

**OREGON STATE PARKS FOUNDATION**

**FINANCIAL STATEMENTS**

**Year Ended September 30, 2019**



**OREGON STATE PARKS  
FOUNDATION**

*preserving our natural & historic wonders*

**KERN ▲ THOMPSON**  
CERTIFIED PUBLIC ACCOUNTANTS

**OREGON STATE PARKS FOUNDATION**

**FINANCIAL STATEMENTS**

**Year Ended September 30, 2019**

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**INDEPENDENT ACCOUNTANTS' AUDIT REPORT**

To the Board of Directors  
Oregon State Parks Foundation  
Portland, Oregon

We have audited the accompanying financial statements of Oregon State Parks Foundation (a non-profit organization), which comprise the statement of financial position as of September 30, 2019, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

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

***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Oregon State Parks Foundation as of September 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

***Report on Summarized Comparative Information***

The prior year summarized comparative information has been derived from Oregon State Parks Foundation's 2018 financial statements, which were reviewed by us, and in our report dated April 15, 2019, we stated that we are not aware of any material modifications that should be made to those statements in order for them to be in conformity with accounting principles generally accepted in the United States of America. However, a review is substantially less in scope than an audit and does not provide a basis for the expression of an opinion on the financial statements.



Portland, Oregon  
April 20, 2020

**OREGON STATE PARKS FOUNDATION**

**STATEMENT OF FINANCIAL POSITION**

**September 30, 2019**

(With Comparative Totals as of September 30, 2018)

**ASSETS**

	<b>2019</b>	<b>2018</b>
	<b><u>Audited</u></b>	<b><u>Reviewed</u></b>
Cash and cash equivalents	\$ 135,718	\$ 152,254
Pledges receivable	2,155	15,910
Prepaid expenses	12,503	13,690
Land held as historical treasure	900,000	900,000
Property and equipment (less accumulated depreciation of \$2,221 and \$2,707, respectively)	<u>6,358</u>	<u>1,945</u>
<b>Total assets</b>	<b><u>\$ 1,056,734</u></b>	<b><u>\$ 1,083,799</u></b>

**LIABILITIES AND NET ASSETS**

Accounts payable	\$ 16,923	\$ 6,374
Payroll related liabilities	<u>3,500</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>20,423</u></b>	<b><u>6,374</u></b>
<b>Net assets</b>		
Without donor restrictions		
Land held as historical treasure (Note C)	900,000	900,000
Undesignated	<u>99,298</u>	<u>133,539</u>
Total without donor restrictions	999,298	1,033,539
With donor restrictions	<u>37,013</u>	<u>43,886</u>
<b>Total net assets</b>	<b><u>1,036,311</u></b>	<b><u>1,077,425</u></b>
<b>Total liabilities and net assets</b>	<b><u>\$ 1,056,734</u></b>	<b><u>\$ 1,083,799</u></b>

See notes to financial statements.

**OREGON STATE PARKS FOUNDATION**

**STATEMENT OF ACTIVITIES**

**Year Ended September 30, 2019**

(With Comparative Totals for the Year Ended September 30, 2018)

	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	
			<b>2019 Audited</b>	<b>2018 Reviewed</b>
<b>Revenues and other support</b>				
Contributions and grants	\$ 320,717	\$ 45,475	\$ 366,192	\$ 295,310
In-kind contributions	<u>80,559</u>	<u>-</u>	<u>80,559</u>	<u>47,830</u>
	401,276	45,475	446,751	343,140
Net assets released from restrictions	<u>52,348</u>	<u>(52,348)</u>	<u>-</u>	<u>-</u>
<b>Total revenues and other support</b>	<b><u>453,624</u></b>	<b><u>(6,873)</u></b>	<b><u>446,751</u></b>	<b><u>343,140</u></b>
<b>Expenses</b>				
Program services	279,101	-	279,101	758,754
Supporting services				
Management and general	82,733	-	82,733	70,795
Development	<u>126,031</u>	<u>-</u>	<u>126,031</u>	<u>123,021</u>
<b>Total expenses</b>	<b><u>487,865</u></b>	<b><u>-</u></b>	<b><u>487,865</u></b>	<b><u>952,570</u></b>
<b>Change in net assets</b>	<b>(34,241)</b>	<b>(6,873)</b>	<b>(41,114)</b>	<b>(609,430)</b>
<b>Net assets</b>				
Beginning of year	<u>1,033,539</u>	<u>43,886</u>	<u>1,077,425</u>	<u>1,686,855</u>
<b>End of year</b>	<b><u>\$ 999,298</u></b>	<b><u>\$ 37,013</u></b>	<b><u>\$ 1,036,311</u></b>	<b><u>\$ 1,077,425</u></b>

See notes to financial statements.

**OREGON STATE PARKS FOUNDATION**

**STATEMENT OF FUNCTIONAL EXPENSES**

**Year Ended September 30, 2019**

(With Comparative Totals for the Year Ended September 30, 2018)

	<u>Program Services</u>	<u>SUPPORTING SERVICES</u>		<u>Total</u>	
		<u>Management and General</u>	<u>Development</u>	<u>2019 Audited</u>	<u>2018 Reviewed</u>
Salaries	\$ 115,399	\$ 37,862	\$ 61,696	\$ 214,957	\$ 201,254
Payroll taxes	8,377	2,590	4,713	15,680	16,805
Benefits	8,451	2,060	5,270	15,781	17,825
Park improvements	38,852	111	90	39,053	525,240
Professional services	81,074	21,621	1,040	103,735	93,000
Donor and volunteer development	5,031	712	42,940	48,683	45,390
Occupancy	1,500	11,400	-	12,900	11,400
Printing and postage	3,407	1,182	8,141	12,730	7,466
Insurance	892	2,586	236	3,714	3,312
Travel and meetings	13,429	260	1,098	14,787	16,807
Office expense	9	912	9	930	5,726
Supplies	729	510	258	1,497	2,390
Other expenses	918	927	540	2,385	5,179
Depreciation	1,033	-	-	1,033	776
	<u>\$ 279,101</u>	<u>\$ 82,733</u>	<u>\$ 126,031</u>	<u>\$ 487,865</u>	<u>\$ 952,570</u>

See notes to financial statements.

**OREGON STATE PARKS FOUNDATION**

**STATEMENT OF CASH FLOWS**

**Year Ended September 30, 2019**

(With Comparative Totals for the Year Ended September 30, 2018)

	<b>2019</b>	<b>2018</b>
	<b><u>Audited</u></b>	<b><u>Reviewed</u></b>
<b>Cash flows from operating activities:</b>		
Change in net assets	\$ (41,114)	\$ (609,430)
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	1,033	776
Loss on property and equipment	-	15,000
Changes in assets and liabilities:		
Pledges receivable	13,755	(9,569)
Prepaid expenses	1,187	(120)
Accounts payable	10,549	(314)
Payroll and related payables	3,500	(7,500)
<b>Net cash provided by (used in) operating activities</b>	<b><u>(11,090)</u></b>	<b><u>(611,157)</u></b>
<b>Cash flows from investing activities:</b>		
Purchases of property and equipment	<u>(5,446)</u>	<u>(2,190)</u>
<b>Net cash provided by (used in) investing activities</b>	<b><u>(5,446)</u></b>	<b><u>(2,190)</u></b>
<b>Net change in cash and cash equivalents</b>	<b>(16,536)</b>	<b>(613,347)</b>
Cash and cash equivalents, beginning of year	<u>152,254</u>	<u>765,601</u>
<b>Cash and cash equivalents, end of year</b>	<b>\$ <u>135,718</u></b>	<b>\$ <u>152,254</u></b>

See notes to financial statements.

## OREGON STATE PARKS FOUNDATION

### NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2019

#### NOTE A – DESCRIPTION OF ORGANIZATION

The Oregon State Parks Foundation (the Foundation) is the only statewide non-profit fundraising partner of the Oregon Parks and Recreation Department. The Foundation is dedicated to enhancing and preserving special places and experiences in the Oregon State Parks.

The Foundation was established in 1995 to address state park needs in ways not easily undertaken within existing governmental funding and programmatic limitations. The Foundation is a public/private partnership in the truest sense: The Foundation works closely with the Oregon Parks and Recreation Department, but operates independently for the benefit of all Oregonians.

As a fundraising partner, the Foundation does not typically manage or run programs. It provides funding for programs such as Ticket2Ride and Cottonwood Crossing Summer Institute, but does not provide employees to run these programs, which are typically managed through partnerships with other non-profit organizations.

Program expenses for the Foundation reflect the costs of raising funds which are then provided to the Oregon Parks & Recreation Department and other non-profit organizations. Those funds are used to implement the enhancement of special places and fund various programs. Administrative costs reflect the small costs that go into managing the Foundation, such as board meetings, accounting, IT services, etc. Development expenses are the costs associated with raising funds needed for the administrative costs of the Foundation.

Since its inception, the Foundation has had some notable successes preserving or enhancing special places and experiences in Oregon's State Parks, including:

- **Restoration of Vista House at Crown Point:** Partnered with OPRD and Friends of Vista House to raise \$2.1 million to restore the Vista House in 2004.
- **Kam Wah Chung Museum in John Day:** Raised \$1.5 million to develop the Kam Wah Chung Museum in John Day.
- **Restoration of Oregon's historic lighthouses:** Seven scenic lighthouses along the Oregon coast have been restored with Foundation assistance.
- **Funding for Let's Go Camping:** For six years the Foundation raised funds for this program to give all Oregonians an opportunity for a first-time camping experience.
- **Construction of yurts in campgrounds throughout the state:** The Foundation funded the purchase of the first 50 camping yurts for State Parks. These were the first yurts in any park system in the United States.
- **Cottonwood Canyon Experience Center:** The Foundation raised \$800,000 to enable the building of the Cottonwood Canyon Experience Center – the centerpiece of a complex that provides a classroom, cabins and a shower/restroom facility for outdoor education in north central Oregon.

The Foundation has had a statewide impact by preserving and enhancing dozens of outstanding natural, scenic and cultural sites in all corners of the state.



**OREGON STATE PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2019**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Financial Statement Presentation**

The Foundation reports information regarding its financial position and activities according to two classes of net assets: without donor restrictions and with donor restrictions. Accordingly, the net assets of the Foundation and changes therein are classified and reported as follows:

- **Net Assets Without Donor Restrictions** – Net assets that are not subject to donor-imposed stipulations. The Board of Directors may designate net assets without donor restrictions for specific purposes.
- **Net Assets With Donor Restrictions** – Net assets either subject to donor-imposed stipulations that will be met either by actions of the Foundation and/or the passage of time, or net assets with donor restrictions that are not subject to appropriation or expenditure.

Expenses are reported as a decrease in net assets without donor restrictions. Gains and losses are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expiration of net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

**Contributions**

Contributions are recognized when the donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions with donor restrictions are reported as increases in net assets with donor restrictions depending on the nature of the restrictions. Otherwise, when a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Conditional promises to give are not recognized until the conditions on which they depend are substantially met. An allowance for uncollectible contributions receivable is provided based upon management's judgment, including such factors as prior collection history, the type of contribution, and the nature of the fund-raising activity. Management has determined that no allowance for uncollectible accounts is necessary at September 30, 2019.

**Cash and Cash Equivalents**

Cash and cash equivalents includes checking and money market mutual fund accounts. For purposes of the Statement of Cash Flows, the Foundation considers all highly-liquid financial instruments purchased with a maturity of three months or less to be cash equivalents.

The Foundation holds monies received for parks projects in two separate FDIC insured deposit accounts until spent. The balance in these accounts at September 30, 2019 was \$37,023.

**Property and Equipment**

Property and equipment consist of office furniture and equipment individually exceeding \$500 which are recorded at cost if purchased, or at estimated fair value if donated. Depreciation and amortization of buildings, furnishings and equipment is computed by the straight-line method over 3 to 5 years.

**OREGON STATE PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2019**

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Concentration of Credit Risk**

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist principally of cash.

The Foundation at times maintains cash deposits in excess of federally insured limits, which constitutes a concentration of credit risk requiring disclosure. The risk is managed by maintaining all deposits in high quality financial institutions. As of September 30, 2019, all amounts were federally insured.

**Advertising**

The Foundation charges all advertising costs to expense as incurred.

**Income Taxes**

The Foundation has been approved as a tax-exempt organization under the Internal Revenue Code 501(c)(3) and applicable state laws. Accordingly, no provision for income taxes is included in the accompanying financial statements. The Foundation does not believe it has unrelated trade or business income in excess of \$1,000.

**Functional Allocation of Expenses**

The costs of providing the various programs and other activities have been summarized in the statement of functional expenses. Expenses are charged to programs based on direct expenditures incurred. Personnel cost is allocated to programs or supporting services based on the estimated time spent on each. Support costs are allocated to programs based on the proportion of direct salary costs to total costs.

**Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Prior Year Summarized Financial Information**

The financial statements include certain prior-year summarized comparative information in total but not by net asset class or natural expense classification by function. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Foundation's financial statements for the year ended September 30, 2018, from which the summarized information was derived.

**OREGON STATE PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2019**

**NOTE C – LAND HELD AS HISTORICAL TREASURE**

During the year ended December 31, 2007, the Foundation received and used \$900,000 in contributions to purchase a 22% interest in Iwetemlaykin park, with the remaining 78% purchased by the Oregon Parks and Recreation Department (OPRD). In 2008, the Foundation entered into a memorandum of understanding with the parties which clarifies that the land is to be used as a State Park due to its historical value and delegates all responsibilities of owning the land to OPRD. In the event the land is sold, the proceeds from the sale are to be allocated \$900,000 first to the Foundation. It is the unwritten intent of the parties that the Foundation's portion of the land be sold to the National Parks Service. However, this has been delayed indefinitely due to the current unavailability of funding.

**NOTE D – NET ASSETS WITH DONOR RESTRICTIONS**

The Foundation's net assets with donor restrictions are subject to the following purpose or time restrictions as of September 30, 2019:

<b>Subject to purpose restrictions:</b>	
Program support	\$ <u>37,013</u>
Total net assets with donor restrictions	\$ <u><u>37,013</u></u>

**NOTE E – IN-KIND CONTRIBUTIONS**

**Donated Services**

The Foundation receives donated services from a variety of unpaid volunteers assisting the Foundation in state park improvements. No amounts have been recognized in the accompanying Statement of Activities because the criteria for recognition of such volunteer efforts under generally accepted accounting principles have not been satisfied.

Tonkon Torp, LLP provided office space valued at \$11,400. The Sasquatch Agency provided marketing services valued at \$43,200. Other donated services include advertising of \$25,959.

**OREGON STATE PARKS FOUNDATION**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**September 30, 2019**

**NOTE F – LIQUIDITY**

The following chart represents the Foundation's financial assets available to meet cash needs for general expenditures within one year of September 30, 2019:

Financial assets at year-end*		
Cash and cash equivalents	\$	135,718
Pledges receivable		<u>2,155</u>
Total financial assets		<u>137,873</u>
Less those unavailable for general expenditure within one year, due to:		
Contractual or donor-imposed restrictions:		
Restricted by donor with purpose restriction		<u>(37,013)</u>
Total unavailable financial assets		<u>(37,013)</u>
Financial assets available to meet cash needs for general expenditures within one year	\$	<u>100,860</u>

\* Total assets, less nonfinancial assets (e.g. property and equipment, prepaid expenses)

As part of its liquidity management, the Foundation's policy is to structure its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition, the Foundation invests cash in excess of current requirements in short-term investments.

**NOTE G – LEASES**

The Organization entered into a new office lease on October 2, 2019. The lease will terminate on September 30, 2020 and shall automatically renew for two additional periods of one year each, however the Organization may terminate the lease with six months notice at any time. Monthly rent is \$1,500 thru the lease term.

**NOTE H – SUBSEQUENT EVENTS**

Subsequent events have been evaluated through April 20, 2020, which is the date the financial statements were available to be issued.

Subsequent to September 30, 2019, the Organization changed its name to Oregon Parks Forever.

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of multiple parks and outdoor venues. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings. Therefore, the Organization expects this matter to negatively impact its operating results. However, the related financial impact and duration cannot be reasonably estimated at this time.