

SAFARI CLUB INTERNATIONAL FOUNDATION
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2019 AND 2018



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**SAFARI CLUB INTERNATIONAL FOUNDATION
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YEARS ENDED JUNE 30, 2019 AND 2018**

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Safari Club International Foundation
Tucson, Arizona

We have audited the accompanying financial statements of Safari Club International Foundation, which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities and changes in net assets, functional revenues and expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Board of Directors
Safari Club International Foundation

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Safari Club International Foundation as of June 30, 2019 and 2018, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Tucson, Arizona
January 6, 2020

SAFARI CLUB INTERNATIONAL FOUNDATION
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2019 AND 2018

ASSETS	2019	2018
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 3,271,161	\$ 2,980,952
Accounts Receivable	279,694	75,055
Pledges Receivable	463,367	543,555
Investments	-	251,816
Inventories	49,775	47,194
Prepaid Expenses	150,872	74,668
Total Current Assets	4,214,869	3,973,240
PLEDGES RECEIVABLE, NET	1,375,965	1,251,309
LONG-TERM INVESTMENTS	17,099,676	15,807,042
PROPERTY HELD FOR LONG-TERM PURPOSES	41,650	41,650
PROPERTY AND EQUIPMENT, NET	5,036,819	5,099,826
CASH SURRENDER VALUE OF LIFE INSURANCE	23,932	24,211
Total Assets	\$ 27,792,911	\$ 26,197,278
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable and Accrued Liabilities	\$ 602,484	\$ 447,835
Unearned Program Revenue	597,081	596,792
Total Current Liabilities	1,199,565	1,044,627
LONG-TERM DEPOSIT PAYABLE-RELATED PARTY	72,353	73,721
Total Liabilities	1,271,918	1,118,348
NET ASSETS		
Without Donor Restrictions	9,004,005	8,842,941
With Donor Restrictions	17,516,988	16,235,989
Total Net Assets	26,520,993	25,078,930
Total Liabilities and Net Assets	\$ 27,792,911	\$ 26,197,278

See accompanying Notes to Financial Statements.

SAFARI CLUB INTERNATIONAL FOUNDATION
STATEMENT OF ACTIVITES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Convention	\$ 975,960	\$ -	\$ 975,960
Dues and Subscriptions	14,440	-	14,440
Membership Services and Product Sales	104,387	-	104,387
SCI Licensing	100,000	-	100,000
Contributions	1,033,425	1,166,557	2,199,982
Tuitions and Admissions	340,002	-	340,002
SCI Operating Grants and Rent	2,742,326	-	2,742,326
Investment Income	9,937	765,509	775,446
Other	124,371	-	124,371
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	661,067	(661,067)	-
Total Revenues and Other Support	<u>6,105,915</u>	<u>1,270,999</u>	<u>7,376,914</u>
EXPENSES			
Program Services:			
Education	2,262,749	-	2,262,749
Conservation	1,316,008	-	1,316,008
Total Program Services	<u>3,578,757</u>	<u>-</u>	<u>3,578,757</u>
Supporting Services:			
Fundraising	1,519,509	-	1,519,509
General and Administrative	846,585	-	846,585
Total Supporting Services	<u>2,366,094</u>	<u>-</u>	<u>2,366,094</u>
Total Expenses	5,944,851	-	5,944,851
Loss (Recovery) on Uncollectible Pledges Receivable	<u>-</u>	<u>(10,000)</u>	<u>(10,000)</u>
Total Expenses and Losses	<u>5,944,851</u>	<u>(10,000)</u>	<u>5,934,851</u>
CHANGES IN NET ASSETS	161,064	1,280,999	1,442,063
Net Assets - Beginning of Year	<u>8,842,941</u>	<u>16,235,989</u>	<u>25,078,930</u>
NET ASSETS - END OF YEAR	<u>\$ 9,004,005</u>	<u>\$ 17,516,988</u>	<u>\$ 26,520,993</u>

See accompanying Notes to Financial Statements.

SAFARI CLUB INTERNATIONAL FOUNDATION
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS
YEAR ENDED JUNE 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUES AND OTHER SUPPORT			
Convention	\$ 1,035,750	\$ -	\$ 1,035,750
Dues and Subscriptions	36,895	-	36,895
Membership Services and Product Sales	138,040	-	138,040
SCI Licensing	100,000	-	100,000
Contributions	757,577	1,600,416	2,357,993
Tuitions and Admissions	352,677	-	352,677
SCI Operating Grants and Rent	2,930,936	108,498	3,039,434
Investment Income	61,621	918,626	980,247
Other	166,410	-	166,410
Net Assets Released from Restrictions:			
Satisfaction of Program Restrictions	2,229,855	(2,229,855)	-
Total Revenues and Other Support	<u>7,809,761</u>	<u>397,685</u>	<u>8,207,446</u>
EXPENSES			
Program Services:			
Education	2,640,148	-	2,640,148
Conservation	1,641,632	-	1,641,632
Total Program Services	<u>4,281,780</u>	<u>-</u>	<u>4,281,780</u>
Supporting Services:			
Fundraising	1,689,723	-	1,689,723
General and Administrative	790,704	-	790,704
Total Supporting Services	<u>2,480,427</u>	<u>-</u>	<u>2,480,427</u>
Total Expenses	6,762,207	-	6,762,207
Loss (Recovery) on Uncollectible Pledges Receivable	<u>-</u>	<u>(10,000)</u>	<u>(10,000)</u>
Total Expenses and Losses	<u>6,762,207</u>	<u>(10,000)</u>	<u>6,752,207</u>
CHANGES IN NET ASSETS	1,047,554	407,685	1,455,239
Net Assets - Beginning of Year	<u>7,795,387</u>	<u>15,828,304</u>	<u>23,623,691</u>
NET ASSETS - END OF YEAR	<u>\$ 8,842,941</u>	<u>\$ 16,235,989</u>	<u>\$ 25,078,930</u>

See accompanying Notes to Financial Statements.

SAFARI CLUB INTERNATIONAL FOUNDATION
STATEMENT OF FUNCTIONAL REVENUES AND EXPENSES
YEAR ENDED JUNE 30, 2019

	Education	Conservation	Fundraising	General and Administrative	Total
REVENUES AND SUPPORT					
Convention	\$ 379,040	\$ 56,680	\$ 540,240	\$ -	\$ 975,960
Dues and Subscriptions	14,440	-	-	-	14,440
Membership Services and Product Sales	104,387	-	-	-	104,387
SCI Licensing	-	-	-	100,000	100,000
Contributions	573,926	88,873	1,537,183	-	2,199,982
Tuition and Admissions	340,002	-	-	-	340,002
SCI Operating Grants and Rent	690,000	833,399	138,000	1,080,927	2,742,326
Investment Income	8,517	-	664,343	102,586	775,446
Other	77,757	-	62,660	(16,046)	124,371
	<u>\$ 2,188,069</u>	<u>\$ 978,952</u>	<u>\$ 2,942,426</u>	<u>\$ 1,267,467</u>	<u>\$ 7,376,914</u>
EXPENSES					
Convention Events	\$ 105,457	\$ 3,499	\$ 286,291	\$ 14,070	\$ 409,317
Salaries, Wages, and Benefits	861,380	322,163	823,305	443,543	2,450,391
Occupancy and Supplies	153,001	103,231	41,283	146,021	443,536
Conferences and Meetings	7,561	27,038	1,321	12,273	48,193
Liability and Other Insurance	47,146	-	33,057	3,158	83,361
Programs and Projects	150,238	30,884	714	673	182,509
Grants and Scholarships	408,556	593,273	53,732	-	1,055,561
Legal and Accounting Services	1,921	-	1,238	85,860	89,019
Consulting	5,660	2,502	29,606	33,741	71,509
Depreciation	89,941	121,886	2,481	47,215	261,523
Cost of Sales - Membership Services and Products	60,802	-	-	-	60,802
Printing	12,374	356	57,960	3,460	74,150
Promotion and Development	71,022	12,926	95,990	450	180,388
Postage and Freight	23,518	491	18,261	4,208	46,478
Maintenance and Security	157,569	9,233	-	11,065	177,867
Travel	106,603	88,526	74,270	40,798	310,197
Other	-	-	-	50	50
	<u>\$ 2,262,749</u>	<u>\$ 1,316,008</u>	<u>\$ 1,519,509</u>	<u>\$ 846,585</u>	<u>\$ 5,944,851</u>

See accompanying Notes to Financial Statements.

SAFARI CLUB INTERNATIONAL FOUNDATION
STATEMENT OF FUNCTIONAL REVENUES AND EXPENSES
YEAR ENDED JUNE 30, 2018

	Education	Conservation	Fundraising	General and Administrative	Total
REVENUES AND SUPPORT					
Convention	\$ 480,865	\$ 39,000	\$ 515,885	\$ -	\$ 1,035,750
Dues and Subscriptions	36,895	-	-	-	36,895
Membership Services and Product Sales	123,480	-	14,560	-	138,040
SCI Licensing	-	-	-	100,000	100,000
Contributions	436,168	68,150	1,853,675	-	2,357,993
Tuition and Admissions	352,677	-	-	-	352,677
SCI Operating Grants and Rent	782,890	906,417	156,578	1,193,549	3,039,434
Investment Income	10,510	-	809,989	159,748	980,247
Other	136,683	997	28,720	10	166,410
	<u>\$ 2,360,168</u>	<u>\$ 1,014,564</u>	<u>\$ 3,379,407</u>	<u>\$ 1,453,307</u>	<u>\$ 8,207,446</u>
EXPENSES					
Convention Events	\$ 153,422	\$ 9,694	\$ 305,321	\$ 25,497	\$ 493,934
Salaries, Wages, and Benefits	880,837	258,828	674,469	427,388	2,241,522
Occupancy and Supplies	159,685	102,431	40,985	99,111	402,212
Conferences and Meetings	9,654	2,543	1,639	7,730	21,566
Liability and Other Insurance	44,984	-	32,528	3,170	80,682
Programs and Projects	136,583	61,691	1,418	1,124	200,816
Grants and Scholarships	696,632	936,292	287,046	1,500	1,921,470
Legal and Accounting Services	1,913	-	8,341	80,035	90,289
Consulting	5,940	226	63,675	19,477	89,318
Depreciation	126,475	121,271	1,567	71,932	321,245
Cost of Sales - Membership Services and Products	66,882	-	9,932	-	76,814
Printing	12,746	384	65,490	3,013	81,633
Promotion and Development	99,566	9,612	118,478	1,882	229,538
Postage and Freight	14,645	923	18,505	4,680	38,753
Maintenance and Security	142,267	31,802	-	11,953	186,022
Travel	87,917	105,935	60,329	32,162	286,343
Other	-	-	-	50	50
	<u>\$ 2,640,148</u>	<u>\$ 1,641,632</u>	<u>\$ 1,689,723</u>	<u>\$ 790,704</u>	<u>\$ 6,762,207</u>

See accompanying Notes to Financial Statements.

SAFARI CLUB INTERNATIONAL FOUNDATION
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in Net Assets	\$ 1,442,063	\$ 1,455,239
Adjustments to Reconcile Changes in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	261,523	321,245
(Gain) Loss on Disposal of Assets	16,266	(8,946)
Realized and Unrealized Gains on Investments, Net	(401,347)	(724,579)
Contributions with Donor Restrictions	(409,750)	(725,165)
Contributions without Donor Restrictions	(537,500)	(559,150)
Recovery on Uncollectible Pledges Receivable	(10,000)	(10,000)
Change in Discount on Pledges Receivable	634	53,948
Increase (Decrease) in Cash Resulting from Changes in:		
Accounts Receivable	(204,639)	132,479
Inventories	(2,581)	25,056
Prepaid Expenses	(76,204)	2,528
Accounts Payable and Accrued Liabilities	154,649	134,601
Deposit Payable, Related Party	(1,368)	2,087
Unearned Revenue: Other Programs	289	24,757
Net Cash Provided by Operating Activities	232,035	124,100
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Investments	(898,730)	(1,276,566)
Proceeds from Sale of Investments	259,259	791,808
Purchases of Property and Equipment	(214,782)	(995,083)
Proceeds from Sale of Property and Equipment	-	9,673
Change in Value of Cash Surrender Value of Life Insurance	279	188
Net Cash Used by Investing Activities	(853,974)	(1,469,980)
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Proceeds from Receipt of Contributions	912,148	623,106
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	290,209	(722,774)
Cash and Cash Equivalents - Beginning of Year	2,980,952	3,703,726
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 3,271,161	\$ 2,980,952

See accompanying Notes to Financial Statements.

**SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Operations

Safari Club International Foundation (SCIF), a nonprofit organization incorporated in the state of Nevada in 1972, is dedicated to educating the public concerning sport hunting and wildlife conservation, supporting scientific wildlife management practices for enhancement of game species and populations, and funding humanitarian programs.

A corporate restructuring was implemented on January 1, 2000, in which Safari Club changed its name to Safari Club International Foundation. SCIF maintains a portion of the existing operations, while the remaining operations were transitioned to the newly formed 501(c)(4) social welfare organization titled Safari Club International (SCI). SCIF and SCI have some common members of management and common members on the boards of directors.

The intent of the corporate restructuring was for SCI to become more involved in advocacy for hunters' rights through increased legislative lobbying and limited political activities, which are limited and/or prohibited for 501(c)(3) charitable organizations. Therefore, the 501(c)(4) social welfare organization was formed to perform that role and the corresponding operations were transitioned to SCI. The restructuring was also beneficial to SCIF by retaining those operations that are typical of charitable organizations (education, humanitarian services, wildlife conservation, etc.) to improve its ability to raise charitable donations.

SCI provided certain support to SCIF in the form of operating grants and rent totaling \$2,742,326 and \$3,039,434 for the years ended June 30, 2019 and 2018, respectively.

Basis of Presentation

SCIF's financial statements have been prepared in accordance with the American Institute of Certified Public Accountants (AICPA) Not-For-Profit Industry Guidance within the Financial Accounting Standards Board (FASB) Codification (the Guidance). Under the Guidance, SCIF is required to provide financial statements which are prepared to focus on the organization as a whole and to present balances and transactions according to the existence or absence of donor-imposed restrictions.

Revenues, gains, expenses, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of SCIF and changes therein are classified and reported as follows:

Without Donor Restrictions – Net assets that are not subject to donor-imposed stipulations may be expendable for any purpose in performing the primary objectives of SCIF.

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

With Donor Restrictions – Net assets subject to donor-imposed stipulations that may or will be met either by actions of SCIF and/or the passage of time. As the restrictions are satisfied, net assets with donor restriction are reclassified to net assets without restrictions and reported in the accompanying financial statements as net assets released from restriction. Donor-restricted contributions received and expended in the same reporting period are recorded as support without donor restriction. Contributions of cash or other assets without donor stipulations concerning the use of such assets are reported as revenues without donor restrictions. Contributions of cash or other assets with donor stipulations are reported as revenues with donor restrictions. The restrictions are considered to be released at the time such assets are placed in service. Net assets with donor restrictions also include endowment earnings not yet appropriated for expenditure.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make a number of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses, and disclosures concerning contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include short-term certificates of deposit, money market investment accounts, and other marketable securities purchased with original maturities of three months or less. SCIF, in the normal course of business, maintains checking and savings account balances. Balances on deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to specified limits. Balances in excess of FDIC limits are uninsured. As of June 30, 2019 and 2018, a portion of the cash balances at financial institutions exceeded the balance insured by the FDIC.

Accounts Receivable, Net

Net accounts receivable consist primarily of amounts due under a collaborative arrangement, amounts due in relation to tuition for the AWLS camp and the portion of fundraising revenue earned by the chapters affiliated with SCIF. Accounts receivable are stated at the amount management expects to collect. Management provides for probable, uncollectible amounts through a charge to operations and a credit to a valuation allowance based on the assessment of the current status of individual balances. Balances that are still outstanding, after management has used reasonable collection efforts are written off through a charge to the valuation allowance and credit to accounts receivable.

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pledges Receivable

Unconditional promises to give are recognized as assets and revenues in the period the promise is received. Unconditional promises to give that are to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the fair value of their estimated future cash flows as of the date of the promise to give through the use of a present value discount technique. In periods subsequent to initial recognition, unconditional promises to give are reported at the amount management expects to collect and are discounted over the collection period using the same discount rate as determined at the time of initial recognition. The discount rate determined at the initial recognition of the unconditional promise to give is based upon management's assessment of many factors, including when the pledge is expected to be collected, the creditworthiness of the other parties, SCIF's past collection experience and its policies concerning the enforcement of promises to give, expectations about possible variations in the amount or timing, or both, of the cash flows and other factors concerning the pledge's collectability. Amortization of the discounts is included in support from contributions. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Management provides for probable, uncollectible amounts through a charge to operations and a credit to a valuation allowance based on the assessment of the current status of individual balances.

Contributions

Contributions received are considered to be available for general use unless specifically restricted by the donor. Amounts received that are designated for future periods or are restricted by the donor for specific purposes are reported as support with donor restrictions. When a donor's stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities and changes in net assets as net assets released from restrictions. Restricted support, where restrictions are met in the same period as the contribution is made, is shown as support without donor restriction.

Inventories

Inventories consist mainly of merchandise held for sale. Merchandise inventory is stated at the lower of cost (using the first-in, first-out method) or net realizable value.

**SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unearned Revenue and Prepaid Expenses

Unearned revenue and prepaid expenses consist primarily of tuition revenue and program expenses related to the annual AWLS camp and prepaid insurance. The AWLS camp revenue and prepaid expenses are deferred and recognized upon completion of each summer's camp.

Convention revenue and expenses related to SCI's annual convention are deferred and recognized when the convention is held. The convention is conducted by SCI and all revenues accrue to SCI. However, certain proceeds from auction items, sweepstakes, and other activities may be dedicated for the benefit of SCIF, and if so, the revenues are paid directly to SCIF. SCIF's portion of the convention revenue is recognized when received. Corporate sponsorship revenue is deferred and recognized in the period in which the contract obligations are fulfilled.

Investments

SCIF accounts for its investments at fair value. The fair value is based on quoted market prices. Changes in value are shown as unrealized gains or losses on the statements of activities and changes in net assets.

Certificates of deposit maturing in the coming year were classified as short-term investments in the accompanying consolidated statements of financial position.

Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in risks in the near term could materially affect account balances and the amounts reported in the accompanying financial statements.

Property Held for Long-Term Purposes

Property held for long-term purposes consists of donated items or art that are displayed or held until the expiration of donor-imposed holding periods, at which time they are sold with the proceeds used to fund program activities. Property held for long-term purposes is recorded at fair value as of the date contributed.

Property and Equipment

Property and equipment are initially recorded at cost when purchased or fair value as of the date contributed. Generally, property and equipment additions in excess of \$1,000 are capitalized. Depreciation is recorded using the straight-line method over the following estimated useful lives:

Building – Headquarters and Museum	30 Years
Building – Granite Ranch	30 Years
Building – Washington, D.C.	30 Years
Office Furniture and Equipment	2 to 25 Years

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment (Continued)

Exhibits include the collections held within SCIF's International Wildlife Museum and are recorded at cost if purchased and at fair value at date of accession if donated. Gains and losses from deaccessions are reported as changes in net assets based on the absence or existence and nature of donor-imposed restrictions. Collection items are protected, kept unencumbered, cared for, and preserved.

Impairment of Long-Lived Assets

SCIF reviews long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. No impairment charges were recorded for 2019 and 2018.

Donated Materials and Services

Donated materials are reflected as contributions in the statements of activities and changes in net assets at their estimated fair values at the date of receipt. Donated 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. No amounts have been reflected in the financial statements for certain donated volunteer services because they did not qualify for recording generally accepted accounting principles; however, a substantial number of volunteers have donated significant amounts of their time and perform a variety of tasks that assist SCIF in certain administrative and committee assignments.

Functional Assignment of Revenues and Expenses

All revenues and expenses are allocated based upon the functions to which they relate in the accompanying statements of functional revenues and expenses. These functions are consistent with SCIF's overall goals as an organization. Revenues and expenses were allocated among the following functional categories on the basis of specific identification, estimates of time spent, and benefits derived:

- Education
- Conservation
- Fundraising
- General and Administrative

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Common Costs

Direct costs are allocated to SCIF based on the direct functionality or direct benefit to the entity. If indirect costs are common to or benefit both entities, certain allocation methodologies are used based on the nature of the expense or activity to ensure that the entity is absorbing a reasonable pro rata share.

Advertising Costs

Advertising costs are expensed as incurred. SCIF utilizes many forms of advertising and promotion in order to communicate and accomplish its mission of promoting wildlife conservation, outdoor education, and humanitarian services. Advertising costs totaled \$180,388 and \$229,538 for the years ended June 30, 2019 and 2018, respectively.

Cash Surrender Value of Life Insurance

SCIF is the named beneficiary of certain life insurance policies. The policies are recorded at their cash surrender value. Policy earnings are included in the accompanying statements of activities and changes in net assets as investment income.

Income Taxes

SCIF is a nonprofit organization under Internal Revenue Code (IRC) Section 501(c)(3). Accordingly, no provision for federal or state income taxes has been reflected in the accompanying financial statements. In addition, SCIF qualified for the charitable contribution deduction and has been classified as an organization that is not a private foundation. Income determined to be unrelated business taxable income (UBTI) would be taxable. SCIF evaluates its uncertain tax positions, if any, on a continual basis through review of its policies and procedures, review of its regular tax filings, and discussions with outside experts. As of June 30, 2019 and 2018, management does not believe any uncertain tax positions exist.

Change in Accounting Principle

In August 2016, FASB issued Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements for Not-for-Profit Entities*. The ASU is designed to improve nonprofit financial statements and provide more useful information to donors, grantors, creditors, and other financial statement users. SCIF has implemented ASU 2016-14 and has adjusted the presentation in these financial statements accordingly with no changes on total net assets.

Reclassifications

Certain reclassifications of amounts previously reported have been made to the accompanying financial statements to maintain consistency between periods presented. The reclassifications had no impact on previously report net assets.

Subsequent Events

SCIF evaluated subsequent events through January 6, 2020, which is the date the financial statements were available to be issued.

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 2 LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and Cash Equivalents	\$ 3,271,161
Accounts Receivable	279,694
Pledges Receivable	115,383
Operating Investments	1,637,357
Endowment Spending Rate Distributions Available	<u>631,269</u>
Total	<u><u>\$ 5,934,864</u></u>

SCIF endowment funds are donor-restricted. Income for donor-restricted endowments is restricted for specific purposes, with the exception of the amounts available for general use. Donor-restricted endowment funds are not available for general expenditure.

As part of our liquidity management plan, we invest cash in excess of daily requirements in investments.

NOTE 3 PLEDGES RECEIVABLE

Pledges receivable consist of Hunter Legacy Fund, First for Wildlife, and American Wilderness Leadership School endowments, as well as Lion and Shield pledges from individuals at June 30 as follows:

	<u>2019</u>	<u>2018</u>
Restricted - Endowment	\$ 814,562	\$ 923,701
Restricted - Other	293,998	194,625
Without Donor Restrictions	<u>823,316</u>	<u>778,448</u>
Gross Pledges Receivable	1,931,876	1,896,774
Less: Unamortized Discount	(92,544)	(91,910)
Less: Allowance for Doubtful Accounts	-	(10,000)
Net Pledges Receivable	<u><u>\$ 1,839,332</u></u>	<u><u>\$ 1,794,864</u></u>
Amounts Due in:		
Less than One Year	\$ 463,367	\$ 553,555
One to Five Years	1,358,881	1,343,219
Over Five Years	<u>109,628</u>	<u>-</u>
Total	<u><u>\$ 1,931,876</u></u>	<u><u>\$ 1,896,774</u></u>

The discount rate used to determine the present value of the pledges receivable balance is the fair market rate appropriate for the expected repayment term. For the years ended June 30, 2019 and 2018, this rate was approximately 1.71% and 2.63%, respectively.

At June 30, 2019 and 2018, gross pledges receivable include \$550,926 and \$379,826, respectively, due from members of the board of directors and directors at large of SCI and SCIF.

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 – Valuations based on unadjusted quoted prices for identical assets or liabilities in active markets;

Level 2 – Valuations based on quoted prices for similar assets or liabilities or identical assets or liabilities in less active markets, such as dealer or broker markets; and

Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable, such as pricing models, discounted cash flow models, and similar techniques not based on market, exchange, dealer, or broker-traded transactions.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the valuation methodologies used at June 30, 2019 and 2018.

Bond/Fixed Income: Investments in bonds are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote is available.

Certificates of Deposit, Mutual Funds, and Common Stocks: Valued at the daily closing price as reported by the active market on which it is traded.

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

The following table presents assets measured at fair value by classification within the fair value hierarchy as of June 30, 2019.

	Level 1	Level 2	Level 3	Total
Bond/Fixed Income:				
Ultra Short	\$ -		\$ -	\$ -
Short-Term	-	774,041	-	774,041
Intermediate Term	-	706,921	-	706,921
Long-Term	-	1,058,138	-	1,058,138
Securitized Gold		724,153		
International Bond	-	54,702	-	54,702
Total Bond/Fixed Income	-	3,317,955	-	3,317,955
Mutual Funds:				
Preferred	28,602	-	-	28,602
Alternatives	1,664,683	-	-	1,664,683
Intermediate Term	1,373,739	-	-	1,373,739
Taxable Core	1,075,299	-	-	1,075,299
High Yield Bond	332,796	-	-	332,796
Total Mutual Funds	4,475,119	-	-	4,475,119
Common Stocks:				
Energy	554,527	-	-	554,527
Materials	414,885	-	-	414,885
Industrials	1,153,058	-	-	1,153,058
Consumer Discretionary	833,122	-	-	833,122
Consumer Staples	593,507	-	-	593,507
Healthcare	1,393,048	-	-	1,393,048
Financials	1,328,288	-	-	1,328,288
Information Technology	1,571,959	-	-	1,571,959
Real Estate	24,052	-	-	24,052
Telecommunications Services	778,382	-	-	778,382
Utilities	168,381	-	-	168,381
Others	141,082	-	-	141,082
Alternatives	352,311	-	-	352,311
Total Common Stocks	9,306,602	-	-	9,306,602
Total Investments at Fair Value	\$ 13,781,721	\$ 3,317,955	\$ -	\$ 17,099,676

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 4 INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

The following table presents assets measured at fair value by classification within the fair value hierarchy as of June 30, 2018.

	Level 1	Level 2	Level 3	Total
Bond/Fixed Income:				
Ultra Short	\$ -	\$ 664,123	\$ -	\$ 664,123
Short-Term	-	1,004,011	-	1,004,011
Intermediate Term	-	314,834	-	314,834
Long-Term	-	291,972	-	291,972
Securitized Gold	-	730,817	-	730,817
Total Bond/Fixed Income	-	3,005,757	-	3,005,757
Certificates of Deposit:				
Certificates of Deposit	-	251,816	-	251,816
Mutual Funds:				
Alternatives	419,149	-	-	419,149
Intermediate Term	1,137,137	-	-	1,137,137
Taxable Core	1,004,369	-	-	1,004,369
High Yield Bond	802,228	-	-	802,228
Total Mutual Funds	3,362,883	-	-	3,362,883
Common Stocks:				
Energy	562,273	-	-	562,273
Materials	414,791	-	-	414,791
Industrials	1,236,686	-	-	1,236,686
Consumer Discretionary	1,100,054	-	-	1,100,054
Consumer Staples	488,466	-	-	488,466
Healthcare	1,292,808	-	-	1,292,808
Financials	1,458,487	-	-	1,458,487
Information Technology	2,176,218	-	-	2,176,218
Real Estate	108,076	-	-	108,076
Telecommunications Services	112,424	-	-	112,424
Utilities	117,542	-	-	117,542
Others	98,049	-	-	98,049
Alternatives	272,528	-	-	272,528
Total Common Stocks	9,438,402	-	-	9,438,402
Total Investments at Fair Value	<u>\$ 12,801,285</u>	<u>\$ 3,257,573</u>	<u>\$ -</u>	<u>\$ 16,058,858</u>

Investment income consists of the following for the years ended June 30:

	2019	2018
Interest and Dividends	\$ 512,444	\$ 387,600
Net Realized Gains on Investments	332,581	210,274
Net Unrealized Gains on Investments	68,766	514,305
Fees on Investments	(138,345)	(131,932)
Total Investment Income	<u>\$ 775,446</u>	<u>\$ 980,247</u>

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 5 PROPERTY AND EQUIPMENT

A summary of property and equipment at June 30 follows:

	2019	2018
Land and Improvements	\$ 364,063	\$ 358,671
Building - Headquarters and Museum	5,008,241	5,022,118
Building - Granite Ranch	1,809,035	1,811,445
Building - Washington, D.C.	3,255,249	3,258,410
Exhibits	1,377,755	1,377,756
Office Furniture and Equipment	1,643,686	1,644,529
Work-in-Progress	1,010,830	966,639
Total Property and Equipment	14,468,859	14,439,568
Less: Accumulated Depreciation	(9,432,040)	(9,339,742)
Property and Equipment, Net	\$ 5,036,819	\$ 5,099,826

Depreciation expense charged to operations was \$261,523 and \$321,245 for 2019 and 2018, respectively.

NOTE 6 ENDOWMENTS

SCIF endowments consist entirely of three donor-restricted endowment funds established to support SCIF's programs. As required by accounting principles generally accepted in the United States of America, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

In September 2008, the state of Arizona enacted ARS §10-11801 Management of Charitable Funds Act (MCFA). SCIF has interpreted MCFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, SCIF retains in perpetuity (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. Donor-restricted amounts not retained in perpetuity are subject to appropriation for expenditure by SCIF in a manner consistent with the standard of prudence prescribed by MCFA.

**SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018**

NOTE 6 ENDOWMENTS (CONTINUED)

Interpretation of Relevant Law (Continued)

In accordance with MCFA, SCIF considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of SCIF and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of SCIF
7. The investment policies of SCIF

Return Objectives and Risk Parameters

SCIF has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to the programs supported by the endowments. The endowment assets are invested in a balanced asset allocation approach that is intended to produce results similar to a 35% Standard & Poor's 500 Stock Index, 45% Barclays Aggregate Bond Index, 15% MSCI EAFE Index, and 5% 90-day Treasury Bills while assuming a conservative to moderate level of investment risk.

Spending Policy

SCIF has a policy to hold all contributed funds plus 5% of these funds as the funds protected value. At fiscal year-end, 5% of the portfolio balance is calculated and is available for appropriation as long as the net figure exceeds the protected value. A distribution from the fund exceeding 5% of the overall market value of the fund must be in writing and fully detailed. In establishing this policy, SCIF considered the long-term expected returns on its endowment investments. Accordingly, over the long-term, the Foundation expects the current spending policy will allow its endowment to retain the original fair value of the gift.

Strategies Employed for Achieving Objectives

SCIF relies on a total return strategy in which investment returns are achieved through capital appreciation and current yield (interest and dividends). SCIF targets a diversified asset allocation that emphasizes a balanced asset allocation approach to achieve its long-term objectives within prudent risk constraints.

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 6 ENDOWMENTS (CONTINUED)

The change in endowment net assets for the year ended June 30, 2019 is as follows:

	With Donor Restrictions			Total
	Unrestricted	Time/Purpose Restricted	Restricted in Perpetuity	
Endowment Net Assets, July 1, 2018	\$ -	\$ 1,059,938	\$ 13,257,785	\$ 14,317,723
Contributions and Pledge Payments	-	-	617,275	617,275
Investment Return:				
Net Realized and Unrealized Gains	-	339,634	-	339,634
Dividends and Interest	-	425,875	-	425,875
Appropriation of Endowment Assets for Expenditure	-	(238,188)	-	(238,188)
Endowment Net Assets, June 30, 2019	<u>\$ -</u>	<u>\$ 1,587,259</u>	13,875,060	<u>\$ 15,462,319</u>
Pledges Receivable, Net (Restricted)			814,562	
Present Value Discount on Restricted Pledges			(21,049)	
Net Assets Retained in Perpetuity			<u>\$ 14,668,573</u>	

The change in endowment net assets for the year ended June 30, 2018 is as follows:

	With Donor Restrictions			Total
	Unrestricted	Time/Purpose Restricted	Restricted in Perpetuity	
Endowment Net Assets, July 1, 2017	\$ -	\$ 1,370,282	\$ 12,447,055	\$ 13,817,337
Contributions and Pledge Payments	-	-	810,730	810,730
Investment Return:				
Net Realized and Unrealized Losses	-	598,392	-	598,392
Dividends and Interest	-	320,234	-	320,234
Appropriation of Endowment Assets for Expenditure	-	(1,228,970)	-	(1,228,970)
Endowment Net Assets, June 30, 2018	<u>\$ -</u>	<u>\$ 1,059,938</u>	13,257,785	<u>\$ 14,317,723</u>
Pledges Receivable, Net (Restricted)			913,701	
Present Value Discount on Restricted Pledges			(48,695)	
Net Assets Retained in Perpetuity			<u>\$ 14,122,791</u>	

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 7 RELATED PARTY TRANSACTIONS

Many members of the board of directors volunteer their time and perform a variety of tasks that assist both SCI and SCIF in certain administrative and committee assignments.

Effective fiscal 2013, SCI and SCIF entered into a memorandum of understanding for facilities use and shared services and grant agreement (the agreement) that is effective through June 30, 2017 with an automatic five-year renewal unless either party provides a written notice of termination. Effective July 1, 2017, SCI and SCIF entered into a bridge amendment to the memorandum of understanding, which automatically renews annually unless either party provides written notice.

The agreement calls for SCIF to lease certain facilities to SCI based upon the estimated usage of the space by SCIF and SCI. The usage of the space will be reviewed periodically but not less than every two years, at which time the annual rent payments will be adjusted to reflect the new usage estimates. For the years ended June 30, 2019 and 2018, SCIF charged SCI \$442,327 and \$429,801, respectively, for the use of facilities, which is included within SCI operating grants and rent in the accompanying statements of functional revenues and expenses.

The agreement also requires SCIF to pay, on a monthly basis, an allocated share of property taxes, utilities, janitorial services, and property insurance. The expenses recognized by SCIF related to these facilities expenses totaled \$220,620 and \$228,077 for the years ended June 30, 2019 and 2018, respectively. Additionally, SCIF received SCI reimbursement of allocated expenses of \$254,968 and \$225,776 for the years ended June 30, 2019 and 2018, respectively.

In addition, the agreement provides that as part of SCI's ongoing support of SCIF, SCI agrees to donate as part of its annual grant each year to SCIF, the total employee payroll costs and amounts expended in goods and services on behalf of SCIF. For the years ended June 30, 2019 and 2018, SCIF received from SCI goods and services totaling \$2,112,356 and \$2,101,339, respectively, which is included within SCIF operating grants and rent in the accompanying statements of functional revenues and expenses.

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 7 RELATED PARTY TRANSACTIONS (CONTINUED)

The following table summarizes the donated goods and services provided by SCI for the year ended June 30:

	2019	2018
Salaries and Benefits	\$ 582,779	\$ 583,413
Occupancy and Supplies	492,496	438,897
Travel	227,864	179,965
Events	376,755	459,896
Legal	78,226	113,157
Programs and Projects	134,934	85,095
Printing	66,199	71,067
Maintenance and Security	63,569	47,888
Advertising and Promotion	58,150	95,366
Postage and Freight	31,384	26,174
Cost of Sales	-	421
Total	<u>\$ 2,112,356</u>	<u>\$ 2,101,339</u>

Additionally, the agreement provides for an annual grant from SCI to SCIF to support SCIF's mission. The annual grant shall be equal to 15% of SCI's prior fiscal year's gross unrestricted operating revenue, less the value of donated goods and services (as described above), and less the annual amount paid for rent, but not facilities expenses (as described above). SCIF may submit requests to SCI's Executive Committee from time to time during any year for additional discretionary grants for up to an additional 1% of the prior fiscal year's gross unrestricted operating revenue. For the years ended June 30, 2019 and 2018, the annual grant totaled \$187,642 and \$508,294, respectively, which is included within SCI operating grants and rent in the accompanying statements of functional revenues and expenses. The grant is payable in monthly installments to SCIF, provided that SCI may offset the rent as well as the donated goods and services against the annual grant amount. As of June 30, 2019 and 2018, amounts payable to SCI totaled \$220,343 and \$67,400, respectively. Amounts are included in accounts payable in the accompanying statements of financial position.

Effective January 1, 2000, SCI and SCIF entered into a license agreement whereby SCIF licensed to SCI certain trademarks, names, logos, and emblems (the Marks) owned by SCIF. This agreement granted SCI the right to use the Marks in connection with its nonprofit activities that include protecting hunter's rights and promoting conservation of wildlife worldwide, and written materials. The license fee to be received by SCIF from SCI as stated within the agreement is \$100,000 for the years ended June 30, 2019 and 2018. The license fee is included in SCI Licensing in the accompanying statements of activities and changes in net assets. On July 1, 2019, SCI purchased the Marks for \$731,800.

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 8 RENTAL INCOME

On December 18, 2013, SCIF entered into a grant of easement and assignment of lease rights agreement with a third party. Under the terms of the agreement, SCIF granted an easement on the roof of its facility to a third party for a period of 50 years for the purpose of the third party to operate communications equipment. In addition to the easement, SCIF assigned the cell phone tower leases to the third party. SCIF will receive a contingent percentage interest in the future cell tower lease revenues secured by the third party over the term of the easement. Income recognized from these agreements totaled \$8,795 for each of the years ended June 30, 2019 and 2018.

NOTE 9 EXCHANGE TRANSACTIONS

In the normal course of operations, SCIF trades marketing exposure in return for products. These transactions are recorded at fair value when the goods and services are received. Amounts included in revenue and expense resulting from such exchange transactions was \$-0- and \$10,500, respectively, for the year ended June 30, 2019. Amounts included in revenue and expense resulting from such exchange transactions was \$10,500 and \$10,500, respectively, for the year ended June 30, 2018.

NOTE 10 RETIREMENT PLAN

SCIF has a 401(k) plan available to all eligible employees with more than 1,000 hours of service. SCIF matches 30% of each participant's deferral contributions up to 30% of compensation or up to the maximum contribution allowed by the Code. These matching contributions vest over a five-year period. In 2019 and 2018, employer matching contributions totaled \$45,876 and \$38,494, net of forfeitures, respectively.

SCIF has a 403(b) defined contribution retirement plan, which is funded on a nondiscriminatory basis. The plan is managed by an investment broker under the guidance of employee elections. There were no employer contributions in 2019 and 2018.

SAFARI CLUB INTERNATIONAL FOUNDATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2019 AND 2018

NOTE 11 NET ASSETS

Net assets with donor restrictions are restricted for the following purposes or periods at June 30:

	<u>2019</u>	<u>2018</u>
Subject to Expenditure for Specified Purpose:		
Education	\$ 522,048	\$ 342,455
National Fundraising	445,018	461,396
Museum	670	-
Humanitarian	146,600	70,356
Conservation	146,819	179,053
Accumulated Unappropriated Endowment Earnings	<u>1,587,260</u>	<u>1,059,938</u>
Total	2,848,415	2,113,198
Subject to Endowment Spending Policy and Appropriation:		
Endowment	<u>14,668,573</u>	<u>14,122,791</u>
Total Net Assets with Donor Restrictions	<u><u>\$ 17,516,988</u></u>	<u><u>\$ 16,235,989</u></u>

Net assets were released from donor restrictions by incurring expense satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30 as follows:

	<u>2019</u>	<u>2018</u>
Satisfaction of Purpose Restrictions:		
Education	\$ 204,597	\$ 736,495
National Fundraising	85,330	110,431
Museum	4,013	4,681
Humanitarian	74,456	42,688
Conservation	54,483	106,590
Endowment Expenditures	<u>238,188</u>	<u>1,228,970</u>
Total Net Assets Released from Donor Restrictions	<u><u>\$ 661,067</u></u>	<u><u>\$ 2,229,855</u></u>

NOTE 12 CONTINGENCIES

SCIF is involved in various disputes and matters of litigation generally incidental to their business. SCIF engages in these lawsuits as plaintiff or friend of the court in an effort to influence legislation affecting hunting. Management does not believe any existing matters will ultimately have a significant impact on SCIF's financial position or results of operations.

