



AUDIT REPORT

**FINANCIAL AND FEDERAL AWARD
COMPLIANCE EXAMINATION**

FOR THE YEAR ENDED MARCH 31, 2024

TROUT UNLIMITED, INC.

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FINANCIAL STATEMENTS



**FOR THE YEARS ENDED
MARCH 31, 2024 AND 2023**

TROUT UNLIMITED, INC.

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CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Trout Unlimited, Inc.
Arlington, Virginia

Opinion

We have audited the accompanying financial statements of Trout Unlimited, Inc. (TU), which comprise the statements of financial position as of March 31, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TU as of March 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about TU's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of TU's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about TU's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards on pages I-(29 - 48), as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 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 5, 2024, on our consideration of TU'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 TU's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering TU's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Gelman Rosenberg & Freedman". The signature is written in a cursive, flowing style.

December 5, 2024

TROUT UNLIMITED, INC.
STATEMENTS OF FINANCIAL POSITION
AS OF MARCH 31, 2024 AND 2023

ASSETS

	2024	2023
CURRENT ASSETS		
Cash and cash equivalents	\$ 1,770,356	\$ 11,285,698
Grants and contributions receivable, net	26,196,346	18,138,510
Accounts receivable	739,493	224,037
Inventory	1,308,295	913,484
Prepaid expenses and other assets	368,689	540,979
Total current assets	<u>30,383,179</u>	<u>31,102,708</u>
PROPERTY AND EQUIPMENT, NET	<u>733,600</u>	<u>539,580</u>
OTHER ASSETS		
Investments	15,723,667	14,380,881
Right-of-use asset, net	30,439	390,898
Grants and contributions receivable, net	1,100,000	100,000
Total other assets	<u>16,854,106</u>	<u>14,871,779</u>
TOTAL ASSETS	\$ 47,970,885	\$ 46,514,067
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 9,031,509	\$ 5,720,034
Deferred membership fees	1,464,673	293,753
Refundable advances - Federal grants	947,798	66,993
Operating lease liability	30,439	360,459
Total current liabilities	<u>11,474,419</u>	<u>6,441,239</u>
LONG-TERM LIABILITIES		
Operating lease liability, net	-	30,439
Total liabilities	<u>11,474,419</u>	<u>6,471,678</u>
NET ASSETS		
Without donor restrictions	(1,880,593)	3,896,165
With donor restrictions	38,377,059	36,146,224
Total net assets	<u>36,496,466</u>	<u>40,042,389</u>
TOTAL LIABILITIES AND NET ASSETS	\$ 47,970,885	\$ 46,514,067

TROUT UNLIMITED, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2024

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE AND SUPPORT			
Grants and contributions:			
U.S. Government	\$ 31,879,598	\$ -	\$ 31,879,598
State and local grants	21,193,019	-	21,193,019
Foundation grants	334,962	11,866,371	12,201,333
Individual contributions	5,166,079	2,346,808	7,512,887
Other grants and contributions	2,460,046	4,538,313	6,998,359
Bequests	278,135	-	278,135
Membership contributions	2,922,612	-	2,922,612
Landowner projects	372,653	-	372,653
Contributed nonfinancial assets	72,819	-	72,819
Membership fees	173,988	-	173,988
Other income	54,259	-	54,259
Net investment return	197,105	1,750,728	1,947,833
Net assets released from donor restrictions	<u>17,922,133</u>	<u>(17,922,133)</u>	<u>-</u>
Total revenue and support	<u>83,027,408</u>	<u>2,580,087</u>	<u>85,607,495</u>
EXPENSES			
Program Services:			
Conservation Operations	65,511,472	-	65,511,472
Volunteer Operations and Chapter Support	3,451,055	-	3,451,055
Communications	1,787,939	-	1,787,939
Government Affairs	<u>1,520,591</u>	<u>-</u>	<u>1,520,591</u>
Total program services	<u>72,271,057</u>	<u>-</u>	<u>72,271,057</u>
Supporting Services:			
Management and General	11,454,673	-	11,454,673
Fundraising	1,563,749	-	1,563,749
Membership Development	<u>3,863,939</u>	<u>-</u>	<u>3,863,939</u>
Total supporting services	<u>16,882,361</u>	<u>-</u>	<u>16,882,361</u>
Total expenses	<u>89,153,418</u>	<u>-</u>	<u>89,153,418</u>
Changes in net assets before other item	(6,126,010)	2,580,087	(3,545,923)
OTHER ITEM			
Transfer of grant categories	<u>349,252</u>	<u>(349,252)</u>	<u>-</u>
Changes in net assets	(5,776,758)	2,230,835	(3,545,923)
Net assets at beginning of year	<u>3,896,165</u>	<u>36,146,224</u>	<u>40,042,389</u>
NET ASSETS AT END OF YEAR	<u>\$ (1,880,593)</u>	<u>\$ 38,377,059</u>	<u>\$ 36,496,466</u>

TROUT UNLIMITED, INC.

STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED MARCH 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
REVENUE AND SUPPORT			
Grants and contributions:			
U.S. Government	\$ 20,695,794	\$ -	\$ 20,695,794
State and local grants	8,950,728	102,434	9,053,162
Foundation grants	236,458	9,903,448	10,139,906
Individual contributions	6,252,532	5,556,595	11,809,127
Other grants and contributions	1,420,243	3,297,421	4,717,664
Bequests	444,083	417,581	861,664
Membership contributions	5,294,319	-	5,294,319
Landowner projects	564,117	39,346	603,463
Contributed nonfinancial assets	356,842	-	356,842
Membership fees	317,625	-	317,625
Other income	222,637	-	222,637
Net investment return	89,347	(534,882)	(445,535)
Net assets released from donor restrictions	<u>17,033,117</u>	<u>(17,033,117)</u>	<u>-</u>
Total revenue and support	<u>61,877,842</u>	<u>1,748,826</u>	<u>63,626,668</u>
EXPENSES			
Program Services:			
Conservation Operations	46,254,113	-	46,254,113
Volunteer Operations and Chapter Support	3,679,004	-	3,679,004
Communications	2,676,064	-	2,676,064
Government Affairs	<u>637,458</u>	<u>-</u>	<u>637,458</u>
Total program services	<u>53,246,639</u>	<u>-</u>	<u>53,246,639</u>
Supporting Services:			
Management and General	8,210,616	-	8,210,616
Fundraising	2,588,500	-	2,588,500
Membership Development	<u>4,582,674</u>	<u>-</u>	<u>4,582,674</u>
Total supporting services	<u>15,381,790</u>	<u>-</u>	<u>15,381,790</u>
Total expenses	<u>68,628,429</u>	<u>-</u>	<u>68,628,429</u>
Changes in net assets before other item	(6,750,587)	1,748,826	(5,001,761)
OTHER ITEM			
Transfer of grant categories	<u>(1,019,669)</u>	<u>1,019,669</u>	<u>-</u>
Changes in net assets	(7,770,256)	2,768,495	(5,001,761)
Net assets at beginning of year	<u>11,666,421</u>	<u>33,377,729</u>	<u>45,044,150</u>
NET ASSETS AT END OF YEAR	<u>\$ 3,896,165</u>	<u>\$ 36,146,224</u>	<u>\$ 40,042,389</u>

TROUT UNLIMITED, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2024

	Program Services					Supporting Services				
	Conservation Operations	Volunteer Operations and Chapter Support	Communications	Government Affairs	Total Program Services	Management and General	Fundraising	Membership Development	Total Supporting Services	Total Expenses
Salaries	\$ 16,178,795	\$ 1,780,745	\$ 586,527	\$ 1,006,960	\$ 19,553,027	\$ 5,584,600	\$ 323,299	\$ 412,299	\$ 6,320,198	\$ 25,873,225
Employee benefits and payroll taxes	4,337,384	542,123	162,027	258,394	5,299,928	2,890,013	85,678	136,934	3,112,625	8,412,553
Contractors	19,617,962	-	-	-	19,617,962	8,623	-	-	8,623	19,626,585
Consulting	15,909,135	55,748	393,217	100,786	16,458,886	334,483	54,514	1,087,944	1,476,941	17,935,827
Materials	3,399,015	31,811	519	1,787	3,433,132	1,198	-	470	1,668	3,434,800
Professional fees	127,243	-	-	-	127,243	227,822	-	-	227,822	355,065
Advertising and promotion	25,173	-	19,744	-	44,917	15,000	-	-	15,000	59,917
Bank and credit card fees	7,722	14,199	-	-	21,921	20,319	2,673	106,351	129,343	151,264
Meetings and conferences	185,986	234,907	2,272	7,079	430,244	279,266	2,796	227	282,289	712,533
Dues and subscriptions	62,899	229	34,247	47,684	145,059	33,343	348	27,719	61,410	206,469
Grants and chapter rebates	783,607	534,739	-	-	1,318,346	64,642	56,872	24,925	146,439	1,464,785
Water leases	866,103	-	-	-	866,103	-	-	-	-	866,103
Information technology	66,983	519	3,189	36,140	106,831	780,853	-	-	780,853	887,684
Occupancy	374,433	2,994	-	1,145	378,572	473,542	-	-	473,542	852,114
Supplies, maintenance and telephone	416,527	5,966	204,545	3,172	630,210	26,794	120	3,096	30,010	660,220
Postage, shipping and handling	9,179	3,790	273,459	173	286,601	59,544	231,997	594,228	885,769	1,172,370
Equipment leases	149,721	-	-	-	149,721	239,679	-	-	239,679	389,400
Printing and publishing	24,239	3,941	75,799	1,735	105,714	8,791	449,167	991,205	1,449,163	1,554,877
Travel	1,551,746	108,808	25,825	27,559	1,713,938	275,472	20,246	2,108	297,826	2,011,764
Depreciation and amortization	182,544	-	-	-	182,544	-	-	-	-	182,544
Premiums	2,405	13,265	-	-	15,670	8,165	325,614	451,288	785,067	800,737
Bad debt expense	-	-	-	-	-	44	-	-	44	44
Other expenses	1,232,671	117,271	6,569	27,977	1,384,488	122,480	10,425	25,145	158,050	1,542,538
TOTAL	\$ 65,511,472	\$ 3,451,055	\$ 1,787,939	\$ 1,520,591	\$ 72,271,057	\$ 11,454,673	\$ 1,563,749	\$ 3,863,939	\$ 16,882,361	\$ 89,153,418

See accompanying notes to financial statements.

TROUT UNLIMITED, INC.

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED MARCH 31, 2023

	Program Services				Supporting Services					
	Conservation Operations	Volunteer Operations and Chapter Support	Communications	Government Affairs	Total Program Services	Management and General	Fundraising	Membership Development	Total Supporting Services	Total Expenses
Salaries	\$ 11,074,003	\$ 1,517,655	\$ 918,014	\$ 339,481	\$13,849,153	\$ 3,825,261	\$ 712,497	\$ 400,691	\$ 4,938,449	\$18,787,602
Employee benefits and payroll taxes	5,443,319	777,010	480,872	173,942	6,875,143	1,686,351	368,250	208,104	2,262,705	9,137,848
Contractors	11,652,656	24,648	-	-	11,677,304	-	-	-	-	11,677,304
Consulting	8,907,891	152,167	203,777	41,657	9,305,492	439,288	15,008	163,456	617,752	9,923,244
Water leases	2,158,782	20	-	-	2,158,802	-	-	-	-	2,158,802
Printing and publishing	115,730	13,830	203,549	189	333,298	17,637	409,716	997,203	1,424,556	1,757,854
Premiums	9,267	2,528	3,060	-	14,855	21,869	616,954	1,006,818	1,645,641	1,660,496
Travel	1,162,206	235,371	61,183	13,002	1,471,762	45,554	117,823	6,383	169,760	1,641,522
Grants and chapter rebates	900,676	507,944	-	-	1,408,620	(38,869)	-	18,295	(20,574)	1,388,046
Postage, shipping, and handling	36,944	3,879	282,530	113	323,466	33,199	138,558	839,374	1,011,131	1,334,597
Information technology	739,982	109,746	61,381	22,232	933,341	266,732	46,660	26,240	339,632	1,272,973
Other expenses	217,007	11,714	4,640	1,716	235,077	773,656	8,638	99,088	881,382	1,116,459
Small equipment and equipment lease	1,032,993	15,033	12,106	3,217	1,063,349	37,103	6,752	3,797	47,652	1,111,001
Materials	1,021,388	5,190	1,380	-	1,027,958	-	-	-	-	1,027,958
Supplies, maintenance and telephone	633,532	70,239	256,616	4,096	964,483	34,955	10,544	3,202	48,701	1,013,184
Lease expense	672,556	44,579	21,705	7,858	746,698	84,787	21,291	9,048	115,126	861,824
Fulfillment, caging, and contact center	1,428	961	-	-	2,389	110,731	25,654	717,131	853,516	855,905
Professional fees	72,396	24,958	774	286	98,414	694,668	601	338	695,607	794,021
Meetings and conferences	124,684	140,221	6,832	55	271,792	130,679	70,687	9	201,375	473,167
Advertising and promotion	91,575	4,364	117,876	88	213,903	1,923	184	1,603	3,710	217,613
Dues and subscriptions	124,116	6,321	35,313	27,886	193,636	18,177	4,530	203	22,910	216,546
Bank and credit card fees	7,594	3,309	30	3	10,936	5,398	10,718	79,759	95,875	106,811
Depreciation and amortization	53,388	7,317	4,426	1,637	66,768	18,442	3,435	1,932	23,809	90,577
Bad debt expense	-	-	-	-	-	3,075	-	-	3,075	3,075
TOTAL	\$ 46,254,113	\$ 3,679,004	\$ 2,676,064	\$ 637,458	\$53,246,639	\$ 8,210,616	\$ 2,588,500	\$ 4,582,674	\$15,381,790	\$68,628,429

See accompanying notes to financial statements.

TROUT UNLIMITED, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (3,545,923)	\$ (5,001,761)
Adjustments to reconcile changes in net assets to net cash (used) provided by operating activities:		
Depreciation and amortization	182,544	90,577
Unrealized and realized (gain) loss on investments	(1,259,417)	990,158
Receipt of contributed securities	(462,833)	(685,241)
Proceeds from sale of contributed securities	426,213	690,180
Realized loss (gain) on sale of contributed securities	1,700	(4,939)
Amortization of right-of-use asset	360,459	351,729
Change in allowance for doubtful accounts	-	2,277
(Decrease) increase in:		
Grants and contributions receivable, net	(9,057,836)	5,419,651
Accounts receivable	(515,456)	98,207
Inventory	(394,811)	100,488
Prepaid expenses and other assets	172,290	53,613
Decrease (increase) in:		
Accounts payable and accrued liabilities	3,311,476	(466,069)
Deferred membership fees	1,170,920	(24,090)
Refundable advances - Federal grants	880,805	19,643
Operating lease liability	<u>(360,459)</u>	<u>(351,729)</u>
Net cash (used) provided by operating activities	<u>(9,090,328)</u>	<u>1,282,694</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(376,564)	(439,401)
Purchases of investments	(1,009,675)	(523,600)
Proceeds from sale of investments	<u>961,225</u>	<u>55,162</u>
Net cash used by investing activities	<u>(425,014)</u>	<u>(907,839)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of line of credit	(9,000,000)	-
Proceeds from line of credit	<u>9,000,000</u>	<u>-</u>
Net cash used by financing activities	<u>-</u>	<u>-</u>
Net (decrease) increase in cash and cash equivalents	(9,515,342)	374,855
Cash and cash equivalents at beginning of year	<u>11,285,698</u>	<u>10,910,843</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,770,356</u>	<u>\$ 11,285,698</u>
SUPPLEMENTAL INFORMATION:		
Interest Paid	<u>\$ 158,633</u>	<u>\$ -</u>
SCHEDULE OF NONCASH TRANSACTIONS		
Right-of-Use Asset for Operating Lease Liability	<u>\$ -</u>	<u>\$ 742,627</u>
Operating Lease Liability	<u>\$ -</u>	<u>\$ 742,627</u>

See accompanying notes to financial statements.

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TROUT UNLIMITED, INC.

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2024 AND 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

Trout Unlimited, Inc. (TU) brings together diverse interests to care for and recover rivers and streams, so our children can experience the joy of wild and native trout and salmon. TU is a not-for-profit organization with approximately 340,000 members and supporters in over 400 chapters and councils nationwide. TU also receives U.S. Government grants that are subject to audit by its oversight agency (largest U.S. Government funder), the U.S. Department of Interior.

The following programs and supporting services are included in the accompanying statements of activities:

Conservation Operations: Conservation operations include TU's network of regional offices that conduct regionally-based conservation initiatives and TU's Science Team which promotes science-based policies, guides where and how the organization conducts its conservation efforts, provides tools for more effective conservation planning and ground-work, and conducts original research with a host of collaborators.

Volunteer Operations and Chapter Support: Volunteer operations is the department responsible for coordinating the activities of chapter operations; providing leadership training and guidance to state councils; and identifying, assessing and responding to the needs of the various states' volunteer conservation efforts.

Communications: The communications department is responsible for educating the public on the importance of trout and salmon watershed conservation. It publishes the quarterly TROUT magazine, the monthly Lines to Leaders newsletter and TU's annual report. The communications department is also responsible for other publications, maintaining TU's website, generating press releases, conducting press conferences and other public relations.

Government Affairs: Government affairs deals with legislative and regulatory affairs directly relating to the mission of Trout Unlimited, Inc. on both the Federal and state levels.

Management and General: This supporting service category includes the functions necessary to secure the proper administrative functioning of TU's governing board, maintain an appropriate working environment, provide information technology tools and support, and manage the financial responsibilities of TU.

Fundraising: This supporting service category includes expenditures that provide the structure necessary to encourage and secure private financial support.

Membership Development: Membership Development manages the campaigns that solicit for prospective members and membership dues and the retention of current members. This department also provides support to membership. This support takes the form of member/chapter database maintenance, responding to member queries, providing rosters, and fulfilling premiums.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to nonprofit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions.

TROUT UNLIMITED, INC.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Basis of presentation (continued) -

Descriptions of the two net asset categories are as follows:

- **Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions.
- **Net Assets with Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

New accounting pronouncement adopted -

Accounting Standards Update (ASU) 2016-13, *Financial Instruments – Credit Losses* (Topic 326), replaces the incurred loss impairment methodology in current U.S. GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by TU that are subject to the guidance in FASB ASC 326 are trade accounts receivable. TU implemented the ASU on April 1, 2023, using a modified retrospective approach. Based on management's analysis, the standard does not have a material effect on the financial statements as a whole.

Cash and cash equivalents -

TU considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents with the exception of cash held in the investment portfolio.

The total amount of cash and cash equivalents included in the investment portfolios for the years ended March 31, 2024 and 2023 were \$2,669,852 and \$2,778,819, respectively.

TU maintains its cash in bank deposit accounts that are insured by the Federal Deposit Insurance Corporation ("FDIC") up to a limit of \$250,000. At times during the year, TU maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Investments are recorded at their readily determinable fair value. Interest, dividends, realized and unrealized gains and losses are included in investment return, which is presented net of investment expenses paid to external investment advisors, in the accompanying Statements of Activities and Changes in Net Assets.

Investments acquired by gift, such as contributed securities, are recorded at their fair value at the date of the gift. TU's policy is to liquidate all gifts of investments as soon as possible after the gift.

TROUT UNLIMITED, INC.

**NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Grants and contributions receivable -

Grants and contributions receivable include unconditional promises to give that are expected to be collected in future years. Grants and contributions receivable are recorded at their fair value, which is measured as the present value of the future cash flows. The discount on long-term grants and contributions receivable is computed using the risk-adjusted interest rates applicable to the years in which the promises to give were received. Amortization of the discount is included in contributions. There is no discount on long-term receivables as of March 31, 2024 and 2023.

The allowance for doubtful accounts is determined based upon an annual review of account balances, including the age of the balance and the historical experience with the funder. The provision for doubtful accounts totaled \$276,309 as of March 31, 2024 and 2023.

Accounts receivable -

Accounts receivable primarily consists of amounts due within one year related to advertising and landowner fee income. Accounts receivable are recorded at their net realizable value which approximates fair value. Accounts receivable are evaluated for an allowance for credit losses resulting from the inability of customers to make required payments. The allowance for credit losses is based upon historical loss experience in combination with current economic conditions and a forecast of future economic conditions. Any change in the assumptions used in analyzing a specific account receivable might result in an additional allowance for credit losses being recognized in the period in which the change occurs.

Inventory -

Inventory consists of merchandise. Inventory is stated at the lower of cost or net realizable value using the first in, first out (FIFO) method of valuation. Management performs an annual physical count of all merchandise and publications and, as a result, inventory is adjusted annually to agree to the physical count. Therefore, management has not established an allowance for obsolete inventory.

Property and equipment -

Property and equipment in excess of \$2,500 are capitalized and stated at cost. Property and equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally five to ten years. Leasehold improvements are amortized over the remaining life of the lease. The cost of maintenance and repairs is recorded as expenses are incurred.

Depreciation and amortization expense for the years ended March 31, 2024 and 2023 totaled \$182,544 and \$90,577, respectively.

Impairment of long-lived assets -

Management reviews asset carrying amounts whenever events or circumstances indicate that such carrying amounts may not be recoverable. When considered impaired, the carrying amount of the assets is reduced, by a charge to Statements of Activities and Changes in Net Assets, to its current fair value.

Income taxes -

TU is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code ("IRC"), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. TU is not a private foundation.

TROUT UNLIMITED, INC.

**NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Revenue recognition -

Support from grants and contributions, including Federal awards -

TU receives grants and contributions, including Federal awards from the U.S. Government. Contributions are recognized in the appropriate category of net assets in the period received. TU performs an analysis of the individual contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

For grants qualifying under the contribution rules, support is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions, including grants qualifying as contributions, that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements.

Conditional contributions contain a right of return and a measurable barrier. Contributions are recognized when conditions have been satisfied. Most Federal grants are for direct and indirect program costs and are considered to be conditional contributions which are recognized as contributions when the amounts become unconditional. Conditional contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. TU's refundable advances totaled \$947,798 and \$66,993 as of March 31, 2024 and 2023, respectively.

In addition, TU has obtained funding source agreements related to conditional contributions, such as Federal awards from the U.S. Government, which will be received in future years. TU had \$135,710,306 and \$92,945,874 in unrecognized conditional awards as of March 31, 2024 and 2023, respectively.

Revenue from contracts with customers -

TU's landowner projects and membership fees are the most significant revenue streams that are treated as exchange transaction revenue following ASC Topic 606. Revenue from contracts with customers is recorded when the performance obligations are met. TU has elected to opt out of all disclosures not required for nonpublic entities. Amounts received in advance of satisfying performance obligations are recorded as deferred revenue. TU's contracts with customers generally have initial terms of one year or less.

Revenue received from landowner projects are recorded once the project is complete. Transaction price is determined based on cost.

Membership dues includes a contribution component and general member benefits component that is based on a series of distinct obligations. Membership contributions are recognized in full at time of payment and membership fees are recognized ratably over the membership period.

TROUT UNLIMITED, INC.

**NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Contributed nonfinancial assets -

Contributed nonfinancial assets consists of donated supplies, I.T. services and facility space, which is included in other donations below. The donated supplies, space and I.T. services are valued based on the cost for these goods and services that would be charged to the public. Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by TU. None of the contributed nonfinancial assets were restricted by donors and none of the donated goods were monetized through sale.

In addition, volunteers have donated significant amounts of their time to TU; these donated services are not reflected in the financial statements since these services do not meet the criteria for recognition as contributed services. The following contributed nonfinancial assets have been included in revenue and expense for the years ended March 31, 2024 and 2023:

	2024	2023
Donated supplies	\$ 10,119	\$ 259,042
Donated I.T. services	62,700	59,200
Other donations	-	38,600
TOTAL	\$ 72,819	\$ 356,842

The following programs have benefited from these donated goods and services:

	2024	2023
Conservation Operations	\$ 69,319	\$ 97,800
Membership Development	3,500	259,042
TOTAL	\$ 72,819	\$ 356,842

Risks and uncertainties -

TU invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

Use of estimates -

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Advertising -

TU expenses advertising costs as incurred. Advertising expense was \$59,917 and \$217,613 for the years ended March 31, 2024 and 2023, respectively.

TROUT UNLIMITED, INC.

**NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. These costs include depreciation and amortization, headquarters rent, information technology, and website. Expenses directly attributed to a specific functional area of TU are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of actual time and effort.

Joint cost allocation -

TU regularly communicates to the public and TU members via mailings regarding key issues critical to conserving, protecting and restoring coldwater fishery habitats. These mailings also include requests for contributions.

Included in the costs of the packages that were mailed during the years ended March 31, 2024 and 2023, were joint costs in the amount of \$1,661,899 and \$1,534,275, respectively. Those joint costs are allocated as follows:

	2024	2023
Program	\$ 506,451	\$ 455,507
Fundraising	1,155,448	1,078,768
TOTAL	\$ 1,661,899	\$ 1,534,275

Reclassification -

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation. The reclassifications had no effect on the previously reported changes in net assets.

2. GRANTS AND CONTRIBUTIONS RECEIVABLE

Grants and contributions receivables consisted of the following as of March 31, 2024 and 2023:

	2024	2023
Federal grants - billed	\$ 9,198,945	\$ 6,791,144
Federal grants - unbilled	1,889,985	1,537,421
State grants - billed	9,151,302	4,836,812
State grants - unbilled	508,975	2,542,773
Pledges receivable, current	3,602,724	508,930
Other	2,120,724	2,197,739
	26,472,655	18,414,819
Less: Provision for doubtful accounts	(276,309)	(276,309)
Total current receivables, net	26,196,346	18,138,510
Grants and contributions receivable, long-term	1,100,000	100,000
GRANTS AND CONTRIBUTIONS RECEIVABLE, NET	\$ 27,296,346	\$ 18,238,510

TROUT UNLIMITED, INC.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023

3. CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract assets consisted of the following revenue streams as of:

	<u>March 31, 2024</u>	<u>March 31, 2023</u>	<u>April 1, 2022</u>
Landowner projects	\$ 539,368	\$ 85,135	\$ 104,497
Advertising (included in other)	<u>200,125</u>	<u>138,902</u>	<u>217,747</u>
TOTAL CONTRACT ASSETS	<u>\$ 739,493</u>	<u>\$ 224,037</u>	<u>\$ 322,244</u>

Contract liabilities consisted of the following revenue streams as of:

	<u>March 31, 2024</u>	<u>March 31, 2023</u>	<u>April 1, 2022</u>
Membership Fees	<u>\$ 1,464,673</u>	<u>\$ 293,753</u>	<u>\$ 317,843</u>

4. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of March 31, 2024:

<u>Asset Category</u>	<u>Estimated Lives</u>	<u>Cost</u>	<u>Accumulated Depreciation and Amortization</u>	<u>Net</u>	<u>Depreciation/Amortization Expense</u>
Furniture and equipment	5-10 years	\$ 5,756,990	\$ (5,119,022)	\$ 637,968	\$ 157,116
Software	3-5 years	242,243	(156,382)	85,861	22,430
Leasehold improvements	10 years	65,566	(63,596)	1,970	2,998
Land	-	<u>7,801</u>	<u>-</u>	<u>7,801</u>	<u>-</u>
TOTAL		<u>\$ 6,072,600</u>	<u>\$ (5,339,000)</u>	<u>\$ 733,600</u>	<u>\$ 182,544</u>

Property and equipment consisted of the following as of March 31, 2023:

<u>Asset Category</u>	<u>Estimated Lives</u>	<u>Cost</u>	<u>Accumulated Depreciation and Amortization</u>	<u>Net</u>	<u>Depreciation/Amortization Expense</u>
Furniture and equipment	5-10 years	\$ 5,622,669	\$ (5,095,858)	\$ 526,811	\$ 89,270
Leasehold improvements	10 years	65,566	(60,598)	4,968	1,307
Land	-	<u>7,801</u>	<u>-</u>	<u>7,801</u>	<u>-</u>
TOTAL		<u>\$ 5,696,036</u>	<u>\$ (5,156,456)</u>	<u>\$ 539,580</u>	<u>\$ 90,577</u>

TROUT UNLIMITED, INC.

NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023

5. INVESTMENTS AND FAIR VALUE MEASUREMENT

In accordance with FASB ASC 820, *Fair Value Measurement*, TU has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Investments recorded in the Statements of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market TU has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the valuation methodologies used and there were no transfers between levels in the fair value hierarchy during the years ended March 31, 2024 and 2023. Transfers between levels are recorded at the end of the reporting period, if applicable.

- *Money Market Funds* - The fair value is equal to the reported net asset value of the fund.
- *Mutual Funds* - The fair value is equal to the reported net asset value of the fund, which is the price at which additional shares can be obtained.
- *Hedge Funds and Real Estate Income Trust Fund* - These instruments do not have a readily determinable fair value. The fair values used are generally determined by the general partner or management of the entity and are based on appraisals or other estimates that require varying degrees of judgment. Inputs used in determining fair value may include the cost and recent activity concerning the underlying investments in the funds or partnerships.

Investments measured at net asset value: Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this tables below are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statements of Financial Position.

TROUT UNLIMITED, INC.

**NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023**

5. INVESTMENTS AND FAIR VALUE MEASUREMENT (Continued)

The table below summarizes TU's investments by level within the fair value hierarchy and those measured at NAV per practical expedient as of March 31, 2024:

	Level 1	Level 2	Level 3	Total
Asset Class:				
Money market funds	\$ 2,669,852	\$ -	\$ -	\$ 2,669,852
Equity mutual funds	7,589,560	-	-	7,589,560
Fixed income mutual funds	4,274,241	-	-	4,274,241
Subtotal investments using fair value hierarchy	\$ 14,533,653	\$ -	\$ -	14,533,653
Investments measured in NAV per practical expedient:				
Hedge funds				896,913
Real estate income trust fund				293,101
Subtotal investments measured using NAV				1,190,014
TOTAL INVESTMENTS				\$ 15,723,667

The table below summarizes TU's investments by level within the fair value hierarchy and those measured at NAV per practical expedient as of March 31, 2023:

	Level 1	Level 2	Level 3	Total
Asset Class:				
Money market funds	\$ 2,778,819	\$ -	\$ -	\$ 2,778,819
Equity mutual funds	6,724,070	-	-	6,724,070
Fixed income mutual funds	3,747,061	-	-	3,747,061
Subtotal investments using fair value hierarchy	\$ 13,249,950	\$ -	\$ -	13,249,950
Investments measured in NAV per practical expedient:				
Hedge funds				838,316
Real estate income trust fund				292,615
Subtotal investments measured using NAV				1,130,931
TOTAL INVESTMENTS				\$ 14,380,881

TROUT UNLIMITED, INC.

**NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023**

5. INVESTMENTS AND FAIR VALUE MEASUREMENT (Continued)

The following is a summary of the investments valued using NAV as a practical expedient and the related unfunded commitments and redemption restrictions associated with each major category at March 31, 2024 and March 31, 2023:

	2024			
	Net Asset Value	Unfunded Commitments	Redemption Frequency	Notice Period
Hedge funds (a)	\$ 896,913	\$ -	Daily	Daily
Real estate income trust fund (b)	293,101	-	Daily	Daily
TOTAL	\$ 1,190,014	\$ -		
	2023			
	Net Asset Value	Unfunded Commitments	Redemption Frequency	Notice Period
Hedge funds (a)	\$ 838,316	\$ -	Daily	Daily
Real estate income trust fund (b)	292,615	-	Daily	Daily
TOTAL	\$ 1,130,931	\$ -		

(a) Hedge funds:

- Graham Absolute Return Ltd. provides exposure to a diverse portfolio of GCM's discretionary and quantitative investment strategies, including global macro, fixed income, equity, foreign currency, futures, and options strategies. The fund pursues profit opportunities across a broad array of markets, time frames, and trading styles, including relative value, arbitrage, long- short, market neutral, trend-based, momentum-based, high frequency, and mean reversion – all of which are designed to produce attractive absolute and risk-adjusted returns while maintaining low correlation to traditional investments, as well as to other alternative investment strategies.
- Nineteen77 Global Multi-Strategy Alpha Master Limited is a multi-strategy hedge fund that generates a composite returns stream by diversifying across multiple hedge fund strategies.
- Starboard Value and Opportunity Fund is an activist hedge fund that focuses on undervalued companies in the US, while an opportunity fund is an investment vehicle that focuses on real estate or business development in economically distressed areas.

(b) Real estate income trust fund:

- Blackstone Real Estate Income Trust Fund is a non-listed REIT that invests primarily in stabilized income-generating commercial real estate investments across asset classes in the United States ("U.S.") and, to a lesser extent, real estate debt investments, with a focus on current income.
- Siguler Guff Distressed Opportunities Fund III, L.P. invests in companies undergoing financial distress, operating difficulties and significant restructuring, in both foreign and domestic markets. The partnership holds both direct investments and pooled investment vehicles, managed by investment managers.

TROUT UNLIMITED, INC.

**NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023**

5. INVESTMENTS AND FAIR VALUE MEASUREMENT (Continued)

Included in the investment portfolio as of March 31, 2024 and 2023 are contributions to be invested in perpetuity in the amount of \$7,505,767. Also included in the investment portfolio are donor restricted investments in the amount of \$53,627 and \$60,266 for the North Carolina River Course Fund. During the year ended March 31, 2023, Trout also held restricted investments totaling \$427,247 for the Michigan Council. These amounts were released back to the Michigan Council during the year ended March 31, 2024. These donor restricted funds are included in the volunteer operations and chapter support as noted in Note 8.

Net investment return consisted of the following for the years ended March 31, 2024 and 2023:

	2024	2023
Interest and dividends	\$ 746,189	\$ 595,020
Unrealized and realized gain (loss)	1,257,717	(985,219)
Management fees	(56,073)	(55,336)
NET INVESTMENT RETURN	\$ 1,947,833	\$ (445,535)

6. LEASE COMMITMENTS

TU follows FASB ASC 842 for leases. TU has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and is applying this expedient to all relevant asset classes. TU has also elected to use a risk-free rate as the lease discount rate for all leases as allowed under FASB ASC 842.

Short-term Leases:

TU leases certain assets on an as-needed basis. The Organization has elected the practical expedient for these short-term leases as the lease terms are less than 12 months. Total short-term lease expense included in operating expenses for the year ended March 31, 2024 and 2023, was \$486,845 and \$496,556, respectively.

Operating Leases:

TU has an operating lease for office space in Arlington, Virginia that expires in April 2024. The office lease includes an escalation of base rentals which is being amortized on a basis to achieve straight-line rent expense over the life of the lease. The operating lease liability was calculated using a discount rate of 2.454%.

Lease expense and cash paid for the years ended March 31, 2024 and 2023, was \$365,268.

Future minimum lease payments as of March 31, 2024 are as follows:

Year Ending March 31, 2025	\$ 30,439
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TU has also entered into a long term lease agreement for new office space that commenced subsequent to year end on May 1, 2024 through December 31, 2035. Payments under the new agreement are \$24,164 monthly with an annual escalation provision.

TROUT UNLIMITED, INC.

**NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023**

7. LINE OF CREDIT

TU has a \$2,000,000 revolving line of credit with a bank. The line matured on June 30, 2024 and TU is currently working with the institution on further renewals. The line accrued interest at a variable rate equal to the Secured Overnight Financing Rate (SOFR) plus 2.00%. The rate was 7.31% at March 31, 2024 and 6.87% at March 31, 2023.

The line of credit was secured by the deposits and investments of TU maintained by the bank. There was no outstanding balance at March 31, 2024 and 2023. There are no financial covenants related to the line of credit. The agreement requires certain financial reporting to be made within 180 days after fiscal year-end.

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following as of March 31, 2024 and 2023:

	<u>Balance at March 31, 2023</u>	<u>Additions/ Investment Income</u>	<u>Transfer of Grant Categories</u>	<u>Releases</u>	<u>Balance at March 31, 2024</u>
Subject to expenditure for specified purpose:					
Conservation operations	\$ 24,392,936	\$ 17,172,368	\$ (246,550)	\$ (16,084,640)	\$ 25,234,114
Volunteer operations and chapter support	2,767,730	817,305	(48,577)	(934,818)	2,601,640
Government affairs	563,043	1,175,319	-	(902,675)	835,687
Accumulated endowment earnings not yet authorized for spending	862,623	1,337,228	-	-	2,199,851
Subject to passage of time	54,125	-	(54,125)	-	-
Endowment contributions to be invested in perpetuity	<u>7,505,767</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,505,767</u>
TOTAL	<u>\$ 36,146,224</u>	<u>\$ 20,502,220</u>	<u>\$ (349,252)</u>	<u>\$ (17,922,133)</u>	<u>\$ 38,377,059</u>
	<u>Balance at March 31, 2022</u>	<u>Additions/ Investment Income</u>	<u>Transfer of Grant Categories</u>	<u>Releases</u>	<u>Balance at March 31, 2023</u>
Subject to expenditure for specified purpose:					
Conservation operations	\$ 21,021,208	\$ 18,056,896	\$ 1,019,669	\$ (15,704,837)	\$ 24,392,936
Volunteer operations and chapter support	2,561,952	887,549	-	(681,771)	2,767,730
Government affairs	605,318	264,443	-	(306,718)	563,043
Accumulated endowment earnings not yet authorized for spending	1,629,359	(426,945)	-	(339,791)	862,623
Subject to passage of time	54,125	-	-	-	54,125
Endowment contributions to be invested in perpetuity	<u>7,505,767</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,505,767</u>
TOTAL	<u>\$ 33,377,729</u>	<u>\$ 18,781,943</u>	<u>\$ 1,019,669</u>	<u>\$ (17,033,117)</u>	<u>\$ 36,146,224</u>

TROUT UNLIMITED, INC.

**NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023**

9. LIQUIDITY AND AVAILABILITY

Financial assets available for use for general expenditures within one year of the Statements of Financial Position date comprise the following:

	2024	2023
Cash and cash equivalents	\$ 1,770,356	\$ 11,285,698
Investments	15,723,667	14,380,881
Grants and contributions receivable, net	27,296,346	18,138,510
Accounts receivable	739,493	224,037
Subtotal financial assets available within one year	45,529,862	44,029,126
Less: Donor restricted funds	(38,377,059)	(36,146,224)
FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR	\$ 7,152,803	\$ 7,882,902

TU has a policy to structure its financial assets to be available and liquid as its obligations become due. In addition, TU has a line of credit agreement (as further discussed in Note 7) which allows for additional available borrowings up to \$2,000,000.

10. TRANSFER OF GRANT CATEGORIES

Throughout the course of the year, TU may re-evaluate the previous determinations made for historical grants that result in a change of net asset category. For the years ended March 31, 2024 and 2023 transfer of grant categories resulted in increases (reductions) of net assets without donor restrictions of \$349,252 and \$(1,019,669), respectively.

11. AGENCY TRANSACTIONS

TU serves as a fiscal agent to manage various fiscal matters related to grants applied for and received by the Minnesota Council, (MN Council) a separate 501(c)(3) organization. Transactions related to the MN Council are recorded as both revenue and expense within TU's financial statements and reversed at the end of the year. MN Council revenue and expenses incurred by TU totaled \$2,108,345 and \$1,637,965 for the years ended March 31, 2024 and 2023, respectively.

Additionally, during the year ended March 31, 2024, TU established an administrative service agreement with another council, whereby salary and benefit costs are directly reimbursed and recorded as an offsetting reduction to the expenditures. The amounts totaled \$1,544,735 for the year ended March 31, 2024.

12. EMPLOYEE RETIREMENT PLAN AND SELF-INSURANCE PLAN

TU maintains a 403(b) plan (the Plan) for eligible employees. All employees with at least one-year of service are eligible for the Plan. TU is required to contribute 4% of each eligible employee's gross salary to the Plan. TU's retirement expense for the years ended March 31, 2024 and 2023 totaled \$486,845 and \$496,556, respectively.

TU has a self-insured health benefit plan for its employees. Under the Plan, TU has a coverage maximum of \$50,000 per diagnosis.

TROUT UNLIMITED, INC.

**NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023**

12. EMPLOYEE RETIREMENT PLAN AND SELF-INSURANCE PLAN (Continued)

TU is insured for claims in excess of that coverage. As of March 31, 2024 and 2023, TU had accruals of \$290,449 and \$179,316 for health benefits payable under the Plan, which are included in accounts payable and accrued liabilities in the accompanying Statements of Financial Position.

13. CONTINGENCIES

TU receives grants from various agencies of the United States Government. For the years ended March 31, 2024 and 2023, such grants are subject to audit under the provisions of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. The ultimate determination of amounts received under the United States Government grants is based upon the allowance of costs reported to and accepted by the United States Government as a result of the audits. Audits in accordance with the applicable provisions have been completed for all required fiscal years through 2024. Until such audits have been accepted by the United States Government, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

Various lawsuits and other contingent liabilities arise in the ordinary course of TU's activities. While the final outcome of these legal actions cannot be determined at this time, management is of the opinion that the ultimate liability, if any, from the final resolution of these matters will not have a material effect on TU's financial statements.

14. ENDOWMENT

TU's endowment funds consist of both donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of relevant law -

TU has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) enacted by the relevant state as requiring the preservation of the fair value of the original gift made to the donor-restricted endowment funds, absent explicit donor stipulations to the contrary.

As a result, of this interpretation, TU classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) 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.

Additionally, in accordance with UPMIFA, TU considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purpose of the organization and the donor-restricted endowment fund;
- General economic conditions and the possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments; and
- Investment policies of the organization.

TROUT UNLIMITED, INC.

**NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023**

14. ENDOWMENT (Continued)

Endowment net asset composition by type of fund as of March 31, 2024:

Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$	7,505,767
Accumulated investment earnings:		
CCF		1,546,867
Teller		186,143
Idaho		348,382
Talcott		<u>118,459</u>
TOTAL FUNDS	\$	<u>9,705,618</u>

Endowment net asset composition by type of fund as of March 31, 2023:

Original donor-restricted gift amount and amounts required to be maintained in perpetuity by donor	\$	7,505,767
Accumulated investment earnings:		
CCF		721,143
Teller		104,539
Idaho		236,180
Talcott		<u>(199,239)</u>
TOTAL FUNDS	\$	<u>8,368,390</u>

Changes in endowment net assets for the year ended March 31, 2024:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets as of March 31, 2023	\$ <u>-</u>	\$ <u>8,368,390</u>	\$ <u>8,368,390</u>
Investment return:			
Investment income	-	378,490	378,490
Net appreciation (realized and unrealized)	<u>-</u>	<u>958,738</u>	<u>958,738</u>
Total investment return	<u>-</u>	<u>1,337,228</u>	<u>1,337,228</u>
ENDOWMENT NET ASSETS AS OF MARCH 31, 2024	\$ <u>-</u>	\$ <u>9,705,618</u>	\$ <u>9,705,618</u>

Changes in endowment net assets for the year ended March 31, 2023:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Endowment net assets as of March 31, 2022	\$ <u>-</u>	\$ <u>9,135,126</u>	\$ <u>9,135,126</u>
Investment return:			
Investment income	-	399,898	399,898
Net depreciation (realized and unrealized)	<u>-</u>	<u>(826,843)</u>	<u>(826,843)</u>
Total investment return	<u>-</u>	<u>(426,945)</u>	<u>(426,945)</u>
Appropriation of endowment assets for expenditure	<u>-</u>	<u>(339,791)</u>	<u>(339,791)</u>
ENDOWMENT NET ASSETS AS OF MARCH 31, 2023	\$ <u>-</u>	\$ <u>8,368,390</u>	\$ <u>8,368,390</u>

TROUT UNLIMITED, INC.

**NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023**

14. ENDOWMENT (Continued)

Funds with Deficiencies -

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the organization to retain as fund of perpetual duration. In accordance with GAAP, deficiencies of this nature are reported in net assets without donor restrictions. Deficiencies of this nature exist in one donor-restricted endowment fund, which has an original gift value of \$2,500,000, and deficiencies of \$0 and \$199,239 as of March 31, 2024 and 2023, respectively. This deficiency resulted from unfavorable market fluctuations that occurred after the investment of the donor-restricted endowment funds.

Return Objectives and Risk Parameters -

TU's objective is to earn a respectable, long-term, risk-adjusted total rate of return to support the designated programs. TU recognizes and accepts that pursuing a respectable rate of return involves risk and potential volatility. Over complete market cycles, the goal is to have TU's assets generate a return, net of fees, greater than the benchmark index consisting of a combination of appropriate capital market indexes weighted in the same proportions as TU's asset allocation. To minimize the administrative costs and burdens, TU is currently only invested in publicly-traded fixed income and equity mutual funds and money market funds.

Strategies Employed for Achieving Objectives -

To satisfy its long-term rate-of-return objectives, TU relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). TU targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy -

CCF Endowment: The fund was developed to support the scientific resource work of TU and was funded through the Russell Memorial Fund (\$569,375) and other individual contributions. Up to 15% of the original contribution revenue was allocated to be spent on overhead and administrative costs associated with the Coldwater Conservation Fund program. The remaining portion of the overhead and administrative allocation was spent in fiscal year 2016. A portion of the current investment income from the Endowment's funds are to be spent annually, in accordance with TU's spending policy. Spending rate of 4.5% was set for the years ended March 31, 2024 and 2023.

E.T. Teller Endowment: This fund was established in 1995 by the Teller family. Per request by the donor, up to 50% of the annual earnings are available for general operations of TU. The other 50% should be reinvested in the fund.

Idaho Water Fund: This endowment was established in 2008 with grant funds from the Ishiyama Family Foundation. The purpose of the endowment is to fund the Idaho Water Project. A portion of the funds can be spent annually, in accordance with TU's spending policy. Funds in the amount of \$0 and \$36,663 were spent during the years ending March 31, 2024 and 2023, respectively.

Talcott Endowment: The Talcott endowment was established in 2021 with a bequest in the amount of \$2,500,000 from Thayer Talcott, Jr. The funds were restricted to TU's perpetual endowment with the income to be used to support the general purposes of TU.

TROUT UNLIMITED, INC.

**NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2024 AND 2023**

15. SUBSEQUENT EVENTS

In preparing these financial statements, TU has evaluated events and transactions for potential recognition or disclosure through December 5, 2024, the date the financial statements were issued.

SUPPLEMENTAL INFORMATION

TROUT UNLIMITED, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Agriculture					
Restoring Riparian Upland Habitat in the Tomichi Creek Water	National Fish and Wildlife Foundation	2506.21.070903	10.069	\$ -	\$ 5,592
Enhancing Shoreline and Riparian Forests for Climate Resilience in West Michigan	N/A	N/A	10.664	-	12,923
Stream and Riparian Restoration in NW MI	N/A	N/A	10.664	-	67,210
Improving Connectivity and Riparian Habitat in the Ontonagon River Watershed	N/A	N/A	10.664	-	5,228
Subtotal 10.664				-	85,361
Prospect Creek Streambank Rehabilitation Maintenance and Reducing Road Impacts in the Thompson River Basin	N/A	N/A	10.665	-	10,000
Upper Klamath Chinook Salmon Outmigration Study	N/A	N/A	10.665	-	13,483
Annie Creek Fish Passage and Screening	N/A	N/A	10.665	-	17,837
Upper Sprague Low-Tech Restoration	N/A	N/A	10.665	-	124,607
Klamath Fish Passage Enhancements	N/A	N/A	10.665	-	2,444
Subtotal 10.665				-	168,371
Protecting and Restoring Brook Trout Habitat in the Savage River Watershed and Connectivity (MD)	National Fish and Wildlife Foundation	0603.21.071980	10.678	-	5,420
Rio Chama CFLRP Projects	N/A	N/A	10.679	-	56,792
5 Bar 6 Mill Creek Restoration and Mill Creek Barrier Project	National Fish and Wildlife Foundation	0901.23076900	10.683	-	82,310
Bringing back the Eklunta AK2001	National Fish and Wildlife Foundation	0801.20.067074	10.683	-	41,345
Ives Road Culvert Replacement Project	National Fish and Wildlife Foundation	0603.21.073262	10.683	-	9,352
Lahontan Cutthroat Trout Core Grant 2020	National Fish and Wildlife Foundation	0122.19.066163	10.683	-	7,593
Reconnecting Floodplains for Native Fish in the Lower Snake Watershed and Habitat Restoration at Seneca Rocks	National Fish and Wildlife Foundation	0901.21.073468	10.683	-	13,159
	National Fish and Wildlife Foundation	0603.22.076073	10.683	-	3,548

TROUT UNLIMITED, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Agriculture (Continued)					
Restoring Enhancing and Expanding Brook Trout Patch Strongho	National Fish and Wildlife Foundation	0603.20.069792	10.683	\$ -	\$ 8,867
Reconnecting Coldwater Habitat in Brook Trout Streams MI	National Fish and Wildlife Foundation	0501.21.071895	10.683	-	18,601
Reconnecting Cold-Water Habitat in the Western Upper Peninsu	National Fish and Wildlife Foundation	0501.20.068240	10.683	-	12,424
Restoring Riparian Upland Habitat in the Tomichi Creek Water	National Fish and Wildlife Foundation	2506.21.070903	10.683	-	32,517
Sam Plummer Rd Culvert Replacement	National Fish and Wildlife Foundation	0405.23.077613	10.683	-	2,553
Improving Eastern Brook Trout and Eastern Hellbender Strongholds in the Headwaters of the Greenbrier River (WV)	National Fish and Wildlife Foundation	0407.23.077309	10.683	-	10,840
Subtotal 10.683				-	243,109
Boomerang Bridge Replacement	N/A	N/A	10.716	-	8,309
SPA Biological & Physical Resources Staff	N/A	N/A	10.717	-	28,819
SPA Biological & Physical Resources Staff	N/A	N/A	10.717	-	2,267,206
SPA Biological & Physical Resources Staff	N/A	N/A	10.717	-	5,228
SPA Biological & Physical Resources Staff	N/A	N/A	10.717	-	255
SPA Biological & Physical Resources Staff	N/A	N/A	10.717	-	1,827
SPA Biological & Physical Resources Staff	N/A	N/A	10.717	-	34,586
SPA Biological & Physical Resources Staff	N/A	N/A	10.717	-	10,418
SPA Biological & Physical Resources Staff	N/A	N/A	10.717	-	49,709
SPA Biological & Physical Resources Staff	N/A	N/A	10.717	-	80,566
Subtotal 10.717				-	2,478,614
Albert Creek Culvert Aquatic Organism Passage Improvement	N/A	N/A	10.718	-	14,051
Aquatic Organism Passage Culvert Replacements	N/A	N/A	10.718	-	4,597
Canyon Creek Road and Channel Improvements	N/A	N/A	10.718	-	66,521
Chattahoochee Oconee Watershed Improvement Projects	N/A	N/A	10.718	-	10,796
Forest Wide Watershed Improvement Projects- Medicine Bow-Routt NF & Thunder Basin NG	N/A	N/A	10.718	-	14,227

TROUT UNLIMITED, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Agriculture (Continued)					
Forest Wide Watershed Improvement Projects- Medicine Bow-Routt NF & Thunder Basin NG	N/A	N/A	10.718	\$ -	\$ 7,375
Legacy Roads Trail-Big Run Aquatic Organism Passage	N/A	N/A	10.718	-	60,000
Legacy Roads Trail-Elk Run-Forest Road 922 AOP	N/A	N/A	10.718	-	250,000
Legacy Roads Trail-Little River Forest Road 17 AOP	N/A	N/A	10.718	-	2,298
Little Snake River Culvert Replacements	N/A	N/A	10.718	-	3,447
SNQFS1 Hydrologic Improvements for Aquatic Organisms Snoquera Lower Greenwater Phase	N/A	N/A	10.718	-	251,757
Subtotal 10.718				-	685,069
Aquatic Restoration	N/A	N/A	10.724	-	22,873
Cathey's Creek Watershed Restoration	N/A	N/A	10.729	-	65,744
IRA Portion-SPA Biological & Physical Resources Staff	N/A	N/A	10.729	-	2,263,021
Southwest Region Watershed and Aquatic Restoration Initiative	N/A	N/A	10.729	-	9,948
Southwest Region Watershed and Aquatic Restoration Initiative	N/A	N/A	10.729	-	15,459
Southwest Region Watershed and Aquatic Restoration Initiative	N/A	N/A	10.729	-	11,470
Southwest Region Watershed and Aquatic Restoration Initiative	N/A	N/A	10.729	-	5,569
Southwest Region Watershed and Aquatic Restoration Initiative	N/A	N/A	10.729	-	17,976
Southwest Region Watershed and Aquatic Restoration Initiative	N/A	N/A	10.729	-	4,639
Watershed and Aquatic Restoration and Improvement	N/A	N/A	10.729	-	9,155
Watershed and Aquatic Restoration and Improvement	N/A	N/A	10.729	-	43,221
Subtotal 10.729				-	2,446,202
Cost Share for technical assistance	NRCS Natural Resources Conservation Svc	NR183D47XXXXC005	10.902	-	58,808
Frost Gully Brook NFWF	National Fish and Wildlife Foundation	0405.19.065407	10.902	-	73,375
Linking Private Lands with Habitat Restoration	National Fish and Wildlife Foundation	0407.19.066366	10.902	-	8,752
Eastern Hellbender and Freshwater Mussels in the Upper Casse	National Fish and Wildlife Foundation	0407.22.073562	10.902	-	46,471

TROUT UNLIMITED, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024**

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Agriculture (Continued)					
A multiphased restoration approach to form the North Fork of Restoring Enhancing and Expanding Brook Trout Patch Stronghold	National Fish and Wildlife Foundation	0603.21.073158	10.902	\$ -	\$ 13,108
Providing Technical Assistance to Enhance Habitat and Reconn RCPP 1620 Trout Unlimited	National Fish and Wildlife Foundation	0603.20.069792	10.902	-	26,591
Restoring Riparian Upland Habitat in the Tomichi Creek Water Salinity Program Project Green River	National Fish and Wildlife Foundation	0407.18.062005	10.902	-	6,890
Strengthening Stronghold Brook Trout Patches	NRCs Natural Resources Conservation Svc	68-3D47-17-107	10.902	-	10,646
UGB003-Improving Eastern Brook Trout and Eastern Hellbender Strongholds in the Headwaters of the Greenbrier River (WV)	National Fish and Wildlife Foundation	2506.21.070903	10.902	-	5,592
Cost Share for Technical Assistance	NRCs Natural Resources Conservation Svc	NR228E49XXXXC001	10.902	-	13,109
	National Fish and Wildlife Foundation	0603.20.069421	10.902	-	61,801
	National Fish and Wildlife Foundation	0407.23.077309	10.902	-	34,688
	NRCs Natural Resources Conservation Svc	NR233D47XXXXC008	10.902	-	79,117
Subtotal 10.902				-	438,948
Regional LoRa Networks to Improve High Elevation Flood Irrigation Water Management	Natural Resources Conservation Service	NR223A750013G003	10.912	-	34,225
Providing Technical Assistance to Enhance Habitat and Reconnect Strongholds for Eastern Brook Trout (PA)	National Fish and Wildlife Foundation	0407.18.062005	10.912	-	7,272
Salinity Program Project Green River	Natural Resources Conservation Service	NR228E49XXXXC001	10.912	-	15,112
Cost Share for Technical Assistance	N/A	N/A	10.912	-	92,394
Subtotal 10.912				-	149,003
Providing Technical Assistance to Enhance Habitat and Reconnect Strongholds for Eastern Brook Trout (PA)	National Fish and Wildlife Foundation	0407.18.062005	10.924	-	8,421
Total Department of Agriculture				-	6,802,084
Department of Commerce					
Central CA Coast Drought Gaging and Model Project	1629 Pacific States Marine Fisheries Commission-Federal	24-010G	11.437		9,486
Eastern OR Aquatic Restoration DST	Oregon Watershed Enhancement Board	220-9004-19821	11.438	-	1,843

TROUT UNLIMITED, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Commerce (Continued)					
Asotin IMW Low Tech Design and Restoration	Washington State Recreation and Conservation Office	23-1036R	11.438	\$ -	\$ 2,216
Bear Creek Instream Habitat Enhancement Project	California Department of Fish and Wildlife	Q2010520	11.438	-	167,463
Bear Creek Sediment Reduction and Salmonid Recovery Project	California Department of Fish and Wildlife	Q2010528	11.438	-	321,213
Chimney Rock Creek Upslope Watershed and Instream Habitat Restoration Project	CA Dept of Fish & Wildlife - Federal funds	Q2210509	11.438	-	14,674
Dry Dock Gulch Alcove Habitat Enhancement and Fish Passage P	CA Dept of Fish & Wildlife - Federal funds	Q2110512	11.438	-	1,261,455
Hayden Creek Hermits Habitat Improvement Project	Idaho Office of Species Conservation	016 19 SA	11.438	-	1,256
North Fork Elk River Salmonid Habitat Enhancement Project De	California Department of Fish and Wildlife	Q2010503	11.438	-	60,767
Cassel Creek Derelict Culvert Removal 22-1336	Washington State Recreation and Conservation Office	22-1336R	11.438	-	9,448
Donkey Creek Tributary Fish Passage Project - Ph2 23-1126	Washington State Recreation and Conservation Office	23-1126	11.438	-	267
Upper Wisen Creek Fish Passage Design-Phase 1 22-1334	Washington State Recreation and Conservation Office	22-1334P	11.438	-	57,337
Samson Creek Priority Fish Passage 222-1002	N/A	N/A	11.438	-	537,185
Tillamook Bay Wetland Connectivity and Fish Passage Project	Oregon Watershed Enhancement Board	223-1022-23038	11.438	-	1,913
JC Boyle Fencing	Oregon Watershed Enhancement Board	223-4022-23041	11.438	-	6,853
Potrero Creek Fish Passage Lower Culvert Project Carmel Vall	California Department of Fish and Wildlife	Q2140408	11.438	-	570,113
Rail Dump Gulch Fish Passage and Habitat Improvement Design	California Department of Fish and Wildlife	Q2210512	11.438	-	38,755
Soda Creek Fish Passage and Winter Habitat Refugia Design Project	California Department of Fish and Wildlife	Q2110510	11.438	-	159,007
South Fork Usal Creek Instream Enhancement Design Project	California Department of Fish and Wildlife	Q2010524	11.438	-	103,815
Snake River Beaver Relocation Framework	Washington State Recreation and Conservation Office	22-1023R	11.438	-	33,613
Panjab Creek Low-Tech Process-Based Restoration	Washington State Recreation and Conservation Office	22-1024R	11.438	-	6,949
Lower Wenatchee Instream Flow Enhancement Phase II 19-1489	Washington State Recreation and Conservation Office	19-1489R	11.438	-	16,092
Fulton Ditch Irrigation Efficiency Project Phase 1 23-1277	Washington State Recreation and Conservation Office	23-1277	11.438	-	9,231

TROUT UNLIMITED, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024**

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Commerce (Continued)					
Yakima-Little Creek Channel Complexity 22-1575	Washington State Recreation and Conservation Office	22-1575R	11.438	\$ -	\$ 1,028
Swauk Creek Supplemental Flows 22-1614	Washington State Recreation and Conservation Office	22.1614P	11.438	-	111,072
Tjossem Ditch-SRFB 19-1424	Washington State Recreation and Conservation Office	19-1424R	11.438	-	296,559
Subtotal 11.438				-	3,790,124
Plants for Salmon - Engaging Alaska Anglers in Restoring Riparian Buffers	Pacific States Marine Fisheries Commission	24-008G	11.454	-	149
Alaska Fish Habitat Mapping & Comm Science	Pacific States Marine Fisheries Commission	NA22NMF4540360	11.454	-	17,853
Subtotal 11.454				-	18,002
Enloe Dam Removal Project Planning & Feasibility Assessment	N/A	N/A	11.463	-	743,425
GLNOAA - Reconnecting stream habitat in shared priority waters	N/A	N/A	11.463	-	204,836
High Priority Barrier Removal for California North Coast Sal	N/A	N/A	11.463	-	114,389
Lawrence Creek Hydrologic Reconnection of Critical Off Chann	N/A	N/A	11.463	-	25,474
NOAA Restoring High Priority Habitat for Coastal Mendocino	N/A	N/A	11.463	-	159,389
OPNOAA Olympic Peninsula Coldwater Connection Campaign Hoh Wisen NA23NMF4630010	N/A	N/A	11.463	-	227,339
OR19S4 SSH Aquatic Organism Passage Stream Restoration	N/A	N/A	11.463	-	548,646
Willow Creek streamflow monitoring and hydrologic analysis	Gold Ridge Resource Conservation District	NOAA0088 Y1-03	11.463	-	8,996
Subtotal 11.463				-	2,032,494
Tillamook County FEDERAL SSH County Bridges	Tillamook County Public Works	NA22NMF4690328	11.469	-	1,213,012
Advancing Community Plans to Address Climate Change and Improve Salmon Habitat in Seward, Alaska	National Fish and Wildlife Foundation	0318.23.075748	11.473	-	4,012
Total Department of Commerce				-	7,067,130

TROUT UNLIMITED, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024**

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Energy					
Aquatic Ecosystem Restoration Projects w/in the Lochsa River and Lolo Creek Drainages	Nez Perce Tribe	23-SPA-TU-NPT-003	81.000	\$ -	\$ 98,573
Beyeler Upper Mainstem Springs Adaptive Management	Idaho Office of Species Conservation	USB010 23	81.000	-	11,957
Wilson-Haun Wallowa River Restoration	Bonneville Power Administration	90071	81.000	-	82,052
Sheep Creek Stewardship	Bonneville Power Administration	88892	81.000	-	231,204
Yankee Fork Salmon River Restoration	Bonneville Power Administration	92782	81.000	-	19,653
Clear Fork Cutthroat Trout Restoration Project	N/A	N/A	81.000	-	411,650
Columbia Basin Water Transaction Program	National Fish and Wildlife Foundation	0201.22.073770	81.000	-	139,643
Colville CBWTP	National Fish and Wildlife Foundation	73751	81.000	-	45,371
Lemhi RM32 Habitat Enhancement, Confluence Phase	Idaho Office of Species Conservation	USB011 23	81.000	-	421,111
NFWF LSORW2 Elevating Instream Flow Enhancement in the Umatilla Tribal G	National Fish and Wildlife Foundation	0201.22.073796	81.000	-	837,544
Hydrologic Flow Restoration in the Yakima Entiat and Wenatchee Basins	National Fish and Wildlife Foundation	0201.22.073769	81.000	-	234,448
Antoine Valley Ranch hydrogeo work	Colville Confederate Tribes	C18-413	81.000	-	14,549
Total Department of Energy				-	2,547,755
Department of Interior					
Sam Plummer Rd Culvert Replacement	National Fish and Wildlife Foundation	0405.23.077613	15.153	-	5,208
Lahontan Cutthroat Trout Core Grant 2019	National Fish and Wildlife Foundation	0102.18.061632	15.231	-	7,911
Lahontan Cutthroat Trout Core Grant 2020	National Fish and Wildlife Foundation	0122.19.066163	15.231	-	15,541
Subtotal 15.231				-	23,452
Bear Lank Tributaries Upland Restoration Phase 2	N/A	N/A	15.233	-	15,067
BLM Sycan Brownsprings Restoration and Monitoring	N/A	N/A	15.234	-	34,189
BLM Annie Creek Fish Passage and Screening	N/A	N/A	15.234	-	2,409
BLM Redband Trout Working Group	N/A	N/A	15.234	-	1,467
Subtotal 15.234				-	38,065

TROUT UNLIMITED, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Interior (Continued)					
Watershed Support through Abandoned Mine Reclamation and Characterization at the Tiger Mine Area	N/A	N/A	15.236	\$ -	\$ 4,917
Trout Unlimited, Colorado Abandoned Mile Land (AML) Projects	N/A	N/A	15.236	-	18,010
Subtotal 15.236				-	22,927
AK2301 AK Reclamation and Restoration Community Engagement Project	N/A	N/A	15.244	-	21,152
BLMB24, FRESQS, BLMSKM & BLMWY9-BLM HQ Fish and Aquatic Resource Restoration- 2019 2024	N/A	N/A	15.244	-	88,072
BLMN Increasing Drought Resiliency for Wild and Native Trout on Arid Landscapes	N/A	N/A	15.244	-	31,172
BLMNAT L22AC00490	N/A	N/A	15.244	-	131,067
CO Aquatic Resources Conservation & Restoration Projects	N/A	N/A	15.244	-	43,783
WSW19B OR/WA BIL Douglas Watershed Stage Zero & Low Tech Restoration	N/A	N/A	15.244	-	3,802
Subtotal 15.244				-	319,048
Slinkard Creek Diversion Reconstruction	N/A	N/A	15.246	-	19,977
Rock Creek Habitat Restoration Project	N/A	N/A	15.246	-	4,438
Subtotal 15.246				-	24,415
Green River Urban Restoration II	Wyoming Game and Fish Commission	4907	15.247	-	16,462
Dry Fork of the Smith's Fork Road Realignment and Stream Restoration-WGFD	Wyoming Game and Fish Commission	4688	15.247	-	43,971
Henrys Fork Fish Passage Project- WGFD	Wyoming Game and Fish Commission	4597	15.247	-	74,762
Restoring Riparian Upland Habitat in the Tomichi Creek Water	National Fish and Wildlife Foundation	2506.21.070903	15.247	-	19,557
Subtotal 15.247				-	154,752

TROUT UNLIMITED, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Interior (Continued)					
Robbins Hollow-PA Swamp Area Passive Treatment	Pennsylvania Department of Environmental Protection	C990003950	15.252	\$ -	\$ 1,350
Morgan Run 7 Passive Treatment System	N/A	N/A	15.253	-	114,837
Paris Creek Environmental Water Resources Project	N/A	N/A	15.507	-	24,986
Weber River Ecological Resiliency Project	N/A	N/A	15.507	-	105,701
Subtotal 15.507				-	130,687
Lahontan Cutthroat Trout Core Grant 2019	National Fish and Wildlife Foundation	0102.18.061632	15.508	-	51,778
Lahontan Cutthroat Trout Core Grant 2020	National Fish and Wildlife Foundation	0122.19.066163	15.508	-	39,384
Subtotal 15.508				-	91,162
Reoriently to Recovery	California- Delta Stewardship Council	DSC-21015	15.512	-	70,897
Portola Redwoods State Park Drought Resiliency Project	N/A	N/A	15.514	-	2,753
Upper Green River Demand Management Demonstration Projects	Upper Colorado River Commission	UCRC-04-2023	15.514	-	95,352
Subtotal 15.514				-	98,105
BOR LSORBR LSORRE Grande Ronde Wallowa Stream Restoration	N/A	N/A	15.517	-	226,888
BOR LSORZU Camp Creek Habitat	N/A	N/A	15.517	-	7,731
Upper Salmon Planning	N/A	N/A	15.517	-	377,805
WSWAMA Manastash Creek Habitat Restoration	N/A	N/A	15.517	-	11,527
WSWAPH Restoring the Upper Columbia as a Powerhouse of Salmonid Resiliency	N/A	N/A	15.517	-	92,724
WSWAT4 CPN FWCA Non-Competitive Tjossem Headgate Engineering BOR R23AP00394	N/A	N/A	15.517	-	575
Subtotal 15.517				-	717,250

TROUT UNLIMITED, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024**

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Interior (Continued)					
BRCWMP Collaborative Black River Landscape Restoration Planning for Apache Trout Climate Resilience	N/A	N/A	15.554	\$ -	\$ 46,083
Development of the Priest River Watershed group	N/A	N/A	15.554	-	42,305
Flint Rock Cooperative Watershed Management Planning Grant	Granite Conservation District	CWMP-48	15.554	-	42,444
Salt River Watershed WY	N/A	N/A	15.554	-	50,330
South Fork Boise Collaborative	N/A	N/A	15.554	-	68,973
Supporting the Upper San Juan Enhancement Partnership Efforts to Implement Watershed Plan	N/A	N/A	15.554	-	31,205
Subtotal 15.554				-	281,340
Fish and Wildlife Cluster					
Cooperative Agreement between TU and Arizona Game and Fish R3 Coordinator	Arizona Game and Fish Commission	F22AF02266	15.605	-	63,805
Hoback River McNeel Bank Stabilization	Wyoming Game and Fish Commission	005168	15.605	-	50,000
Salt River Diversion Enhancement	Wyoming Game and Fish Commission	005165	15.605	-	29,480
Snake River Sewell Bank Stabilization	Wyoming Game and Fish Commission	005169	15.605	-	22,509
Trout In The Classroom (WYGF)	Wyoming Game and Fish Commission	005166	15.605	-	16,365
Uinta Basin Project Manager Utah	Utah Division of Wildlife Resources	212698	15.605	-	36,591
Subtotal 15.605 and Total Fish and Wildlife Cluster				-	218,750
AK2101 Matsu Salmon Partnership Coordination and Outreach	N/A	N/A	15.608	-	104,048
Bigelow Creek and 58th Street Stream Crossing Improvements	N/A	N/A	15.608	-	7,064
Wilson Creek AOP Phase 3 County Highway P	N/A	N/A	15.608	-	2,197
Childs Brook Culvert and Restoration	N/A	N/A	15.608	-	39,782
Driftless Water Quality Monitoring App	N/A	N/A	15.608	-	2,718
Woodloading and Culvert Prioritization	N/A	N/A	15.608	-	2,252
Fish Passage Inventory and Assessments on the Duchesne	N/A	N/A	15.608	-	220
Helper River Revitalization Phase 6	N/A	N/A	15.608	-	21,293
High Valley View Culvert Replacement Project	N/A	N/A	15.608	-	24,070

TROUT UNLIMITED, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024**

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Interior (Continued)					
Fish and Wildlife Cluster (continued)					
McDonald Creek Culvert Replacement at Parkway Road	N/A	N/A	15.608	\$ -	\$ 96,146
Middle Fork Rock Creek Fish Screen and Stream Restoration	N/A	N/A	15.608	-	1,598
Middle Trempealeau Watershed Habitat Improvement Project	N/A	N/A	15.608	-	40,000
Mill Creek AOP- Blackfoot Watershed	N/A	N/A	15.608	-	28,035
Mohawk River Restoration Project	N/A	N/A	15.608	-	364
Oconto River Watershed Aquatic Organism Passage	N/A	N/A	15.608	-	3,797
WQ Monitoring and Restoration for Suckers	National Fish and Wildlife Foundation	0208.22.074153	15.608	-	43,722
North Burnt Fork Creek Reconnect on Lee Metcalf	N/A	N/A	15.608	-	19,258
Wisem Creek Fish Passage Restoration	N/A	N/A	15.608	-	528,864
Tillamook Basin Fish Pass	N/A	N/A	15.608	-	80,490
BIL Fish Passage	N/A	N/A	15.608	-	116,886
Salmon SuperHwy Tillamook Basin Fish Passage Restoration	N/A	N/A	15.608	-	126,382
Partnering To Expand Fish Passage Capability in the NE Region	N/A	N/A	15.608	-	803
Peterson and Perkins Creek RSX Improvement	N/A	N/A	15.608	-	11,944
Infrastructure Investment and Jobs Act Potomac Headwaters	N/A	N/A	15.608	-	139,861
Halfmoon Run Aquatic Organism Passage Project	N/A	N/A	15.608	-	2,672
Stock Water Well Installation	Pacific States Marine Fisheries Commission	24-076G	15.608	-	20,027
Desktop Inventory of Unknown Dams in Great Lakes Basin	Southeast Aquatic Resource Partnership	TU/SARP2024	15.608	-	166
UKB Outreach	Sustainable Northwest	I-2023-TU-01	15.608	-	19,827
Southeast Alaska Fish Habitat Partnership	N/A	N/A	15.608	-	40,256
Stewart Ditch Diversion Modification Project	N/A	N/A	15.608	-	154,252
Strawberry Creek at Hwy 101 Fish Passage Implementation Project	N/A	N/A	15.608	-	27,094
TUDARE Partnership Coordination, Planning & Monitoring	N/A	N/A	15.608	-	74,550
Upper Bear River Fish Passage Initiative for Bonneville	N/A	N/A	15.608	-	271,297
Upper Sprague Bull Trout Passage Design	N/A	N/A	15.608	-	6,290

TROUT UNLIMITED, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024**

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Interior (Continued)					
Fish and Wildlife Cluster (continued)					
Sprague LTPBR Collaboration	N/A	N/A	15.608	\$ -	\$ 47,280
Green Creek Priority Fish Passage Project	N/A	N/A	15.608	-	37,305
West End Reservoir Dam Removal On Little Stony Creek	N/A	N/A	15.608	-	12,353
Wilson Creek at Stone Chimney Road Aquatic Organism	N/A	N/A	15.608	-	50,667
Stonewater Ranch Flow and Passage Improvement Project	N/A	N/A	15.608	-	15,807
Yakima R Floodplain	N/A	N/A	15.608	-	3,929
Johnson Creek Fish Passage Improvement Project Hwy 97 & Greenacres Crossings	N/A	N/A	15.608	-	509,370
Leavenworth National Fish Hatchery Intake Revegetation Project	N/A	N/A	15.608	-	501
Subtotal 15.608				-	2,735,437
TNC Independence Lake	The Nature Conservancy	P103138/A107947 ; P103138	15.628	-	31,078
Habitat Reconnection and Restoration in the Saranac River Ba	N/A	N/A	15.631	-	132,752
Habitat Restoration for Priority Species in WV	N/A	N/A	15.631	-	17,575
PFWNA2 Increasing Communications Outreach Private lands fisheries	N/A	N/A	15.631	-	6,035
PFWNAT Partners for Fish & Wildlife USFWS TU Increasing Habitat	N/A	N/A	15.631	-	103,332
USFWS OR2118 Upper Klamath Basin 2021 Riparian Planting	N/A	N/A	15.631	-	22,475
USFWS Dairylands Salmon SuperHwy Partners for Fish and Wildlife	N/A	N/A	15.631	-	4,193
USFWS LCPFWS Link Creek Wood Restoration Project	N/A	N/A	15.631	-	7,718
USFWS OR1814 Weed Road Fish Screen	N/A	N/A	15.631	-	2,768
USFWS OR1815 North Fork Sprague Hydro	N/A	N/A	15.631	-	17,199
USFWS OR1914 Upper Basin Instream Riparian Enhancement	N/A	N/A	15.631	-	1,313

TROUT UNLIMITED, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024**

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Interior (Continued)					
Fish and Wildlife Cluster (continued)					
USFWS OR2010 Threemile Crane Crk Reconnect Phase 3	N/A	N/A	15.631	\$ -	\$ 36,919
USFWS OR2011 Partners for Fish & Wildlife Program Habitat Rest Moni	N/A	N/A	15.631	-	14,629
USFWS OR2013 Lalo Springs 20 11174	N/A	N/A	15.631	-	434
USFWS OR2014 Upper Basin Riparian Enhancement	N/A	N/A	15.631	-	5,786
USFWS OR2015 SF Sprague LWD 20 11169	N/A	N/A	15.631	-	524
USFWS OR2016 Running Y and Caledonia 20 11263	N/A	N/A	15.631	-	15,271
USFWS OR2017 Upper Basin Planting 20 11224	N/A	N/A	15.631	-	23,757
USFWS OR2019 Sycan Brown Springs 20 11228	N/A	N/A	15.631	-	1,467
USFWS OR2113 Annie Creek 2021	N/A	N/A	15.631	-	845
USFWS OR2114 Harmony Preserve Bailey Flat	N/A	N/A	15.631	-	120,042
USFWS OR2116 Threemile Crane 2021 Restoration and Monitoring	N/A	N/A	15.631	-	180,195
USFWS OR2117 UKB 2021 Riparian Instream	N/A	N/A	15.631	-	110,073
USFWS OR2119 Sun Creek 2021 Channel Enhancement	N/A	N/A	15.631	-	44,634
USFWS OR2120 Annie Creek Barrier Removal	N/A	N/A	15.631	-	1,467
USFWS OR2224 Crane Creek Fish Passage	N/A	N/A	15.631	-	36,954
USFWS OR2225 Snake Creek LTPBR and Adaptive Management	N/A	N/A	15.631	-	12,022
USFWS OR2226 UKB 2022 Spawning Gravel				-	4,478
USFWS OR2305 Meryl Creek Restoration				-	5,555
USFWS OR2313 Crane Creek Fish Passage and Channel 23-1879				-	628
USFWS OR2314 Anderson Property Restoration	N/A	N/A	15.631	-	502
USFWS OR2315 JC Boyle and Iron Gate Reservoir Riparian Fencing	N/A	N/A	15.631	-	43,990
USFWS OR2316 Sunrise Mountain Ranch Restoration	N/A	N/A	15.631	-	19,123
WSW10B FCCD Smith Draw BDA	N/A	N/A	15.631	-	2,827
WSW12B Wenatchee Beaver Coexistence Landowner Assistance-2022 F22AC02778	N/A	N/A	15.631	-	28,633

TROUT UNLIMITED, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Interior (Continued)					
Fish and Wildlife Cluster (continued)					
WSW18B Beaver-Powered Restoration in Rock Island Creek Watershed F23AC01202	N/A	N/A	15.631	\$ -	\$ 28,645
WSWA7B USFWS Rock Creek Beavers	N/A	N/A	15.631	-	405
WSWALX Little Creek Channel Complexity - Pilot Project F23AC01650	N/A	N/A	15.631	-	64
WSWATW Tucker Creek Instream Restoration F21AC02124	N/A	N/A	15.631	-	181
Wyoming Native Fish Passage and Habitat Restoration	N/A	N/A	15.631	-	111
Wyoming Native Fish Passage and Habitat Restoration	N/A	N/A	15.631	-	1,403
Subtotal 15.631				-	1,056,924
Relationships of Habitat and Salmonid Life History-Yuba	N/A	N/A	15.648	-	32,706
Lake Sammish Urban Wildlife Refuge Partnership Stewardship Project	N/A	N/A	15.657	-	17,804
Reconnecting Coldwater Habitat for Brook Trout and Culvert Assessments in Black River	N/A	N/A	15.657	-	10,187
Reconnecting Cold-Water Habitat in the Western Upper Peninsula	N/A	N/A	15.657	-	54,464
Subtotal 15.657				-	82,455
GLW104 - Reconnecting and Securing Climate Resilient Brook Trout	National Fish and Wildlife Foundation	0501.22.074690	15.662	-	173,961
MESOGL 70773 AMENDED Great Lakes Monitoring and Evaluation	National Fish and Wildlife Foundation	0501.20.070773	15.662	-	106,849
Reconnecting Coldwater Habitat for Brook Trout and Culvert	National Fish and Wildlife Foundation	74811	15.662	-	56,594
Reconnecting Coldwater Habitat in Brook Trout Streams MI	National Fish and Wildlife Foundation	0501.21.071895	15.662	-	97,654
Reconnecting Cold-Water Habitat in the Western Upper Peninsula	National Fish and Wildlife Foundation	0501.20.068240	15.662	-	111,820
Restore and Reconnect Improving Habitat in West Northwest	National Fish and Wildlife Foundation	0501.19.064549	15.662	-	85,545
Hiawatha National Forest Fish Passage Improvement Mormon	National Fish and Wildlife Foundation	0501.22.075017	15.662	-	20,641
Subtotal 15.662				-	653,064

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Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Interior (Continued)					
Fish and Wildlife Cluster (continued)					
Cadosia Creek Restoration Project	Friends of the Delaware River	65386	15.663	\$ -	\$ 8,652
Expanding Brook Trout Patch Size and Improving Water Quality	National Fish and Wildlife Foundation	0603.19.065931	15.663	-	5,910
Frost Gully Brook NFWF	National Fish and Wildlife Foundation	0405.19.065407	15.663	-	4,320
Ives Road Culvert Replacement Project	National Fish and Wildlife Foundation	0603.21.073262	15.663	-	27,213
LCTC19 Lahontan Cutthroat Trout Core Grant 2019	National Fish and Wildlife Foundation	0102.18.061632	15.663	-	12,225
LCTC20 Lahontan Cutthroat Trout Core Grant 2020	National Fish and Wildlife Foundation	0122.19.066163	15.663	-	48,173
MDSWG2-Protecting and Restoring Brook Trout Habitat in the Savage R	National Fish and Wildlife Foundation	0603.21.071980	15.663	-	3,720
MDSWG2-Protecting and Restoring Brook Trout Habitat in the Savage R	National Fish and Wildlife Foundation	0603.21.071980	15.663	-	6,591
MDSWG2-Protecting and Restoring Brook Trout Habitat in the Savage R	National Fish and Wildlife Foundation	0603.21.071980	15.663	-	3,252
Neversink Management Plan	National Fish and Wildlife Foundation	72257 - FUDR	15.663	-	9,316
PHNFK2-A multiphased restoration approach to form the North Fork of	National Fish and Wildlife Foundation	0603.21.073158	15.663	-	4,677
PHNFK2-A multiphased restoration approach to form the North Fork of	National Fish and Wildlife Foundation	0603.21.073158	15.663	-	4,677
PHUSB2-Restoring Enhancing and Expanding Brook Trout Patch Strongho	National Fish and Wildlife Foundation	0603.20.069792	15.663	-	11,073
PHUSB3-Reconnecting and Restoring Brook Trout Strongholds in the South Branch of the Potomac River (VA, WV)	National Fish and Wildlife Foundation	0603.22.075586	15.663	-	5,518
Restore and Reconnect Improving Habitat in West Northwest Mi	American Rivers	0501.19.064549	15.663	-	7,439
Tionesta, Clarion, Kiski-Conemaugh Conservation Planning	National Fish and Wildlife Foundation	77575	15.663	-	2,246
Upper North Fork Shenandoah River Brook Trout Aquatic Organi	National Fish and Wildlife Foundation	0603.22.075957	15.663	-	704
Wylie Brook Culvert Replacement Project	Friends of the Delaware River	0603.20.069859	15.663	-	18,421
Subtotal 15.663				-	184,127

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FOR THE YEAR ENDED MARCH 31, 2024**

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Department of Interior (Continued)					
Fish and Wildlife Cluster (continued)					
Implementing the Upper Delaware River Stream Corridor Manage	National Fish and Wildlife Foundation	0403.19.065178	15.670	\$ -	\$ 2,362
Improving Aquatic Habitat Connectivity in the Towns of Depos	National Fish and Wildlife Foundation	0403.19.065544	15.670	-	92,159
Neversink Watershed Management Plan	N/A	N/A	15.670	-	49,441
NJ Upper Delaware Conservation Portfolios	National Fish and Wildlife Foundation	0403.21.072304	15.670	-	4,362
PFBC 2023 Unassessed Waters - FPW	N/A	N/A	15.670	-	47,679
Reconnection Projects in the Upper Delaware River	NFWF National Fish and Wildlife Fdtn	78738	15.670	-	36,669
UDR Macro Studies	FUDR00 Friends of the Delaware River	960235	15.670	-	1,907
Willowemoc Assessment	FUDR00 Friends of the Delaware River	0403.22.075089	15.670	-	104,209
Willowemoc Trout Habitat Improvement Project	NFWF National Fish and Wildlife Fdtn	0403.21.072630	15.670	-	211,324
Wilson Hollow Assessment and Restoration Planning	Friends of the Delaware River	68747	15.670	-	29,646
Subtotal 15.670				-	579,758
Maryland Fish Passage Partnership	Maryland Department of Natural Resources	F23AC02229	15.685	-	8,273
Strawberry Creek Fish Passage Improvement Design at Central Avenue	N/A	N/A	15.685	-	73,709
Upper Greenbrier River Watershed Fish Passage Project	N/A	N/A	15.685	-	1,151
Jenny Creek Barrier Removal	N/A	N/A	15.685	-	8,488
Wyoming Native Fish Passage and Habitat Restoration- FY23	N/A	N/A	15.685	-	40,000
Subtotal 15.685				-	131,621
A Brook Trout Conservation Portfolio to Inform Strategic Planning in the Driftless Area	N/A	N/A	15.686	-	145
AK2401 Southeast Alaska Fish Habitat Partnership Coordination	N/A	N/A	15.686	-	73,833
AK2402 The Alaska Fish Habitat Mapping and Community Science Project	N/A	N/A	15.686	-	14,450

TROUT UNLIMITED, INC.

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Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed-Through to Subrecipients	Total Reimbursable Costs
Department of Interior (Continued)					
Fish and Wildlife Cluster (continued)					
Clear Fork of East Muddy Creek Cutthroat Restoration Barrier Project	N/A	N/A	15.686	\$ -	\$ 24,640
Crowdsourcing DARE Water Quality Monitoring APP	N/A	N/A	15.686	-	3,415
Driftless Nutrient Management	N/A	N/A	15.686	-	19,009
Subtotal 15.686				-	135,492
Identifying Thermal Refugia for Brook Trout Climate Adaptat	1376 Regents of the University of Minnesota	CON000000100834	15.820	-	37,177
Total Department of Interior				-	7,987,151
Environmental Protection Agency					
Utley Brook Restoration Project	National Fish and Wildlife Foundation	1401.23.076758	66.437	-	20,296
Chesapeake Bay Riparian Buffer Monitoring and maintenance in	West Virginia Department of Environmental Protection	NPS1803	66.460	-	65,305
COALFP Coal Creek Fish Passage Restoration 22-1132	Washington State Recreation and Conservation Office	22-1132R	66.460	-	75,775
Dry Creek Restoration Phase 3	N/A	N/A	66.460	-	6,072
Expanding Brook Trout Habitat Reconnection and Restoration E	National Fish and Wildlife Foundation	76006	66.460	-	22,855
Flint Creek Restoration- Phase 2	Montana Department of Environmental Quality	223013	66.460	-	194,235
Green River Urban Restoration Project	Wyoming Dept of Environmental Quality	2021-0726	66.460	-	1,581
Lower Mandeville Creek Restoration	Montana Department of Environmental Quality	223040	66.460	-	17,318
Mud Creek EPA 319	Utah Division of Water Quality	220400	66.460	-	20,884
New Fork River - Area 351 Restoration (WY DEQ)	Wyoming Dept of Environmental Quality	N/A	66.460	-	8,009

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Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Environmental Protection Agency (Continued)					
Ramsay Ranch Water Quality Improvement Project	Wyoming Dept of Environmental Quality	2022-0927	66.460	\$ -	\$ 26,390
Stauffer Creek Meadow Stream Restoration Project	Idaho Dept of Environmental Quality	S698	66.460	-	10,149
TKT OR2317 Running Y Water Pump	The Klamath Tribes	84-22-3	66.460	-	63
Upper Ninemile Creek Placer Mine Reclamation Stream Restorat	Montana Department of Environmental Quality	221028	66.460	-	15,345
Upper Willow Creek Habitat Restoration Project	Montana Department of Environmental Quality	223035	66.460	-	8,099
Watershed Implementation Plan Development Fishing Creek Wate	N/A	N/A	66.460	-	55,887
Subtotal 66.460				-	527,967
Chesapeake GIT	Chesapeake Bay Trust	1520	66.466	-	59,185
Collaborative Conservation and Brook Trout Restoration in th	National Fish and Wildlife Foundation	69626	66.466	-	3,123
Expanding Brook Trout Patch Size and Improving Water Quality	National Fish and Wildlife Foundation	0603.19.065931	66.466	-	15,175
Increasing Resilience of Priority Eastern Brook Trout Strong	National Fish and Wildlife Foundation	0603.22.075408	66.466	-	30,947
Ives Road Culvert Replacement Project	National Fish and Wildlife Foundation	0603.21.073262	66.466	-	40,092
MAINSR-Accelerating Water Quality Improvements and Supporting Conse	National Fish and Wildlife Foundation	0602.22.074141	66.466	-	137,006
MDSWG2-Protecting and Restoring Brook Trout Habitat in the Savage R	National Fish and Wildlife Foundation	0603.21.071980	66.466	-	71,217
PHNACC-Eastern Brook Trout Habitat Assessments for Strongholds in the South Branch of Potomac (VA, WV)	National Fish and Wildlife Foundation	0603.22.075540	66.466	-	73,707
PHNFK2-A multiphased restoration approach to form the North Fork of	National Fish and Wildlife Foundation	0603.21.073158	66.466	-	8,957
PHSEN1-Watershed and Habitat Restoration at Seneca Rocks	National Fish and Wildlife Foundation	0603.22.076073	66.466	-	67,408
PHUSB2-Restoring Enhancing and Expanding Brook Trout Patch Strongho	National Fish and Wildlife Foundation	0603.20.069792	66.466	-	59,040
PHUSB3-Reconnecting and Restoring Brook Trout Strongholds in the South Branch of the Potomac River (VA, WV)	National Fish and Wildlife Foundation	0603.22.075586	66.466	-	33,531

TROUT UNLIMITED, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024**

Federal Grantor/Program or Cluster Title	Pass-Through Grantor	Pass-Through Entity Identifying Number	Assistance Listing Number	Passed- Through to Subrecipients	Total Reimbursable Costs
Environmental Protection Agency (Continued)					
Potomac Conservancy Passthrough-Buffers, Buffers, Buffers	Potomac Conservancy	NA	66.466	\$ -	\$ 1,649
Strengthening Stronghold Brook Trout Patches	National Fish and Wildlife Foundation	0603.20.069421	66.466	-	78,655
Upper North Fork Shenandoah River Brook Trout Aquatic Organi	National Fish and Wildlife Foundation	0603.22.075957	66.466	-	1,835
VAINSR-Accelerating Sediment Reductions Through Collaborative Techn	National Fish and Wildlife Foundation	0602.20.067738	66.466	-	328,811
VASFA1-Habitat and Fish Passage Assessments in Virginia Brook Trout	National Fish and Wildlife Foundation	0603.22.075957	66.466	-	74,428
Wylie Brook Culvert Replacement Project	National Fish and Wildlife Foundation	0603.20.069859	66.466	-	45,100
Subtotal 66.466				-	1,129,866
LCBP Subaward Agreement	New England Interstate Water Pollution Control Commission	LS-BIL-2023-079	66.481	-	372,262
Eliminating Erosion of Legacy Mine Tailings from the Bodie	N/A	N/A	66.962	-	67,407
Total Environmental Protection Agency				-	2,117,798
TOTAL				\$ -	26,521,918

TROUT UNLIMITED, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED MARCH 31, 2024

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the Federal award activity of TU under programs of the Federal Government for the year ended March 31, 2024. Information in the Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. The Schedule presents only a selected portion of the operations of TU; accordingly, it is not intended to and does not present the financial position, changes in net assets or cash flows of TU.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. TU has elected not to use the de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3. Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements

Expenditures per the Schedule of Expenditures of Federal Awards	\$ 26,521,918
Expenditures of Federal awards not subject to audit requirements under Uniform Guidance as noted by the grantor	<u>5,357,680</u>
U.S. GOVERNMENT GRANTS PER STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS	<u>\$ 31,879,598</u>

TROUT UNLIMITED, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2024

Section I - Summary of Auditor's Results

Financial Statements

1). Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP on the accrual basis of accounting: Unmodified

2). Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

3). Noncompliance material to financial statements noted? Yes No

Federal Awards

4). Internal control over major Federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None Reported

5). Type of auditor's report issued on compliance for major Federal programs: Unmodified

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

7). Identification of major Federal programs:

Assistance Listing Number	Name of Federal Program or Cluster
10.717	Infrastructure Investment and Jobs Act Restoration/Revegetation
10.729	Inflation Reduction Act - National Forest System
11.463	Habitat Conservation
11.469	Congressionally Identified Awards and Projects

8). Dollar threshold used to distinguish between Type A and Type B programs: \$795,657

9). Auditee qualified as a low-risk auditee? Yes No

TROUT UNLIMITED, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2024

Section II - Financial Statement Findings

Finding 2024-001: Misclassification of Revenue

Criteria: Recipients of Federal funds are required to establish internal controls that should be in compliance with guidance in the "Integral Control Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: During the course of the year, management determined that certain historic agreements and other arrangements were not classified properly given the current circumstances.

Context: Failure to accurately identify donor-restricted funds may result in the mismanagement of these resources.

Effect: Approximately \$349,000 in support with donor restrictions was reclassified to without donor restrictions.

Cause: Adequate internal controls, including a comprehensive review of revenue classification, were not in place when the support was initially recognized, resulting in improper identification of donor-restricted funds.

Identification as a Repeat Finding: 2023-001

Recommendation: We recommend TU enhance the policies and procedures governing internal controls related to the identification and monitoring of donor-restricted funds and other arrangements whereby funds may constitute an agency only arrangement. This entails enhanced documentation about the accounting positions taken on a variety of revenue arrangements.

Views of Responsible Officials and Planned Corrective Actions: The identified misclassifications were related to historical balances from previous years. The current year's revenue was accurately classified. In FY24, TU initiated a formalized review process for proper recording and classification of pledges and implemented quarterly pledge review meetings between the Accounting and Development teams. TU's new financial system has improved visibility on restrictions through segmentation attached at the transaction level. New revenue will continue to be assessed and classified according to these reviews.

Anticipated Completion Date: January 31, 2025

Responsible Officials: Jim Hughey (CFO); Dawn Elzy (Controller)

Section III - Federal Award Findings and Questioned Costs (2 CFR 200.516(a))

There were no reportable findings.

Section IV - Prior Year Findings and Questioned Costs With Current Year Status

Finding 2023-001: Misclassification of Revenue

Condition: During the audit, it came to our attention that approximately \$1,000,000 in revenue with donor restrictions was erroneously classified as revenue without donor restrictions during fiscal year 2022.

TROUT UNLIMITED, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED MARCH 31, 2024**

Section IV - Prior Year Findings and Questioned Costs With Current Year Status (Continued)

Finding 2023-001: Misclassification of Revenue (continued)

Recommendation: We recommend TU enhance the policies and procedures governing internal controls related to the identification and monitoring of donor-restricted funds. This entails the identification and tracking of donor-restricted funds, thereby ensuring they are used in accordance with the donors' intended purposes.

Current Year Status: See Finding 2024-001.



CPAs & ADVISORS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Trustees
Trout Unlimited, Inc.
Arlington, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Trout Unlimited, Inc. (TU), which comprise the statement of financial position as of March 31, 2024, and the related statements of activities, and cash flows for the year ended, and the related notes to the financial statements, and have issued our report thereon dated December 5, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered TU's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances, for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of TU's internal control. Accordingly, we do not express an opinion on the effectiveness of TU'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 TU'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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. We did identify a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as Finding 2024-001 that we consider to be a significant deficiency.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether TU'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*.

TU's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on TU's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. TU's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 result 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.

A handwritten signature in cursive script that reads "Gelman Rosenberg & Freedman".

December 5, 2024



CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Trustees
Trout Unlimited, Inc.
Arlington, Virginia

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Trout Unlimited, Inc. (TU)'s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of TU's major Federal programs for the year ended March 31, 2024. TU's major Federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, TU 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 March 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of TU and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major Federal program. Our audit does not provide a legal determination of TU's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

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Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding TU's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of TU's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of TU's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Gelman Rosenberg & Freedman

December 5, 2024