-	107,847
10.307	Organic Agriculture Research and Extension Initiative	Washington State University	126216_G003505	-	40,479
10.307 R&D Total				-	40,479
11.427	Development Grants and Cooperative Agreements Program Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	DIRECT	NA15NMF4270323	-	115,922
11.427		DIRECT	NA16NMF4270248	3,405	15,652
11.427 R&D Total				3,405	131,574
11.431	Climate and Atmospheric Research	DIRECT	NA170AR4310274	-	122,319
11.431 R&D Total				-	122,319
11.478	Center for Sponsored Coastal Ocean Research_Coastal Ocean Program	DIRECT	NA15NOS4780170	-	56
11.478 R&D Total				-	56
15.808	U.S. Geological Survey_ Research and Data Collection	DIRECT	G18AC00378	-	36,149
15.808 R&D Total				-	36,149
15.820	National Climate Change and Wildlife Science Center	DIRECT	G16AC00380	-	18,135
15.820 R&D Total				-	18,135
15.945	Cooperative Research and Training Programs Resources of the National Park System	DIRECT	P14AC01732	-	24,805
15.945 R&D Total				-	24,805
43.001	Science	DIRECT	80NSSC19K0188	-	118,440
43.001	Science	DIRECT	NNX17AF58G	4,899	60,031
43.001 R&D Total				4,899	178,471
R&D Direct Awards Total				8,304	659,835
R&D Federal Pass-Through					
11.417	Sea Grant Support	The College of the Florida Keys	040517 Aquaculture	-	12,305
11.417	Sea Grant Support	University of Washington	UWSC10159	-	4,868
11.417 R&D Total				-	17,173
47.074	Biological Sciences	Yale University	GR107021 CON-80001839	-	2,745
47.074 R&D Total				-	2,745
R&D Federal Pass-Through Awards Total				-	19,918
TOTAL RESEARCH AND DEVELOPMENT CLUSTER				8,304	679,753

The accompanying notes are an integral part of this schedule.

The Nature Conservancy

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2020

CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
Fish & Wildlife Cluster					
15.605	Sport Fish Restoration Program	Rhode Island Dept of Environmental Management	3258920	\$ -	136,769
15.605	Sport Fish Restoration Program	Rhode Island Dept of Environmental Management	3374051	-	55,427
15.605	Sport Fish Restoration Program	Rhode Island Dept of Environmental Management	3425240	-	10,080
15.605	Sport Fish Restoration Program	Rhode Island Dept of Environmental Management	3481879	-	95,914
15.605	Sport Fish Restoration Program	Rhode Island Dept of Environmental Management	3511096	-	(18,997)
15.605 Total				-	279,193
15.611	Wildlife Restoration and Basic Hunter Education	Arkansas Game and Fish Commission	10162018 AGFC QUAIL	-	17,831
15.611	Wildlife Restoration and Basic Hunter Education	WI Department of Natural Resources	2282020 W CHIWAUKEE	-	50,000
15.611	Wildlife Restoration and Basic Hunter Education	Rhode Island Dept of Environmental Management	3610720	-	24,526
15.611	Wildlife Restoration and Basic Hunter Education	Pennsylvania Game Commission	4000022236	-	78,003
15.611	Wildlife Restoration and Basic Hunter Education	Tennessee Wildlife Resources Agency	49202	45,212	56,217
15.611	Wildlife Restoration and Basic Hunter Education	Ohio Department of Natural Resources	6119 FWS ODNR WOODRAT	-	32,983
15.611	Wildlife Restoration and Basic Hunter Education	Tennessee Wildlife Resources Agency	64828	-	2,922
15.611	Wildlife Restoration and Basic Hunter Education	Tennessee Wildlife Resources Agency	65092	-	10,103
15.611	Wildlife Restoration and Basic Hunter Education	Tennessee Wildlife Resources Agency	65138	-	14,814
15.611	Wildlife Restoration and Basic Hunter Education	Nebraska Game and Parks Commission	NE-64850-17	-	7,910
15.611	Wildlife Restoration and Basic Hunter Education	WI Department of Natural Resources	WHPF10418	-	43,500
15.611 Total				45,212	338,809
TOTAL FISH & WILDLIFE CLUSTER				45,212	618,002
Highway Planning & Construction Cluster					
20.219	Recreational Trails Program	Arkansas Department Of Transportation	80572	-	64,470
20.219	Recreational Trails Program	West Virginia Department of Transportation, Division of Highways	U339-CRA/NE-1. 00	-	425
20.219 Total				-	64,895
20.205	Highway Planning and Construction	University of Vermont	33638SUB53307	-	11,022
20.205 Total				-	11,022
TOTAL HIGHWAY PLANNING & CONSTRUCTION CLUSTER				-	75,917
Other Awards					
10.025	Plant and Animal Disease, Pest Control, and Animal Care	DIRECT	AP17PPQH000C008	-	(313)
10.025	Plant and Animal Disease, Pest Control, and Animal Care	DIRECT	AP18PPQH000C012	-	61,676
10.025	Plant and Animal Disease, Pest Control, and Animal Care	DIRECT	AP19PPQH000C007	-	106,542
10.025	Plant and Animal Disease, Pest Control, and Animal Care	DIRECT	AP19PPQH000C012	-	110,954
10.025 Total				-	278,859
10.069	Conservation Reserve Program	Southern Indiana Cooperative Invasives Management	17-005-1	-	3,750
10.069	Conservation Reserve Program	National Wildlife Federation	1908-052	-	755
10.069	Conservation Reserve Program	National Fish and Wildlife Foundation	2503.18.062045	-	1,725
10.069	Conservation Reserve Program	DIRECT	69-6740-17-024	-	12,741
10.069	Conservation Reserve Program	SOUTH DAKOTA STATE UNIVERSITY	E0016424	-	1,903
10.069 Total				-	20,874

The accompanying notes are an integral part of this schedule.

The Nature Conservancy

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2020

CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
10.072	Wetlands Reserve Program	National Fish and Wildlife Foundation	1907.18.059221	\$ -	150,000
10.072	Wetlands Reserve Program	National Fish and Wildlife Foundation	1907.18.059644	22,965	59,181
10.072	Wetlands Reserve Program	DIRECT	6652KY06005F1	-	130,599
10.072	Wetlands Reserve Program	DIRECT	6652KY0800MS4	-	99,419
10.072	Wetlands Reserve Program	DIRECT	6652KY11015V7	-	8,646
10.072	Wetlands Reserve Program	DIRECT	6652KY97005H9	-	149,590
10.072	Wetlands Reserve Program	DIRECT	68-5C16-17-015	618,554	669,938
10.072	Wetlands Reserve Program	DIRECT	68-7103-15-026	-	237,366
10.072	Wetlands Reserve Program	DIRECT	NR177217XXXXC008	-	37,435
10.072	Wetlands Reserve Program	DIRECT	WRP 66 043615 070	-	27,781
10.072	Wetlands Reserve Program	DIRECT	NR194423XXXXC025	-	1,402
10.072 Total				641,519	1,571,357
10.310	Agriculture and Food Research Initiative (AFRI)	DIRECT	2019-67012-29720	-	57,895
10.310	Agriculture and Food Research Initiative (AFRI)	The Ohio State University	60065334	-	14,004
10.310 Total				-	71,899
10.664	Cooperative Forestry Assistance	DIRECT	14-DG-11020000-069	43,271	59,491
10.664	Cooperative Forestry Assistance	DIRECT	15-DG-11020000-069	367,848	571,703
10.664	Cooperative Forestry Assistance	DIRECT	17-DG-11062765-705	-	21,670
10.664	Cooperative Forestry Assistance	DIRECT	17-DG-11062765-709	379,517	404,820
10.664	Cooperative Forestry Assistance	DIRECT	18-DG-11083150-015	-	68,304
10.664	Cooperative Forestry Assistance	DIRECT	18-DG-11420004-047	918	5,908
10.664	Cooperative Forestry Assistance	DIRECT	18DG11420004268	-	47,331
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.18.059339	1,643	4,805
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.18.059583	-	928
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.18.059696	-	15,504
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.19.063532	-	3,523
10.664	Cooperative Forestry Assistance	DIRECT	1903.19.063721	-	4,816
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	1903.19.064108	-	33,990
10.664	Cooperative Forestry Assistance	DIRECT	19-DG-11420000-118	-	18,485
10.664	Cooperative Forestry Assistance	DIRECT	19-DG-11420000-166	-	81
10.664	Cooperative Forestry Assistance	DIRECT	19-DG-11420000-278	-	1,951
10.664	Cooperative Forestry Assistance	DIRECT	20-DG-11094200-011	-	8,063
10.664	Cooperative Forestry Assistance	Minnesota Department of Natural Resources	3-109636	-	3,318
10.664	Cooperative Forestry Assistance	National Fish and Wildlife Foundation	59685	-	22,311
10.664	Cooperative Forestry Assistance	WA Department of Natural Resources	93-097902	-	83,704
10.664	Cooperative Forestry Assistance	MT Department of Natural Resources and Conservation	LSR-19-002	-	20,366
10.664	Cooperative Forestry Assistance	CLEARWATER RESOURCE COUNCIL	MPA 2018-005	-	19,518
10.664	Cooperative Forestry Assistance	DIRECT	20-DG-11094200-50	-	21
10.664 Total				793,197	1,420,611
10.674	Forest Products Lab: Technology Marketing Unit (TMU)	DIRECT	18-DG-11062765-739	-	17,074
10.674 Total				-	17,074
10.676	Forest Legacy Program	DIRECT	17-CA-11052021-216	-	6,858
10.676 Total				-	6,858
10.679	Collaborative Forest Restoration	DIRECT	17-DG-11030200-016	7,098	85,237
10.679	Collaborative Forest Restoration	DIRECT	17-DG-11030300-023	15,418	145,914
10.679	Collaborative Forest Restoration	NM Grant Soil and Water Conservation District	Grant 121817	-	5,810
10.679 Total				22,516	236,961

The accompanying notes are an integral part of this schedule.

The Nature Conservancy

Schedule of Expenditures of Federal Awards

For the year ended June 30, 2020

CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
10.680	Forest Health Protection	DIRECT	15-CA-11420004-238	\$ 32,152	\$ 39,978
10.680	Forest Health Protection	DIRECT	18-CA-11132546-031	-	25,683
10.680 Total				32,152	65,661
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	50118060163	-	9,007
10.683	National Fish and Wildlife Foundation	Southeast Alaska Watershed Coalition	06.01.2018	-	5,651
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0603.17.057354	2,455	12,383
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1903.17.055558	3,514	7,360
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1903.17.055681	-	12
10.683	National Fish and Wildlife Foundation	DIRECT	1903.17.055766	10,086	12,936
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1903.17.055862	-	10,552
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1903.17.056054	-	9,747
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1904.18.059367	4,998	6,215
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1906.18.062524	12,222	16,070
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1906.18.062550	9,606	47,047
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1906.19.066394	-	4,022
10.683	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	2100.18.061839	-	44,335
10.683 Total				42,881	185,337
10.684	International Forestry Programs	DIRECT	15-DG-11132762-428	-	8,060
10.684	International Forestry Programs	DIRECT	16DG11132762361	-	2,949
10.684	International Forestry Programs	DIRECT	19-DG-11132762-223	-	33,836
10.684 Total				-	44,845
10.691	Good Neighbor Authority	New Mexico Energy, Minerals and Natural Resources Department	19-521-0400-0220	-	127,483
10.691 Total				-	127,483
10.698	State & Private Forestry Cooperative Fire Assistance Program	DIRECT	18-CA-11132543-039	891,813	2,340,942
10.698	State & Private Forestry Cooperative Fire Assistance Program	DIRECT	18-CA-11132543-049	-	610,970
10.698	State & Private Forestry Cooperative Fire Assistance Program	DIRECT	19-DG-11420000-205	-	4,528
10.698 Total				891,813	2,956,440
10.902	Soil and Water Conservation	National Fish and Wildlife Foundation	0407.17.058363	-	73,907
10.902	10.902	National Fish and Wildlife Foundation	0603.17.057354	7,790	39,288
10.902	10.902	Southern Indiana Cooperative Invasives Management	17-005-1	-	3,750
10.902	10.902	National Fish and Wildlife Foundation	1903.16.052268	382	468
10.902	10.902	National Fish and Wildlife Foundation	1903.16.052298	9,086	11,198
10.902	10.902	National Fish and Wildlife Foundation	1903.17.055681	-	5
10.902	10.902	DIRECT	1903.17.055766	20,173	25,873
10.902	10.902	National Fish and Wildlife Foundation	1903.18.059339	993	2,903
10.902	10.902	National Fish and Wildlife Foundation	1903.19.063532	-	934
10.902	10.902	National Fish and Wildlife Foundation	1903.19.063692	-	3,895
10.902	10.902	National Fish and Wildlife Foundation	1903.19.064108	-	24,473
10.902	10.902	National Fish and Wildlife Foundation	1904.19.064159	-	1,989
10.902	10.902	National Fish and Wildlife Foundation	1906.18.062550	3,055	14,961

The accompanying notes are an integral part of this schedule.

**The Nature Conservancy
Schedule of Expenditures of Federal Awards
For the year ended June 30, 2020**

CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
10.902	10.902	National Fish and Wildlife Foundation	1907.18.059644	\$ 15,310	\$ 39,454
10.902	10.902	National Wildlife Federation	1908-052	-	1,510
10.902	10.902	National Fish and Wildlife Foundation	2503.17.058001	20,000	80,948
10.902	10.902	DIRECT	2503.18.062009	-	9,566
10.902	10.902	National Fish and Wildlife Foundation	2503.18.062045	-	5,230
10.902	10.902	DIRECT	68-5C16-14-048	-	7,650
10.902	10.902	DIRECT	68-6114-17-024	28,082	30,890
10.902	10.902	DIRECT	69-6740-17-024	-	10,346
10.902	10.902	US Endowment for Forestry and Communities	E18-48	11,522	27,905
10.902	10.902	Natural Resources Conservation Service	E19-67	-	23,579
10.902	10.902	DIRECT	NR177217XXXXC008	-	19,485
10.902	10.902	DIRECT	NR187335XXXXC020	-	18,411
10.902	10.902	DIRECT	NR196740XXXXG004	-	11,535
10.902	10.902	DIRECT	NR204741XXXXC010	-	1,040
10.902	10.902	DIRECT	NR206526XXXXG001	-	5,050
10.902	10.902	Great Lakes Commission	WS05-14-02	-	3,180
10.902 Total	10.902 Total			116,393	499,423
10.904	10.904	Pixley Irrigation District	NR199104XXXXC012	-	15,103
10.904 Total	10.904 Total			-	15,103
10.912	10.912	Trout Unlimited	01182018 Liquid Assets	-	2,691
10.912	10.912	National Fish and Wildlife Foundation	0603.17.057354	-	339
10.912	10.912	i2CF2	08012017 i2CF2 Water Fund	-	8,743
10.912	10.912	Southern Indiana Cooperative Invasives Management	17-005-1	-	3,750
10.912	10.912	National Fish and Wildlife Foundation	1903.18.059339	1,058	3,095
10.912	10.912	National Fish and Wildlife Foundation	1903.19.063532	-	995
10.912	10.912	National Fish and Wildlife Foundation	1903.19.063692	-	3,895
10.912	10.912	National Fish and Wildlife Foundation	1904.19.064159	-	2,120
10.912	10.912	National Fish and Wildlife Foundation	1906.18.062550	3,257	15,951
10.912	10.912	DIRECT	2503.18.062009	-	10,199
10.912	10.912	National Fish and Wildlife Foundation	2503.18.062045	-	1,899
10.912	10.912	Southeast Land Trust of New Hampshire	61324-TNC	-	20,230
10.912	10.912	DIRECT	69-3A75-17-18	-	13,762
10.912	10.912	DIRECT	69-3A75-17-288	-	87,510
10.912	10.912	DIRECT	69-3A75-17-289	-	143,465
10.912	10.912	DIRECT	69-3A75-17-36	-	1,262
10.912	10.912	DIRECT	69-5D21-17-115	11,935	31,254
10.912	10.912	DIRECT	NR177217XXXXG002	-	47,380
10.912	10.912	DIRECT	NR181218XXXXG001	-	17,397
10.912	10.912	DIRECT	NR183A750008G010	42,380	158,943
10.912	10.912	DIRECT	NR184423XXXXC051	-	18,039

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CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
10.912	10.912	DIRECT	NR184741XXXXC002	\$ 340	\$ 649
10.912	10.912	DIRECT	NR1964ZZZG015	-	32,308
10.912	10.912	DIRECT	NR196740XXXXG004	-	11,535
10.912	10.912	DIRECT	NR202C31XXXXG001	-	5,222
10.912	10.912	DIRECT	NR206526XXXXG001	-	17,674
10.912	10.912	Huna Totem Corporation	052319-HTCO	-	5,222
10.912 Total	10.912 Total			58,970	665,529
10.924	10.924	Southern Indiana Cooperative Invasives Management	17-005-1	-	3,750
10.924	10.924	National Fish and Wildlife Foundation	1903.18.059339	1,235	3,612
10.924	10.924	National Fish and Wildlife Foundation	1903.19.063532	-	1,161
10.924	10.924	National Fish and Wildlife Foundation	1903.19.063692	-	3,895
10.924	10.924	National Fish and Wildlife Foundation	1904.19.064159	-	2,474
10.924	10.924	National Fish and Wildlife Foundation	1906.18.062550	3,800	18,611
10.924	10.924	DIRECT	2503.18.062009	-	11,900
10.924	10.924	National Fish and Wildlife Foundation	2503.18.062045	-	2,216
10.924	10.924	SOUTH DAKOTA STATE UNIVERSITY	E0016424	-	1,269
10.924	10.924	DIRECT	NR196740XXXXG004	-	34,605
10.924	10.924	DIRECT	NR206526XXXXG001	-	32,907
10.924 Total	10.924 Total			5,035	116,400
10.928	Emergency Watershed Protection Program - Floodplain Easements Disaster Relief Appropriations Act	DIRECT	68-2C31-17-200	-	286,444
10.928 Total				-	286,444
10.931	Agricultural Conservation Easement Program	National Fish and Wildlife Foundation	1903.19.063692	-	3,895
10.931	Agricultural Conservation Easement Program	National Fish and Wildlife Foundation	1907.18.059221	-	150,000
10.931	Agricultural Conservation Easement Program	National Fish and Wildlife Foundation	1907.18.059644	22,965	59,181
10.931	Agricultural Conservation Easement Program	National Wildlife Federation	1908-052	-	755
10.931	Agricultural Conservation Easement Program	National Fish and Wildlife Foundation	2503.18.062045	-	1,725
10.931	Agricultural Conservation Easement Program	DIRECT	540211150JK9	-	292,500
10.931	Agricultural Conservation Easement Program	DIRECT	6652KY0800MFK	-	24,788
10.931	Agricultural Conservation Easement Program	DIRECT	66632211017DG	-	719
10.931	Agricultural Conservation Easement Program	DIRECT	66632212019G6	-	1,067
10.931	Agricultural Conservation Easement Program	DIRECT	68-1428-16-757	15,207	25,858
10.931	Agricultural Conservation Easement Program	DIRECT	68-7103-17-030	-	7,235
10.931	Agricultural Conservation Easement Program	DIRECT	68-7442-16-509	-	98,200
10.931	Agricultural Conservation Easement Program	DIRECT	68-7442-16-515	-	566,150
10.931	Agricultural Conservation Easement Program	DIRECT	68-7442-17-022	-	1,199,000
10.931	Agricultural Conservation Easement Program	DIRECT	68-7442-17-023	-	1,480,000
10.931	Agricultural Conservation Easement Program	DIRECT	69-0211-17-025	-	453,750
10.931	Agricultural Conservation Easement Program	DIRECT	69-0325-18-001	-	1,537,500
10.931	Agricultural Conservation Easement Program	DIRECT	69-0325-18-002	-	1,803,750
10.931	Agricultural Conservation Easement Program	DIRECT	69-0325-18-003	-	727,500

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CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
10.931	Agricultural Conservation Easement Program	DIRECT	69-6740-17-024	\$ -	12,913
10.931	Agricultural Conservation Easement Program	DIRECT	69-8B05-18-001	-	407,625
10.931	Agricultural Conservation Easement Program	DIRECT	ACEP-WRE 5413201501GKL	-	58,255
10.931	Agricultural Conservation Easement Program	SOUTH DAKOTA STATE UNIVERSITY	E0016424	-	254
10.931	Agricultural Conservation Easement Program	DIRECT	NR177217XXXXC008	-	13,090
10.931	Agricultural Conservation Easement Program	DIRECT	NR185C16XXXXC004	17,660	728,735
10.931	Agricultural Conservation Easement Program	DIRECT	NR193B19XXXXC008	-	5,116
10.931	Agricultural Conservation Easement Program	DIRECT	WRP 66-0436-18-001	-	138,786
10.931	Agricultural Conservation Easement Program	DIRECT	NR185C16XXXXC004	-	1,123
10.931	Agricultural Conservation Easement Program	DIRECT	68-5C16-16-682	15,346	38,557
10.931	Agricultural Conservation Easement Program	DIRECT	68-4209-18-007	-	1,370,000
10.931 Total				71,178	11,208,027
10.932	(Department of Agriculture) NRCS Regional Conservation Partnership	Sealaska Corporation	072619-SEALASKA	-	209,064
10.932	(Department of Agriculture) NRCS Regional Conservation Partnership	DIRECT	68-0436-17-032	-	18,585
10.932	(Department of Agriculture) NRCS Regional Conservation Partnership	DIRECT	68-1218-18-003	-	93,655
10.932	(Department of Agriculture) NRCS Regional Conservation Partnership	DIRECT	68-33A7-16-944	-	7,822
10.932	(Department of Agriculture) NRCS Regional Conservation Partnership	DIRECT	68-5D21-15-03	11,157	11,157
10.932	(Department of Agriculture) NRCS Regional Conservation Partnership	DIRECT	68-7103-16-966	-	25,327
10.932	(Department of Agriculture) NRCS Regional Conservation Partnership	DIRECT	68-9457-15-534	-	88,710
10.932	(Department of Agriculture) NRCS Regional Conservation Partnership	DIRECT	NR181320XXXXC017	7,071	14,570
10.932	(Department of Agriculture) NRCS Regional Conservation Partnership	DIRECT	NR182B29XXXXC004	-	2,780
10.932	(Department of Agriculture) NRCS Regional Conservation Partnership	DIRECT	NR185C16XXXXC011	-	51,925
10.932 Total				18,228	523,595
10.U01	Department of Agriculture / UNKNOWN	California Department of Transportation	07A3844	-	730,603
10.U02	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	0807.17.058313	242,674	324,253
10.U03	Department of Agriculture / UNKNOWN	DIRECT	13-CS-11062754-042	-	2,028
10.U04	Department of Agriculture / UNKNOWN	DIRECT	14 PA 11092100 025	-	133,696
10.U05	Department of Agriculture / UNKNOWN	DIRECT	14-CS-11080400-016	-	4,635
10.U06	Department of Agriculture / UNKNOWN	U.S. Forest Service	14-PA-11080900-004	-	21,532
10.U07	Department of Agriculture / UNKNOWN	DIRECT	15-CS-11080500-026	-	114,373
10.U08	Department of Agriculture / UNKNOWN	DIRECT	15-CS-11081105-020	-	25,883
10.U09	Department of Agriculture / UNKNOWN	DIRECT	15-PA-11080821-010	-	102,843
10.U10	Department of Agriculture / UNKNOWN	DIRECT	16-CS-11060120-049	-	85,531

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CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
10.U11	Department of Agriculture / UNKNOWN	DIRECT	16-CS-11090500-040	\$ -	40,797
10.U12	Department of Agriculture / UNKNOWN	DIRECT	16-CS-11090800-038	-	175,807
10.U13	Department of Agriculture / UNKNOWN	DIRECT	16-PA-11061700-073	-	19,906
10.U14	Department of Agriculture / UNKNOWN	DIRECT	16-PA-11080100-006	-	121,476
10.U15	Department of Agriculture / UNKNOWN	DIRECT	16-PA-11080800-006	-	45,447
10.U16	Department of Agriculture / UNKNOWN	DIRECT	16-PA-11090300-030	-	40,798
10.U17	Department of Agriculture / UNKNOWN	DIRECT	17-PA-11080500-015	-	(161)
10.U18	Department of Agriculture / UNKNOWN	DIRECT	17-PA-11081209-011	-	2,265
10.U19	Department of Agriculture / UNKNOWN	DIRECT	18-IA-11080500-074	-	29,586
10.U20	Department of Agriculture / UNKNOWN	DIRECT	18-PA-11091000-018	-	1,632
10.U21	Department of Agriculture / UNKNOWN	DIRECT	18-PA-11091400-017	-	6,814
10.U22	Department of Agriculture / UNKNOWN	DIRECT	18-SA-11092100-036	-	25,438
10.U23	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.16.052268	3,057	3,745
10.U24	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.16.052298	17,036	20,996
10.U25	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.17.055558	14,055	29,441
10.U26	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.17.055862	-	29,452
10.U27	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.17.056054	-	19,495
10.U28	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.18.059339	4,929	14,416
10.U29	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.18.059476	-	7,075
10.U30	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.18.059583	-	928
10.U31	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.18.059696	-	54,265
10.U32	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.19.063532	-	2,114
10.U33	Department of Agriculture / UNKNOWN	DIRECT	1903.19.063721	-	8,027
10.U34	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	1903.19.064305	-	24,479
10.U35	Department of Agriculture / UNKNOWN	DIRECT	19-CS-11061600-005	-	51,086
10.U36	Department of Agriculture / UNKNOWN	DIRECT	19-CS-11091500-002	-	90,094
10.U37	Department of Agriculture / UNKNOWN	DIRECT	19-PA-11092100-028	-	16,671
10.U38	Department of Agriculture / UNKNOWN	DIRECT	5463221401GV2	-	57
10.U39	Department of Agriculture / UNKNOWN	National Fish and Wildlife Foundation	59685	-	29,748
10.UNK Total				281,751	2,457,271
Total U.S. Department of Agriculture				2,975,633	22,776,051
11.012	Integrated Ocean Observing System (IOOS)	Southeast Coastal Ocean Observing Regional Association	05012020 SECOORA SA SAND	-	2,378
11.012 Total				-	2,378
11.417	Sea Grant Support	University of Rhode Island	00086-2/05192020	-	4,522
11.417	Sea Grant Support	University of Vermont	32817SUB53193	-	32,609
11.417	Sea Grant Support	Northeastern University	505183-78050	-	7,874
11.417 Total				-	45,005
11.419	Coastal Zone Management Administration Awards	Indiana Department of Natural Resources	33830	-	5,848
11.419	Coastal Zone Management Administration Awards	Alaska Fisheries Development Foundation, Inc.	01252018 Mariculture	-	17,159
11.419	Coastal Zone Management Administration Awards	Camden County, GA	306-7.4	-	27,711
11.419	Coastal Zone Management Administration Awards	Camden County, GA	306-7.4B	-	30,912
11.419	Coastal Zone Management Administration Awards	Virginia DEQ Coastal Zone Management	NA17NOS4190152 73.01	-	14,852
11.419	Coastal Zone Management Administration Awards	Virginia DEQ Coastal Zone Management	NA18NOS4190152 94.02	-	21,056
11.419	Coastal Zone Management Administration Awards	Virginia DEQ Coastal Zone Management	NA19NOS4190163 94.02	-	1,710
11.419 Total				-	119,248

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For the year ended June 30, 2020

CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
11.427	Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	National Fish and Wildlife Foundation	0303.18.062127	\$ -	39,235
11.427	Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program	University of Guam	07162018 UOG Fisheries	-	9,924
11.427 Total				-	49,159
11.429	Marine Sanctuary Program	National Marine Sanctuary Foundation	19-05-B-212	-	25,978
11.429 Total				-	25,978
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	Oregon Watershed Enhancement Board	218-8201-16514	-	54,645
11.438	Pacific Coast Salmon Recovery_Pacific Salmon Treaty Program	California Department of Fish and Wildlife	P1510549	-	229,106
11.438 Total				-	283,751
11.454	Unallied Management Projects	DIRECT	NA19NMF4540076	-	31,757
11.454 Total				-	31,757
11.457	Chesapeake Bay Studies	DIRECT	NA18NMF4570274	-	69,650
11.457 Total				-	69,650
11.463	Habitat Conservation	WA State Department of Fish and Wildlife	19-15089	-	6,407
11.463	Habitat Conservation	DIRECT	NA15NMF4630145	-	24,064
11.463	Habitat Conservation	DIRECT	NA16NMF4630115	-	81,475
11.463	Habitat Conservation	DIRECT	NA16NMF4630307	69,225	172,658
11.463	Habitat Conservation	DIRECT	NA16NMF4630309	2,229	103,823
11.463	Habitat Conservation	DIRECT	NA16NMF4630313	-	13,266
11.463	Habitat Conservation	DIRECT	NA17NMF4630007	-	143,043
11.463	Habitat Conservation	DIRECT	NA17NMF4630122	321,765	3,411,020
11.463	Habitat Conservation	DIRECT	NA17NMF4630296	-	139,015
11.463	Habitat Conservation	DIRECT	NA17NMF4630301	-	148,240
11.463	Habitat Conservation	DIRECT	NA17NMF4630302	-	173,021
11.463	Habitat Conservation	DIRECT	NA18NMF4630223	-	105,706
11.463	Habitat Conservation	DIRECT	NA19NMF4630075	-	89,550
11.463	Habitat Conservation	DIRECT	NA19NMF4630256	-	23,325
11.463	Habitat Conservation	DIRECT	NA19NMF4630261	-	115,681
11.463	Habitat Conservation	DIRECT	NA19NMF4630272	10,767	11,292
11.463	Habitat Conservation	DIRECT	NA19NMF4630281	45,000	177,499
11.463 Total				448,986	4,939,085
11.469	Congressionally Identified Awards and Projects	DIRECT	NA15NMF4690117	-	(1,891)
11.469	Congressionally Identified Awards and Projects	DIRECT	NA15NMF4690242	-	124,541
11.469 Total				-	122,650
11.472	Unallied Science Program	National Fish and Wildlife Foundation	0303.17.058656	-	23,042
11.472 Total				-	23,042
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.18.062087	-	35,262
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.18.062246	-	27,449
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.18.062525	-	13,054
11.473	Coastal Services Center	National Fish and Wildlife Foundation	0318.19.065706	-	44,537
11.473	Coastal Services Center	DIRECT	NA17NOS4730141	247,836	485,832
11.473 Total				247,836	606,134

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CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
11.474	Atlantic Coastal Fisheries Cooperative Management Act	Atlantic States Marine Fisheries Commission	19-0303	\$ -	10,911
11.474 Total				-	10,911
11.478	Center for Sponsored Coastal Ocean Research_Coastal Ocean Program	GEORGE MASON UNIVERSITY	E2049263	-	11,944
11.478 Total				-	11,944
11.482	Coral Reef Conservation Program	National Fish and Wildlife Foundation	0302.16.053113	-	1,716
11.482	Coral Reef Conservation Program	National Fish and Wildlife Foundation	0302.17.056503	-	18,954
11.482	Coral Reef Conservation Program	Hawaii Department of Land and Natural Resources	C91228	-	22,565
11.482	Coral Reef Conservation Program	DIRECT	NA13NOS4820145	-	(90)
11.482	Coral Reef Conservation Program	DIRECT	NA16NOS4820106	72,902	689,293
11.482	Coral Reef Conservation Program	DIRECT	NA17NOS4820073	-	48,523
11.482 Total				72,902	780,961
Total U.S. Department of Commerce				769,724	7,121,653
12.401	National Guard Military Operations and Maintenance (O&M) Projects	Management	15A 20160502 328	-	2,568
12.401	National Guard Military Operations and Maintenance (O&M) Projects	Mississippi Military Department	19-PSC-03-F REVISED	-	132,764
12.401	National Guard Military Operations and Maintenance (O&M) Projects	Mississippi Military Department	20-PSC-03-F	-	299,749
12.401 Total				-	435,081
12.632	Legacy Resource Management Program/DOD	National Fish and Wildlife Foundation	1903.17.055681	-	8
12.632	Legacy Resource Management Program/DOD	National Fish and Wildlife Foundation	1903.18.059339	1,643	4,805
12.632	Legacy Resource Management Program/DOD	National Fish and Wildlife Foundation	1903.18.059476	-	11,991
12.632	Legacy Resource Management Program/DOD	National Fish and Wildlife Foundation	1903.18.059696	-	38,760
12.632	Legacy Resource Management Program/DOD	National Fish and Wildlife Foundation	1903.19.063532	-	7,046
12.632	Legacy Resource Management Program/DOD	DIRECT	1903.19.063721	-	5,217
12.632 Total				1,643	67,827
12.U01	Department of Defense / UNKNOWN	DIRECT	022813 DOD REPI	-	2,125,356
12.U02	Department of Defense / UNKNOWN	DIRECT	051319-USCOE ECO	(1,638)	21,680
12.U03	Department of Defense / UNKNOWN	National Fish and Wildlife Foundation	1903.16.052268	382	468
12.U04	Department of Defense / UNKNOWN	National Fish and Wildlife Foundation	1903.16.052298	7,950	9,798
12.U05	Department of Defense / UNKNOWN	National Fish and Wildlife Foundation	1903.17.055297	-	45,609
12.U06	Department of Defense / UNKNOWN	National Fish and Wildlife Foundation	1903.17.055558	7,028	14,720
12.U07	Department of Defense / UNKNOWN	VT Department of Environmental Conservation	36057	-	3,340
12.U08	Department of Defense / UNKNOWN	DIRECT	N62473-19-RP-00196	-	716
12.U09	Department of Defense / UNKNOWN	DIRECT	USACOE_052120_SRP2020	-	11,035
12.U10	Department of Defense / UNKNOWN	DIRECT	W911SR-06-2-0007	-	(20)
12.U11	Department of Defense / UNKNOWN	DIRECT	W9124J-15-2-0003	-	3,204,802
12.U12	Department of Defense / UNKNOWN	DIRECT	W9124J-15-2-0005	-	753,725
12.U13	Department of Defense / UNKNOWN	DIRECT	W911SR-07-2-0001	-	4,915
12.UNK Total				13,722	6,196,144
Total U.S. Department of Defense				15,365	6,699,052
15.035	Forestry on Indian Lands	Confederated Salish & Kootenai Tribes	M18-046	-	89,883
15.035 Total				-	89,883

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CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
15.228	National Fire Plan - Wildland Urban Interface Community Fire Assistance	DIRECT	L17AC00354	\$ -	3,353
15.228 Total				-	3,353
15.231	Fish, Wildlife and Plant Conservation Resource Management	National Fish and Wildlife Foundation	0801.17.058942	-	80,000
15.231	Fish, Wildlife and Plant Conservation Resource Management	National Wildlife Federation	1908-052	-	4,577
15.231	Fish, Wildlife and Plant Conservation Resource Management	National Fish and Wildlife Foundation	2502.17.058757	48,264	60,011
15.231	Fish, Wildlife and Plant Conservation Resource Management	DIRECT	2503.18.062009	-	3,866
15.231	Fish, Wildlife and Plant Conservation Resource Management	DIRECT	L16AC00162	-	40,431
15.231	Fish, Wildlife and Plant Conservation Resource Management	DIRECT	L17AC00150	7,052	30,882
15.231 Total				55,316	219,767
15.233	Forests and Woodlands Resource Management	DIRECT	L19AC00170	-	10,996
15.233	Forests and Woodlands Resource Management	DIRECT	L19AC00298	-	30,718
15.233 Total				-	41,714
15.236	Environmental Quality and Protection Resource Management	Wyoming Department of Environmental Quality	72318 AML NATIVE PLANTS	-	4,913
15.236 Total				-	4,913
15.245	Plant Conservation and Restoration Management	DIRECT	L17AC00150	19,486	85,331
15.245	Plant Conservation and Restoration Management	DIRECT	L19AC00158	-	8,865
15.245	Plant Conservation and Restoration Management	DIRECT	L19AC00290	-	21,790
15.245 Total				19,486	115,986
15.247	Wildlife Resource Management	DIRECT	L19AC00107	-	23,352
15.247 Total				-	23,352
15.252	Abandoned Mine Land Reclamation (AMLR) Program	VA Department of Mines, Minerals and Energy	012120 AML PILOT	-	10,332
15.252	Abandoned Mine Land Reclamation (AMLR) Program	Wyoming Department of Environmental Quality	72318 AML NATIVE PLANTS	-	4,913
15.252 Total				-	15,245
15.435	GoMESA	Alabama Department of Conservation and Natural Resources	G-TNCBLBR/19/TNC	-	2,120
15.435 Total				-	2,120
15.507	WaterSMART (Sustaining and Manage America's Resources for Tomorrow)	Bureau of Reclamation	R18AP00221	-	26,611
15.507 Total				-	26,611
15.508	Providing Water to At-Risk Natural Desert Terminal Lakes	National Fish and Wildlife Foundation	0103.17.055279	35,974	49,932
15.508	Providing Water to At-Risk Natural Desert Terminal Lakes	DIRECT	R14AP00119	-	2,198,247
15.508	Providing Water to At-Risk Natural Desert Terminal Lakes	DIRECT	R14AP00120	-	65,068
15.508	Providing Water to At-Risk Natural Desert Terminal Lakes	DIRECT	R17AP00014	-	295,334
15.508 Total				35,974	2,608,581
15.535	Upper Colorado River Basin Fish and Wildlife Mitigation Program	Utah Reclamation and Mitigation Commission	15FCUT-2030	-	27,020
15.535 Total				-	27,020
15.554	Cooperative Watershed Management Program	Northern Arizona University	1003924-01	-	12,140
15.554 Total				-	12,140
15.608	Fish and Wildlife Management Assistance	National Fish and Wildlife Foundation	1903.16.052298	-	2,799
15.608	Fish and Wildlife Management Assistance	DIRECT	F15AC00866	-	3,597
15.608	Fish and Wildlife Management Assistance	DIRECT	F15AC01104	-	65,869
15.608	Fish and Wildlife Management Assistance	DIRECT	F15AP00834	-	3,242

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15.608	Fish and Wildlife Management Assistance	DIRECT	F16AC00239	\$ -	2,460
15.608	Fish and Wildlife Management Assistance	DIRECT	F16AP00181	-	37,594
15.608	Fish and Wildlife Management Assistance	DIRECT	F17AC00524	-	10,240
15.608	Fish and Wildlife Management Assistance	DIRECT	F17AC01095	-	-
15.608	Fish and Wildlife Management Assistance	DIRECT	F18AC00764	-	17,372
15.608	Fish and Wildlife Management Assistance	DIRECT	F18AC00805	-	158,556
15.608	Fish and Wildlife Management Assistance	DIRECT	F18AP00636	-	23,094
15.608	Fish and Wildlife Management Assistance	DIRECT	F19AC00625	-	8,892
15.608	Fish and Wildlife Management Assistance	DIRECT	F19AP00530	-	9,725
15.608	Fish and Wildlife Management Assistance	DIRECT	F20AP00031	-	250,000
15.608	Fish and Wildlife Management Assistance	North Carolina Wildlife Resources Commission	HC-003	-	88,339
15.608 Total				-	681,779
15.614	Coastal Wetlands Planning, Protection and Restoration Act	Oregon Watershed Enhancement Board	215-8005-15688	-	36,481
15.614 Total				-	36,481
15.615	Cooperative Endangered Species Conservation Fund	WY Game and Fish Department	3067	-	680,796
15.615	Cooperative Endangered Species Conservation Fund	Arkansas Game and Fish Commission	01122017 BED LOAD STUDY	-	12,163
15.615	Cooperative Endangered Species Conservation Fund	Mississippi Department of Wildlife Fisheries & Parks	022020 USFWS/MDWFP FROG	-	39,498
15.615	Cooperative Endangered Species Conservation Fund	Mississippi Department of Wildlife Fisheries & Parks	112019 USFWS/MDWFP FROG	-	12,401
15.615	Cooperative Endangered Species Conservation Fund	UT Division of Wildlife Resources	201626	-	3,000,000
15.615	Cooperative Endangered Species Conservation Fund	Texas Parks and Wildlife Department	495177	-	557,363
15.615	Cooperative Endangered Species Conservation Fund	Tennessee Wildlife Resources Agency	49986	49,059	98,333
15.615	Cooperative Endangered Species Conservation Fund	Arkansas Game and Fish Commission	AR-E-F17AP00047	-	545,962
15.615	Cooperative Endangered Species Conservation Fund	Arkansas Game and Fish Commission	AREF18AP00064	-	1,827
15.615	Cooperative Endangered Species Conservation Fund	Oregon Parks & Recreation Department	FY18-E30TW22	-	44,392
15.615 Total				49,059	4,992,735
15.623	North American Wetlands Conservation Fund	Ducks Unlimited, Inc.	04292019 UMR MIGRATION	-	15,637
15.623	North American Wetlands Conservation Fund	DIRECT	F16AP00210	44,616	44,616
15.623	North American Wetlands Conservation Fund	DIRECT	F17AP00270	11,014	12,825
15.623	North American Wetlands Conservation Fund	DIRECT	F18AP00414	-	3,317
15.623	North American Wetlands Conservation Fund	DIRECT	F19AC00843	-	628,832
15.623	North American Wetlands Conservation Fund	DIRECT	F19AP00669	1,000,000	1,000,000
15.623	North American Wetlands Conservation Fund	North Carolina Coastal Land Trust	FWS#F18AP00402	-	290,000
15.623	North American Wetlands Conservation Fund	Ducks Unlimited, Inc.	MT-343-1	-	281,168
15.623	North American Wetlands Conservation Fund	Ducks Unlimited, Inc.	SD5511	-	13,666
15.623	North American Wetlands Conservation Fund	Ducks Unlimited, Inc.	US-KS-28-9	-	9,955
15.623	North American Wetlands Conservation Fund	Ducks Unlimited, Inc.	US-WI-405-3	-	205,700
15.623 Total				1,055,630	2,505,716
15.630	Coastal Program	DIRECT	F15AC00994	-	1,906
15.630	Coastal Program	DIRECT	F16AC00476	-	11,666
15.630	Coastal Program	DIRECT	F17AC00645	-	21,827

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CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
15.630	Coastal Program	DIRECT	F17AC00812	\$ -	2,920
15.630	Coastal Program	DIRECT	F17AC01059	-	37,787
15.630	Coastal Program	DIRECT	F18AC00583	-	23,527
15.630	Coastal Program	DIRECT	F18AC00714	-	3,721
15.630	Coastal Program	DIRECT	F18AC00718	-	96,568
15.630	Coastal Program	DIRECT	F19AC00865	-	25,087
15.630	Coastal Program	DIRECT	F20AC00108	-	248
15.630 Total				-	225,257
15.631	Partners for Fish and Wildlife	DIRECT	01022018 GRAND RIVER FEN	-	3,145
15.631	Partners for Fish and Wildlife	Arkansas Wildlife Federation	03282018 PFW STRWBRY RV	-	9,483
15.631	Partners for Fish and Wildlife	DIRECT	050119 USFWS ATV MOU	-	8,000
15.631	Partners for Fish and Wildlife	DIRECT	072916 USFWS PFW MELLING	-	4,650
15.631	Partners for Fish and Wildlife	DIRECT	09102019USFWS PFW SEDANAL	-	4,000
15.631	Partners for Fish and Wildlife	DIRECT	10032018PFWPETRTRACT	-	2,806
15.631	Partners for Fish and Wildlife	DIRECT	11192015 USFWS FOWLKES 2	-	4,000
15.631	Partners for Fish and Wildlife	DIRECT	F13AC01030	-	36,615
15.631	Partners for Fish and Wildlife	DIRECT	F14AC01158	-	399
15.631	Partners for Fish and Wildlife	DIRECT	F14AC01164	-	5,300
15.631	Partners for Fish and Wildlife	DIRECT	F14AP00908	-	15,060
15.631	Partners for Fish and Wildlife	DIRECT	F15AC00521	-	2,032
15.631	Partners for Fish and Wildlife	DIRECT	F15AC00655	-	12,339
15.631	Partners for Fish and Wildlife	DIRECT	F15AC00722	-	6,853
15.631	Partners for Fish and Wildlife	DIRECT	F15AC00994	-	17,152
15.631	Partners for Fish and Wildlife	DIRECT	F15AC01103	-	186
15.631	Partners for Fish and Wildlife	DIRECT	F15AC01196	-	23,586
15.631	Partners for Fish and Wildlife	DIRECT	F16AC00848	-	16,144
15.631	Partners for Fish and Wildlife	Vermont Natural Resources Council	F16AC00876	-	1,753
15.631	Partners for Fish and Wildlife	DIRECT	F16AC00903	-	20,574
15.631	Partners for Fish and Wildlife	DIRECT	F16AC00992	-	3,416
15.631	Partners for Fish and Wildlife	DIRECT	F16AC01083	-	74,149
15.631	Partners for Fish and Wildlife	DIRECT	F17AC00462	-	3,689
15.631	Partners for Fish and Wildlife	DIRECT	F17AC00554	-	5,139
15.631	Partners for Fish and Wildlife	DIRECT	F17AC00736	-	28,526
15.631	Partners for Fish and Wildlife	DIRECT	F17AC00746	-	2,692
15.631	Partners for Fish and Wildlife	DIRECT	F17AC00783	-	1,077
15.631	Partners for Fish and Wildlife	DIRECT	F17AC00846	-	10,001
15.631	Partners for Fish and Wildlife	DIRECT	F17AC01003	-	6,452
15.631	Partners for Fish and Wildlife	DIRECT	F17AC01090	-	7,580
15.631	Partners for Fish and Wildlife	DIRECT	F17AC01176	-	15,000
15.631	Partners for Fish and Wildlife	DIRECT	F18AC00679	-	6,204

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15.631	Partners for Fish and Wildlife	DIRECT	F19AC00102	\$ -	15,000
15.631	Partners for Fish and Wildlife	DIRECT	F19AC00587	-	3,559
15.631	Partners for Fish and Wildlife	DIRECT	F19AC00590	-	9,039
15.631	Partners for Fish and Wildlife	DIRECT	F19AC00801	-	4,288
15.631	Partners for Fish and Wildlife	DIRECT	F19AC00821	-	52,000
15.631	Partners for Fish and Wildlife	DIRECT	F19AC00865	-	15,052
15.631	Partners for Fish and Wildlife	Longleaf Alliance	NC-LLA-042	-	36,162
15.631	Partners for Fish and Wildlife	DIRECT	FF05E1ME00-178-	-	1,395
15.631 Total				-	494,497
15.634	State Wildlife Grants	Georgia Department of Natural Resources	010120GOPHERTORTOISESWG	-	35,000
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	01122017 SWG T68 SFOR RDS	-	6,877
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	01122017 SWG T72 NF AFSLN	-	6,792
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	03102020 SWG T94	-	665
15.634	State Wildlife Grants	NH Fish and Game Department	06212017 NHFGFWS SWG 2017	-	7,219
15.634	State Wildlife Grants	Department of Game Fish and Parks	09272016 SD GFP USFWS SWG	-	12,123
15.634	State Wildlife Grants	Georgia Department of Natural Resources	10042019MOODYFOREST13	-	44,005
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	11012011 SWG T-79	-	1,998
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	11072017 SWG T-84	-	15,886
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	11102017 SWG T-78	-	5,056
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	11102017 SWG T-77	-	3,096
15.634	State Wildlife Grants	Florida Fish and Wildlife Conservation Commission	15036	18,322	40,180
15.634	State Wildlife Grants	Florida Fish and Wildlife Conservation Commission	17142	-	10,146
15.634	State Wildlife Grants	Rhode Island Dept of Environmental Management	2019USFWS-LEAVITT	-	154,500
15.634	State Wildlife Grants	Rhode Island Dept of Environmental Management	3203667	-	12,009
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	3242020 SWG T-95	-	142
15.634	State Wildlife Grants	Tennessee Wildlife Resources Agency	48848	17,139	19,065
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	SWG T58	-	4,489
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	T 89	-	1,018
15.634	State Wildlife Grants	Arkansas Game and Fish Commission	T-81	-	6,444
15.634 Total				35,461	386,710
15.635	Neotropical Migratory Bird Conservation	DIRECT	F18AP00586	-	192,400
15.635	Neotropical Migratory Bird Conservation	DIRECT	F19AP00599	-	200,000
15.635 Total				-	392,400
15.637	Migratory Bird Joint Ventures	DIRECT	F16AP00390	-	31,364
15.637	Migratory Bird Joint Ventures	Pheasants Forever	SGI 2.0-18-04	-	90,571
15.637 Total				-	121,935
15.647	Migratory Bird Conservation	DIRECT	F19AC00865	-	78,740
15.647 Total				-	78,740
15.651	Wildlife Without Borders-Africa Program	DIRECT	F17AP00435	-	204,024
15.651 Total				-	204,024

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CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
15.654	Visitor Facility Enhancements - Refuges and Wildlife	DIRECT	F18AC00681	\$ -	12,629
15.654	Visitor Facility Enhancements - Refuges and Wildlife	DIRECT	F19AC00181	-	22,136
15.654	Visitor Facility Enhancements - Refuges and Wildlife	DIRECT	F19AC00451	-	1,343
15.654 Total				-	36,108
15.655	Migratory Bird Monitoring, Assessment and Conservation	DIRECT	F19AC00350	-	9,429
15.655 Total				-	9,429
15.657	Endangered Species Conservation Recovery Implementation Funds	DIRECT	F16AP00775	-	1,004
15.657	Endangered Species Conservation Recovery Implementation Funds	DIRECT	F19AP00221	-	26,459
15.657	Endangered Species Conservation Recovery Implementation Funds	DIRECT	F19AP00780	-	11,441
15.657 Total				-	38,904
15.658	Natural Resource Damage Assessment, Restoration and Implementation	Mississippi State University	015900.341559.01	-	7,061
15.658	Natural Resource Damage Assessment, Restoration and Implementation	Geosyntec Consultants, Inc.	02202020 DI CAUSEWAY	-	2,211
15.658	Natural Resource Damage Assessment, Restoration and Implementation	DIRECT	F16AC00148	-	2,148
15.658	Natural Resource Damage Assessment, Restoration and Implementation	DIRECT	F18AC00231	-	689
15.658	Natural Resource Damage Assessment, Restoration and Implementation	DIRECT	F18AC00747	-	502,996
15.658 Total				-	515,105
15.662	Great Lakes Restoration	Oswego County Soil and Water Conservation District	031509-FLOWPA AIS	-	266
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.15.048926	581,456	652,881
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.16.052866	-	12,122
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.16.052870	315,208	387,475
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.16.053011	-	2,830
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.17.056144	194,262	223,833
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.17.056228	69,790	120,692
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.18.060008	147,709	203,880
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.19.064495	-	7,115
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	0501.19.064501	-	12,183
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	50118060163	-	80,850
15.662	Great Lakes Restoration	National Fish and Wildlife Foundation	2008.19.063552	-	6,167
15.662	Great Lakes Restoration	Michigan Department of Environment, Great Lakes and Energy	2018-0211	4,940	35,804
15.662	Great Lakes Restoration	DIRECT	F17AP00710	-	95,500
15.662	Great Lakes Restoration	DIRECT	F18AC00017	-	43,987
15.662 Total				1,313,365	1,885,585
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0302.17.056503	-	18,954
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0403.18.062897	-	222,626
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0407.19.066264	-	874
15.663	National Fish and Wildlife Foundation	Southeast Alaska Watershed Coalition	06.01.2018	-	5,651
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0602.19.065721	-	6
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0603.18.062874	-	4,597

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CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	0801.17.059739	\$ -	1,010
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1201.16.054812	-	43,844
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1901.18.061914	-	3,862
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1904.19.064159	-	6,582
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1906.18.062524	4,444	5,844
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1906.18.062550	3,034	14,857
15.663	National Fish and Wildlife Foundation	National Fish and Wildlife Foundation	1906.19.066394	-	1,298
15.663	National Fish and Wildlife Foundation	DIRECT	2503.18.062009	-	37,999
15.663 Total				7,478	368,004
15.664	Fish and Wildlife Coordination and Assistance Programs	DIRECT	F18AP00190	-	2,321
15.664	Fish and Wildlife Coordination and Assistance Programs	DIRECT	F20AP00217	-	27,930
15.664	Fish and Wildlife Coordination and Assistance Programs	DIRECT	FY20AP00217	-	6,187
15.664 Total				-	36,438
15.669	Cooperative Landscape Conservation	Texas Parks and Wildlife Department	496694	-	7,257
15.669	Cooperative Landscape Conservation	DIRECT	F12AC01516	-	67,786
15.669 Total				-	75,043
15.670	Adaptive Science	National Fish and Wildlife Foundation	0403.18.063182	5,000	45,385
15.670	Adaptive Science	National Fish and Wildlife Foundation	0403.19.065162	-	35,237
15.670 Total				5,000	80,622
15.677	Hurricane Sandy Disaster Relief Activities-FWS	DIRECT	F18AC00026	49,715	95,788
15.677	Hurricane Sandy Disaster Relief Activities-FWS	MA Division of Ecological Restoration	MILLRVRWBXTNCGRTF18	-	151,952
15.677 Total				49,715	247,740
15.678	Cooperative Ecosystem Studies Units	DIRECT	F18AC00992	-	5,388
15.678 Total				-	5,388
15.820	National Climate Change and Wildlife Science Center	DIRECT	G20AC00116	-	1,936
15.820 Total				-	1,936
15.875	Economic, Social, and Political Development of the Territories	DIRECT	D17AP00066	-	45,868
15.875 Total				-	45,868
15.944	Natural Resource Stewardship	DIRECT	P16AC01407	-	19,058
15.944	Natural Resource Stewardship	DIRECT	P17AC01059	-	524
15.944	Natural Resource Stewardship	DIRECT	P17AC01110	-	3,313
15.944	Natural Resource Stewardship	DIRECT	P17AC01684	-	71,000
15.944	Natural Resource Stewardship	DIRECT	P17AC01687	-	19,928
15.944	Natural Resource Stewardship	DIRECT	P18AC00179	-	48,667
15.944	Natural Resource Stewardship	DIRECT	P19AC00168	-	13,476
15.944 Total				-	175,966

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CFDA	PROJECT TITLE/PROJECT NAME	PASS-THROUGH GRANTOR	AGREEMENT ID#	PASSED TO SUBRECIPIENT	FY20 TOTAL FEDERAL EXPENDITURES
15.945	Cooperative Research and Training Programs Resources of the National Park System	University of Wyoming	1004044B-TNC	\$ -	5,000
15.945	Cooperative Research and Training Programs Resources of the National Park System	DIRECT	P16AC00470	-	13,196
15.945	Cooperative Research and Training Programs Resources of the National Park System	DIRECT	P17AC00790	-	1,843
15.945	Cooperative Research and Training Programs Resources of the National Park System	DIRECT	P18AC00108	-	13,749
15.945 Total				-	33,788
15.962	National Wild and Scenic Rivers System	Lamprey Rivers Advisory Committee	06032020 LRAC-LORD	-	50,000
15.962 Total				-	50,000
15.U01	Department of the Interior / UNKNOWN	Bureau of Land Management	013019 BLM BELMONT APPRSL	-	21,800
15.U02	Department of the Interior / UNKNOWN	MAINE DEPT OF INLAND FISHERIES AND WILDLIFE	20180813 523	-	2,487
15.U03	Department of the Interior / UNKNOWN	Leech Lake Band of Ojibwe	2019073	-	35,070
15.U04	Department of the Interior / UNKNOWN	University of Arizona	492487	-	28,291
15.U05	Department of the Interior / UNKNOWN	DIRECT	MT-CV-19-105	-	16,395
15.UNK Total				-	104,043
Total U.S. Department of Interior				2,626,484	17,020,926
19.017	Environmental and Scientific Partnerships and Programs	DIRECT	S-LMAQM-16-GR-1290	1,712,101	3,338,265
19.017	Environmental and Scientific Partnerships and Programs	DIRECT	SLMAQM18CA2106	-	156,514
19.017 Total				1,712,101	3,494,779
Total U.S. Department of State				1,712,101	3,494,779
21.015	Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	Monroe County, FL	62419 MONROE CTY RESTORE	9,235	13,208
21.015	Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	Santa Rosa County	SRCR01052019	-	17,422
21.015 Total				9,235	30,630
Total U.S. Department of the Treasury				9,235	30,630
45.025	Promotion of the Arts_Partnership Agreements	Arkansas Arts Council	7963-262	-	1,440
45.025 Total				-	1,440
45.129	Promotion of the Humanities_Federal/State Partnership	Ohio Humanities	M019-099	-	900
45.129 Total				-	900
Total Promotion of the Arts Grants to Organizations and Individuals				-	2,340
66.129	Southeast New England Coastal Watershed Restoration	Audubon Society of Rhode Island	011320-STORMWATER	-	4,444
66.129	Southeast New England Coastal Watershed Restoration	Southeastern Regional Planning & Economic Development District	10012018 SRPEDD EPA RTWN	-	10,551
66.129	Southeast New England Coastal Watershed Restoration	University of Southern Maine	SNEP01-02	-	4,350
66.129 Total				-	19,345
66.419	Water Pollution Control State, Interstate, and Tribal Program Support	University of Hawaii, Office of Research Services	MA1507	-	45,000
66.419 Total				-	45,000
66.437	Long Island Sound Program	National Fish and Wildlife Foundation	1401.18.061430	-	23,001
66.437	Long Island Sound Program	National Fish and Wildlife Foundation	1401.18.061436	-	36,984
66.437	Long Island Sound Program	University Of Connecticut	172418	-	6,034
66.437 Total				-	66,019

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66.441	Healthy Watersheds Consortium Grant Program	US Endowment for Forestry and Communities	E18-48	\$ -	19,766
66.441 Total				-	19,766
66.460	Nonpoint Source Implementation Grants	Ohio EPA	14(H)EPA-33	-	243,762
66.460	Nonpoint Source Implementation Grants	Clinch-Powell Resource Conservation and Development Council	CVP-042417	-	573
66.460	Nonpoint Source Implementation Grants	NV Div. of Environmental Protection	DEPS 20-064	-	6,217
66.460	Nonpoint Source Implementation Grants	MO Department of Natural Resources	G19-NPS-04	-	20,054
66.460	Nonpoint Source Implementation Grants	MO Department of Natural Resources	06282019 MDNR EPA 319	-	7,083
66.460 Total				-	277,689
66.461	Regional Wetland Program Development Grants	WI Department of Natural Resources	07212020 PRW ASSESS	-	676
66.461	Regional Wetland Program Development Grants	New Jersey Department of Environmental Protection	8718009	-	33,660
66.461	Regional Wetland Program Development Grants	Nevada Natural Heritage Program	CD-99T39201-1	-	9,305
66.461	Regional Wetland Program Development Grants	Nevada Natural Heritage Program	EPA-99T65201	-	9,775
66.461 Total				-	53,416
66.466	Chesapeake Bay Program	National Fish and Wildlife Foundation	0600.17.058643	-	36,534
66.466	Chesapeake Bay Program	Shorerivers, Inc	0602.17.057245	-	245
66.466	Chesapeake Bay Program	Shorerivers, Inc	0602.18.062899	-	27,560
66.466	Chesapeake Bay Program	National Fish and Wildlife Foundation	0602.19.065721	-	216
66.466	Chesapeake Bay Program	National Fish and Wildlife Foundation	0603.16.053957	-	64,204
66.466	Chesapeake Bay Program	National Fish and Wildlife Foundation	0603.17.057354	8,670	43,726
66.466	Chesapeake Bay Program	National Fish and Wildlife Foundation	0603.18.062874	-	11,775
66.466	Chesapeake Bay Program	Chesapeake Bay Trust	14587	-	6,422
66.466	Chesapeake Bay Program	Chesapeake Bay Trust	15769	-	42,451
66.466	Chesapeake Bay Program	Stroud Water Research Center	370072	-	162
66.466	Chesapeake Bay Program	The Mid-Atlantic 4R Nutrient Stewardship Association	57424-6	-	24,748
66.466 Total				8,670	258,043
66.469	Great Lakes Program	Indiana Department of Natural Resources	22885	-	528,682
66.469	Great Lakes Program	DIRECT	00E01448	190,765	305,631
66.469	Great Lakes Program	DIRECT	00E02222	129,076	246,623
66.469	Great Lakes Program	Ohio Department of Natural Resources	00E02293	-	13,609
66.469	Great Lakes Program	DIRECT	00E02810	-	15,366
66.469	Great Lakes Program	Fox Wolf Watershed Alliance	05222015LowerFox	-	4,811
66.469	Great Lakes Program	WI Department of Natural Resources	062718Big-I Rest	-	135,027
66.469	Great Lakes Program	Ohio Department of Natural Resources	20191211 ODNR EPA MBSP	-	5,047
66.469	Great Lakes Program	DIRECT	GL-00E01444-0	-	77,168
66.469	Great Lakes Program	Lake County Parks and Recreation Board	IDEMLCPA106373	-	3,286
66.469	Great Lakes Program	WI Department of Natural Resources	NA3-19-335	-	40,500
66.469	Great Lakes Program	Ohio EPA	NATURE1-FDSEDM14	-	82,412
66.469	Great Lakes Program	Ohio EPA	NATURE-FDMAP17	-	88,895
66.469	Great Lakes Program	Michigan State University	RC110860B	-	630
66.469 Total				319,841	1,547,687

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66.475	Gulf of Mexico Program	DIRECT	MX-00D92119-0	\$ -	62,283
66.475 Total				-	62,283
66.481	Lake Champlain Basin Program	VT Department of Environmental Conservation	36057	-	1,670
66.481	Lake Champlain Basin Program	VT Department of Environmental Conservation	2019-LCBP-WER-01	-	16,294
66.481 Total				-	17,964
66.951	Environmental Education Grants	National Audubon Society	01152019 WY BIOBLITZ	-	1,080
66.951 Total				-	1,080
Total Environmental Protection Agency				328,511	2,368,292
94.006	AmeriCorps	DIRECT	18NDHVA001	-	345,967
94.006	AmeriCorps	DIRECT	2019-09-1510	-	9,462
94.006	AmeriCorps	State of Arizona	AC-VSG-18-090118-14	-	25,154
94.006	AmeriCorps	State of Arizona	AC-VSG-18-090118-14Y2	-	51,051
94.006 Total				-	431,634
Total Corporation for National and Community Service				-	431,634
97.045	Cooperating Technical Partners	DIRECT	EMF-2019-CA-00020	-	110,401
97.045 Total				-	110,401
Total U.S. Department of Homeland Security				-	110,401
98.001	USAID Foreign Assistance for Programs Overseas	AECOM International Development, Inc.	1024-S19-001	-	664,612
98.001	USAID Foreign Assistance for Programs Overseas	Cardno Emerging Markets USA, Ltd.	4752-001-CRA-002	-	67,369
98.001	USAID Foreign Assistance for Programs Overseas	DIRECT	720FDA19CA00029	-	69,518
98.001	USAID Foreign Assistance for Programs Overseas	Wildlife Conservation Society	ABCG110223_TNC	-	73,827
98.001	USAID Foreign Assistance for Programs Overseas	DIRECT	AID-497-A-16-00011	-	1,128,499
98.001	USAID Foreign Assistance for Programs Overseas	DIRECT	AID-615-A-15-00012	389,294	547,755
98.001	USAID Foreign Assistance for Programs Overseas	DIRECT	AID-615-A-15-00013	331,272	485,171
98.001	USAID Foreign Assistance for Programs Overseas	DIRECT	AID-621-A-15-000004	416,084	1,245,411
98.001	USAID Foreign Assistance for Programs Overseas	DIRECT	AID-OAA-A14-00064	50,152	530,314
98.001 Total				1,186,802	4,812,476
Total U.S. Agency for International Development				1,186,802	4,812,476
Total Research and Development Cluster				\$ 8,304	\$ 679,753
Total All Other Federal Clusters				\$ 45,212	\$ 693,919
Total All Other Federal Expenditures				\$ 9,623,855	\$ 64,868,234
TOTAL FEDERAL EXPENDITURES				\$ 9,677,371	\$ 66,241,906

The accompanying notes are an integral part of this schedule.

The Nature Conservancy

Notes to Schedule of Expenditures of Federal Awards

For the year ended June 30, 2020

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, 2020. The amounts reported as federal expenditures were obtained from the Conservancy's financial system. Because the Schedule of Expenditures of Federal Awards 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 sub recipients, which includes approximately \$9.6 million of sub awards to organizations assisting in project implementation in FY 2020.

The Conservancy has a negotiated indirect cost rate agreement with 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 CFDA and pass through numbers are presented when available.

The Nature Conservancy
Schedule of Indirect Cost Rate Computation
For the year ended June 30, 2020

Elements of Cost	Costs for Indirect Cost Rate Calculation
Personnel (Salaries and Fringe Benefits)	437,467,944
Contracts & Professional Fees	143,301,925
Grants and Allocations	51,331,400
Supplies	17,009,269
Telecommunications	2,731,196
Postage and Mailing Service	14,232,274
Occupancy	16,247,163
Equipment Rental and Maintenance	7,894,600
Printing and Publication	18,325,569
Travel	14,336,953
Conferences and Meetings	9,618,470
Interest	0
Depreciation and Amortization	9,910,373
Equipment	3,812,982
Taxes and Licenses	3,324,932
Utilities, Repairs, Maintenance, and Construction	7,257,294
Insurance	6,803,897
Real Estate Taxes	7,411,443
Closing Costs	1,154,083
Contributed Goods and Services Non-Cash Expense	0
All Other	-9,965,396
Book Value of Conservation Land and Easements Sold or Donated to Government & Others	0
<i>Total Costs for Indirect Cost Rate Calculation</i>	<i>762,206,370</i>
Exclusions	182,450,884
Unallowables	35,479,800
<i>Total Expenses</i>	<i>980,137,054</i>
Direct Costs before Exclusions	799,446,224
Indirect Costs before Exclusions	180,690,830
<i>The Nature Conservancy's Total Expenses per Audited Financial</i>	<i>980,137,054</i>
Direct Costs before Exclusions	799,446,224
Less: Exclusions to Direct Costs	(182,450,884)
Total Direct After Exclusions	616,995,340
Indirect Costs before Exclusions	180,690,830
Less: Exclusions to Indirect Costs	0
Less: Unallowables to Indirect Costs	(35,479,800)
Indirect Cost Pool After Exclusions and Unallowables	145,211,030
Indirect Cost Rate	23.54%

Excluded from the computation of the allowable indirect costs are unallowable costs totaling \$35,479,800 as of June 30, 2020. 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 \$182,450,884; because their inclusion distorts the assessment of indirect costs.

The Nature Conservancy
Schedule of Fringe Benefit Rate Calculation
For the year ended June 30, 2020

Fringe benefit account	Fringe benefit expense - regular employees	Fringe benefit expense - short-term employees	Fringe benefit expense - foreign employees	Total
ACCRUED VACATION	\$ 19,058,988	\$ -	\$ -	\$ 19,058,988
SICK LEAVE EXPENSE	6,198,376	18,138	-	6,216,515
HOLIDAY LEAVE EXPENSE	13,375,634	39,141	-	13,414,776
MILITARY LEAVE	1,289	-	-	0
MEDICAL INSURANCE CLAIMS, FEES AND PREMIUMS	26,404,779	-	-	26,404,779
LIFE INSURANCE	600,972	-	564,878	1,165,850
ACCIDENTAL DEATH AND DISMEMBERMENT	99,664	-	-	99,664
DISABILITY INSURANCE	950,198	-	-	950,198
WORKERS' COMPENSATION	727,459	8,515	-	735,974
FICA	21,558,061	252,343	-	21,810,404
PENSION 401(K)	20,138,804	59,355	-	20,198,159
STATE UNEMPLOYMENT TAXES	391,933	4,661	-	396,593
INTERNATIONAL BENEFITS	180,336.07	-	-	180,336
FOREIGN MEDICAL BENEFITS	-	-	1,642,031	1,642,031
FOREIGN OTHER SOCIAL AND WELFARE TAXES	-	-	1,954,275	1,954,275
FOREIGN ALICO 401 PLAN	-	-	45,531	45,531
EMPLOYEE RELOCATION	1,923	-	-	0
PROFESSIONAL FEES	954,728	-	-	954,728
TOTAL FRINGE BENEFIT EXPENSE	\$ 110,643,144	\$ 382,155	\$ 4,206,716	\$ 115,228,802
TOTAL SALARIES EXPENSE	\$ 269,226,697	\$ 3,188,701	\$ 32,560,269	\$ 304,975,666
FRINGE BENEFIT EXPENSE AS A PERCENTAGE OF SALARIES EXPENSE	41.10%	11.98%	12.92%	



**Report of Independent Auditors 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***

To the Board of Directors of
The Nature Conservancy:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of The Nature Conservancy and its chapters and affiliates (the "Conservancy"), which comprise the consolidated statement of financial position as of June 30, 2020, and the related consolidated statements of activities and of cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 22, 2020 which includes an emphasis of matter paragraph as the Conservancy changed the manner in which it accounts for leases in fiscal year 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Conservancy's internal control over financial reporting ("internal control") as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 may exist that have not been identified.



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Conservancy's 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 entity'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.

PricewaterhouseCoopers LLP

McLean, VA
December 22, 2020



**Report of Independent Auditors on Compliance with Requirements
That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over
Compliance in Accordance with the Uniform Guidance**

To the Board of Directors of
The Nature Conservancy:

Report on Compliance for Each Major Federal Program

We have audited The Nature Conservancy's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of The Nature Conservancy's major federal programs for the year ended June 30, 2020. The Nature Conservancy's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of The Nature Conservancy's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about The Nature Conservancy's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of The Nature Conservancy's compliance.

Opinion on Each Major Federal Program

In our opinion, The Nature Conservancy complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule



of findings and questioned costs as item 2020-001. Our opinion on each major federal program is not modified with respect to this matter.

The Nature Conservancy's response to the noncompliance findings identified in our audit is described in the accompanying corrective action plan. The Nature Conservancy's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of The Nature Conservancy is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered The Nature Conservancy's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of The Nature Conservancy's 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 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

PricewaterhouseCoopers LLP

McLean, VA
December 22, 2020

Schedule of Findings and Questioned Costs

The Nature Conservancy
Schedule of Findings and Questioned Costs
For the year ended June 30, 2020

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major programs

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified that are not considered to be material weaknesses yes none reported

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes no

Identification of major programs:

CFDA Numbers:	Name of Federal Program of Cluster
10.931	AGRICULTURAL CONSERVATION EASEMENT PROGRAM
12.U01	U.S. DEPARTMENT OF DEFENSE / UNKNOWN
12.U11	U.S. DEPARTMENT OF DEFENSE / UNKNOWN
15.623	NORTH AMERICAN WETLANDS CONSERVATION FUND
11.482	CORAL REEF CONSERVATION PROGRAM
10.U01	DEPARTMENT OF AGRICULTURE/UNKNOWN
15.615	COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND
15.508	PROVIDING WATER TO AT-RISK NATURAL DESERT TERMINAL LAKES

Dollar threshold used to distinguish between type A and type B programs: \$1,987,257

Auditee qualified as low-risk auditee? yes no

The Nature Conservancy
Schedule of Findings and Questioned Costs
For the year ended June 30, 2020

Section II – Financial Statement Findings

None identified.

The Nature Conservancy

Schedule of Findings and Questioned Costs

For the year ended June 30, 2020

Section III – Federal Award Findings and Questioned Costs

Finding 2020-001: SEFA Preparation

Federal Agency: Various

Program: Various

CFDA #: 15.508, 15.615, 10.931, 11.482

Award Number(s): 0103.17.055279, R14AP00120, 495177, 112019 USFWS/MDWFP FROG, 68-7103-17-030, C91228, NA16NOS4820106

Award Year(s): 2020, 2019

Criteria:

2 CFR Part 200.510 states that the auditee must prepare a Schedule of Expenditures of Federal Awards ("SEFA") for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with 2 CFR Section 500.502. This section states that the determination of when a Federal award is expended must be based on when the activity related to the Federal award occurs.

Condition:

During fiscal year 2020, management had net expenses of \$7,140 improperly included on the FY20 SEFA. The out of period expenditures identified during the current year are the result of multiple expenditures across various awards and CFDA's that were not properly accrued for in the prior year (FY19), which resulted in at least \$7,140 recorded in the current year (FY20) related to prior periods. It is noted that when aggregating the out of period expenditures, there is no change to the major program determination in the current or prior year.

Cause:

Management did not properly accrue for expenditures related to the prior year due to an improper accrual threshold being utilized. This resulted in \$7,140 being recorded in the current year's SEFA that was related to prior periods.

Effect:

The Conservancy has \$7,140 of expenditures improperly included on the FY20 SEFA.

Questions Costs:

None identified.

Recommendation:

We recommend that management enhance their SEFA preparation process by ensuring all expenses are recorded in the proper period.

Management's Views and Corrective Action Plan:

Refer to the Corrective Action Plan for management's response and corrective action plan for the finding described above.

The Nature Conservancy
Summary Schedule of Prior Audit Findings
For the year ended June 30, 2020

Summary Schedule of Prior Audit Findings

The Nature Conservancy

Summary Schedule of Prior Audit Findings

For the year ended June 30, 2020

Summary Schedule of Prior Audit Findings

Finding 2019-001: Control environment – Design and Operation

Condition:

During fiscal year 2019, PwC noted the controls and financial oversight for related entities was not consistent. Specifically, management's efforts to reconcile related entity financial activity revealed entities that should have previously been recorded as well as errors, both recorded and unrecorded, in capturing related entity financial activity for the year. The impact to opening net assets was \$11 million. There were also differences in opening balances and differences in ending balances. Some of these differences were adjusted in the Conservancy's 2019 financial statements; some errors remain unadjusted although reconciled to the related entity's local books. It did not appear that the related entities received or spent U.S. federal funds.

Status:

Management has improved the process to manage related entities during fiscal year 2020, both at a transactional level as well as from a set-up perspective. The Related Entities Operations team continues to review the processes in place within WO Finance, as documented in the organizations' Standard Operating Procedures as well as the Related Entities Playbook, and leverage those processes which are appropriate to related entities, whilst putting new processes in place which are specific to related entities. This includes standardizing reconciliation templates and checklists, where applicable, for the various related entities based on the jurisdictions they sit in. Additionally, Related Entities Operations team members continue to work more closely with Legal as part of our Project Review and Approval Process to engage earlier in the decisioning around the creation of new related entities.

Section III – Federal Award Findings and Questioned Costs

There were no findings included in the prior year report that require an updated in this report.

Corrective Action Plan



The Nature Conservancy
Fiscal Year 2020 OMB Uniform Guidance Audit
Management's Response and Corrective Action Plan
December 22, 2020

View of Responsible Officials:

Finding 2020-001: Schedule of Expenditures of Federal Awards (SEFA) Preparation

Management agrees with the finding and notes that the items should have appeared on the fiscal year 2019 SEFA. Management will revisit the existing threshold for purposes of accruals that belong on the SEFA and consider using a lower threshold. Management will also evaluate the need for putting additional procedures in place during fiscal year 2021 to ensure expenses are monitored and reflected in the corresponding fiscal year SEFA. Any additional monitoring procedures will be in place by March 31, 2021.

A handwritten signature in cursive script that reads "Laura Travis". The signature is written in black ink on a light-colored background.

Laura Travis, Director of Grants Services



Report of Independent Auditors

To the Board of Directors of
The Nature Conservancy:

We have audited the consolidated financial statements of The Nature Conservancy and its chapters and affiliates as of and for the year ended June 30, 2020 and our report thereon appears on pages 1-3 of this document. That audit was conducted for the purpose of forming an audit opinion on the consolidated financial statements taken as a whole. The schedule of compensation, reimbursements, benefits and other payments to agency head, political subdivision head, or chief executive officer for the year ended June 30, 2020 is presented for purposes of additional analysis as required by the Louisiana Legislative Auditor and is not a required part of the consolidated financial statements. The 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 taken as a whole.

PricewaterhouseCoopers LLP

McLean, VA
December 22, 2020

The Nature Conservancy

Schedule of Compensation, Reimbursements, Benefits and Other Payments to Agency Head, Political Subdivision Head, or Chief Executive Officer For the year ended June 30, 2020

Name: Sally Jewel

Title: Interim Chief Executive Officer

	July 1, 2019 - May 17, 2020
Purpose	Amount Paid with Public Funds
Salary	\$0
Fringe Benefits - Medical	\$0
Fringe Benefits - Retirement	\$0
Fringe Benefits - Insurance	\$0
Fringe Benefits - Pre-tax Health	\$0
Reimbursements	\$0
Total	\$0

Name: Jennifer Morris

Title: Chief Executive Officer

	May 18, 2020 - June 30, 2020
Purpose	Amount Paid with Public Funds
Salary	\$0
Fringe Benefits - Medical	\$0
Fringe Benefits - Retirement	\$0
Fringe Benefits - Insurance	\$0
Fringe Benefits - Pre-tax Health	\$0
Reimbursements	\$0
Total	\$0