National Park Foundation

Financial Statements
For the Years Ended September 30, 2022 and 2021

The report accompanying these financial statements was issued by
BDO USA, LLP, a Delaware limited liability partnership and the U.S. member
of BDO International Limited, a UK company limited by guarantee.

National Park Foundation

Financial Statements
For the Years Ended September 30, 2022 and 2021

National Park Foundation

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Independent Auditor's Report

To the Board of Directors
National Park Foundation
Washington, D.C.

Opinion

We have audited the financial statements of **National Park Foundation** (the Foundation), which comprise the statements of financial position as of September 30, 2022 and 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of September 30, 2022 and 2021, 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 (GAAS). 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 the Foundation 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 the Foundation's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

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 GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, 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 the Foundation'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 the Foundation'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.

BDO USA, LLP

March 28, 2023

Financial Statements

National Park Foundation

Statements of Financial Position

September 30,	**2022**	2021
Assets		
Cash and cash equivalents	**$ 44,903,195**	$ 17,068,209
Pledges receivable, net	**74,869,875**	59,496,600
Investments	**227,622,029**	257,524,517
Loan receivable	**500,000**	-
Prepaid and other assets	**674,678**	1,566,526
Furniture and equipment, net	**4,178,906**	4,068,337
Conservation property	**423,265**	492,875
Total assets	**$ 353,171,948**	$ 340,217,064
Liabilities and net assets		
Liabilities		
Accounts payable and accrued expenses	**$ 3,557,152**	$ 3,469,511
Refundable advances	**11,850,652**	7,250,221
Grants payable, net	**2,876,958**	1,134,900
Charitable gift annuity	**2,412,013**	1,685,027
Note payable	**9,600,000**	-
Funds managed as agent for other entities	**11,347**	14,477
Other liabilities	**2,481,671**	2,850,266
Total liabilities	**32,789,793**	16,404,402
Commitments and contingencies		
Net assets		
Without donor restrictions		
Undesignated	**39,879,114**	37,780,765
Designated	**25,172,886**	32,859,011
Total without donor restrictions	**65,052,000**	70,639,776
With donor restrictions	**255,330,155**	253,172,886
Total net assets	**320,382,155**	323,812,662
Total liabilities and net assets	**$ 353,171,948**	$ 340,217,064

See accompanying notes to financial statements.

National Park Foundation

Statement of Activities

Year ended September 30, 2022	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Contributions and endowment gifts	$ 44,072,671	$ 72,659,628	$116,732,299
Contributed goods, services and media	29,123,804	116,493	29,240,297
Government grants and support	-	13,103,283	13,103,283
Management and other income	2,459	9,799,001	9,801,460
Net assets released from restrictions - satisfaction of program and time restrictions	61,223,221	(61,223,221)	-
Total revenue and support	134,422,155	34,455,184	168,877,339
Expenses			
Program services:			
Program grants	59,211,433	-	59,211,433
Program support	35,615,186	-	35,615,186
Total program services	94,826,619	-	94,826,619
Supporting services:			
General and administrative	14,273,252	-	14,273,252
Fundraising	21,294,197	-	21,294,197
Total supporting services	35,567,449	-	35,567,449
Total expenses	130,394,068	-	130,394,068
Change in net assets from operations	4,028,087	34,455,184	38,483,271
Non-operating activities			
Investment losses, net	(9,629,253)	(32,336,915)	(41,966,168)
Other non-operating gains	13,390	39,000	52,390
Total non-operating activities	(9,615,863)	(32,297,915)	(41,913,778)
Change in net assets	(5,587,776)	2,157,269	(3,430,507)
Net assets, beginning of year	70,639,776	253,172,886	323,812,662
Net assets, end of year	$ 65,052,000	$255,330,155	$320,382,155

See accompanying notes to financial statements.

National Park Foundation

Statement of Activities

Year ended September 30, 2021	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and support			
Contributions and endowment gifts	$ 37,139,787	$ 28,630,376	$ 65,770,163
Contributed goods, services and media	42,938,049	121,078	43,059,127
Government grants and support	-	15,096,162	15,096,162
Management and other income	8,204	4,124,793	4,132,997
Net assets released from restrictions - satisfaction of program and time restrictions	37,350,127	(37,350,127)	-
Total revenue and support	117,436,167	10,622,282	128,058,449
Expenses			
Program services:			
Program grants	36,105,662	-	36,105,662
Program support	53,335,397	-	53,335,397
Total program services	89,441,059	-	89,441,059
Supporting services:			
General and administrative	8,534,473	-	8,534,473
Fundraising	15,694,318	-	15,694,318
Total supporting services	24,228,791	-	24,228,791
Total expenses	113,669,850	-	113,669,850
Change in net assets from operations	3,766,317	10,622,282	14,388,599
Non-operating activities			
Investment return, net	7,790,168	28,257,254	36,047,422
Payroll Protection Program loan forgiveness	1,791,500	-	1,791,500
Other non-operating losses	(600)	-	(600)
Total non-operating activities	9,581,068	28,257,254	37,838,322
Change in net assets	13,347,385	38,879,536	52,226,921
Net assets, beginning of year	57,292,391	214,293,350	271,585,741
Net assets, end of year	$ 70,639,776	$ 253,172,886	$ 323,812,662

See accompanying notes to financial statements.

National Park Foundation

Statement of Functional Expenses

Year ended September 30, 2022	Program Services: Program Grants	Program Services: Program Support	Program Services: Total Program Services	Supporting Services: General and Administrative	Supporting Services: Fundraising	Supporting Services: Total Supporting Services	Total Expenses
Program grants	$ 59,088,433	$ -	$ 59,088,433	$ -	$ -	$ -	$ 59,088,433
In-kind	123,000	22,904,299	23,027,299	5,652,174	683,824	6,335,998	29,363,297
Salaries and related benefits	-	3,707,223	3,707,223	3,082,776	7,489,883	10,572,659	14,279,882
Direct response	-	1,393,408	1,393,408	301,880	8,533,483	8,835,363	10,228,771
Professional services	-	3,558,320	3,558,320	1,699,214	1,811,326	3,510,540	7,068,860
Facilities, rent, and insurance	-	568,001	568,001	539,027	1,400,064	1,939,091	2,507,092
Meetings and events	-	1,823,172	1,823,172	224,977	232,895	457,872	2,281,044
Communications	-	572,725	572,725	1,448,084	130,094	1,578,178	2,150,903
Depreciation and amortization	-	263,238	263,238	714,715	-	714,715	977,953
Bad debt expense	-	569,261	569,261	249,802	-	249,802	819,063
Bank charges and other	-	25,604	25,604	142,800	382,915	525,715	551,319
Staff travel	-	148,089	148,089	40,123	194,440	234,563	382,652
Supplies, phone and postage	-	18,755	18,755	69,329	271,194	340,523	359,278
Staff development and subscription	-	63,091	63,091	108,351	164,079	272,430	335,521
	$ 59,211,433	$ 35,615,186	$ 94,826,619	$14,273,252	$ 21,294,197	$ 35,567,449	$ 130,394,068

See accompanying notes to financial statements.

National Park Foundation

Statement of Functional Expenses

Year ended September 30, 2021	Program Services			Supporting Services			
	Program Grants	Program Support	Total Program Services	General and Administrative	Fundraising	Total Supporting Services	Total Expenses
Program grants	$ 36,105,662	$ -	$ 36,105,662	$ -	$ -	$ -	$ 36,105,662
In-kind	-	41,383,821	41,383,821	1,635,130	40,176	1,675,306	43,059,127
Salaries and related benefits	-	3,899,413	3,899,413	3,255,004	6,430,833	9,685,837	13,585,250
Direct response	-	3,411,123	3,411,123	296,472	5,016,643	5,313,115	8,724,238
Professional services	-	2,585,657	2,585,657	969,509	1,819,170	2,788,679	5,374,336
Facilities, rent, and insurance	-	565,386	565,386	655,567	1,428,669	2,084,236	2,649,622
Meetings and events	-	402,382	402,382	69,312	61,042	130,354	532,736
Communications	-	49,332	49,332	454,783	48,242	503,025	552,357
Depreciation and amortization	-	141,371	141,371	627,742	1,457	629,199	770,570
Bad debt expense	-	757,068	757,068	367,242	-	367,242	1,124,310
Bank charges and other	-	13,988	13,988	108,204	367,668	475,872	489,860
Staff travel	-	24,199	24,199	28,116	53,545	81,661	105,860
Supplies, phone and postage	-	67,834	67,834	24,533	381,478	406,011	473,845
Staff development and subscription	-	33,823	33,823	42,859	45,395	88,254	122,077
	$ 36,105,662	$ 53,335,397	$ 89,441,059	$ 8,534,473	$ 15,694,318	$ 24,228,791	$ 113,669,850

See accompanying notes to financial statements.

National Park Foundation

Statements of Cash Flows

Years Ended September 30,	2022	2021
Cash flows from operating activities:		
Change in net assets	**$ (3,430,507)**	$ 52,226,921
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Net realized and unrealized losses (gains) on investments	**48,074,150**	(30,936,165)
Depreciation and amortization	**977,953**	770,570
Bad debt expense	**819,063**	1,124,310
Present value change of pledges receivable	**574,760**	(39,058)
Distribution of conservation property	**69,610**	600
Paycheck Protection Program loan forgiveness	**-**	(1,791,500)
Endowment contributions	**(10,000,000)**	(10,000,000)
(Increase) decrease in assets		
Pledges receivable, net	**(16,767,098)**	(2,213,407)
Prepaid and other assets	**891,848**	(431,541)
Increase (decrease) in liabilities		
Accounts payable and accrued expenses	**87,641**	(747,666)
Refundable advances	**4,600,431**	1,883,373
Grants payable, net	**1,742,058**	(696,337)
Charitable gift annuity	**726,986**	660,996
Funds managed as agent for other entities	**(3,130)**	1,415
Other noncurrent liabilities	**(368,595)**	(86,481)
Net cash provided by operating activities	**27,995,170**	9,726,030
Cash flows from investing activities:		
Proceeds from sale of investments	**7,848,124**	19,518,241
Payment for issuance of loan	**(500,000)**	-
Purchase of furniture and equipment	**(1,088,522)**	(578,429)
Purchases of investments	**(26,019,786)**	(30,131,873)
Net cash used in investing activities	**(19,760,184)**	(11,192,061)
Cash flows from financing activities:		
Endowment contributions	**10,000,000**	10,000,000
Proceeds from note payable	**9,600,000**	-
Net cash provided by financing activities	**19,600,000**	10,000,000
Net increase in cash and cash equivalents	**27,834,986**	8,533,969
Cash and cash equivalents, beginning of year	**17,068,209**	8,534,240
Cash and cash equivalents, end of year	**$ 44,903,195**	$ 17,068,209
Supplemental Cash Flow Information:		
Payroll Protection Program loan forgiveness	$ -	$ 1,791,500
Interest paid	$ 7,333	$ 10,916

See accompanying notes to financial statements.

1. Purpose and Organization

Purpose

As the official national nonprofit partner of the National Park Service (NPS), the National Park Foundation (NPF or the Foundation) seeks to generate private support and build strategic partnerships to protect and enhance America's national parks for present and future generations. NPF strives to ensure that America's national parks reach their fullest potential and touch as many lives as possible. This translates into protecting natural landscapes, wilderness, historical sites and places of cultural significance, connecting people to the national parks and connecting partners to the national parks. NPF does this in full partnership with NPS.

The guiding principles of the Foundation are:

- **Stewardship:** The Foundation fosters a culture of community and stewardship over the national parks.
- **Strategic Partnership with NPS:** The Foundation works closely with NPS to identify, fund, and advance priority initiatives.
- **Impact:** The Foundation invests in critical projects that provide long-lasting, measurable benefits to national parks.
- **Philanthropy:** The Foundation excites philanthropic support and stewards that support to have a direct and meaningful impact on national parks.
- **Common Ground:** The Foundation provides common ground where all who love the national parks can contribute to a shared vision in support of them.
- **Partnership:** The Foundation convenes and enhances strategic partnerships to achieve broader impacts within the national parks.
- **Innovation:** The Foundation employs an entrepreneurial approach to address the complex challenges facing the national parks.
- **Education:** The Foundation helps to educate the public on the value of national parks and why they must be protected and preserved for current and future generations.
- **Diversity:** NPF is committed to fostering, cultivating and preserving a culture of diversity, equity and inclusion among the staff, Board of Directors and partners.
- **Future Orientation:** The Foundation provides thought leadership, and helps NPS to anticipate future challenges and creates long-term solutions.

Organization

The Foundation, a not-for-profit, charitable corporation located in Washington, D.C., was established in 1967 by an Act of the U.S. Congress (Public Law 90-209) to help support NPS. Effective December 16, 2016, Public Law 90-209 was amended by enactment of Public Law 114-289. Public Law 114-289 provides that the Foundation shall consist of a Board of Directors having as members no fewer than six private citizens of the United States appointed by the Secretary of the Interior. The Secretary and the Director of NPS shall be non-voting, ex officio members of the Board. The Chairman of the Board of Directors shall be elected by the Board of Directors from its members for a two-year term. Activities of the Foundation to solicit, accept, administer, and use any gifts, devises, or bequests for the benefit of, or in connection with NPS shall be undertaken after consultation with the Director of NPS to ensure that these activities are consistent with NPS programs and policies.

2. Significant Accounting Policies

Basis of Accounting

The accompanying financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and are presented in accordance with the accrual basis of accounting, whereby revenue and support is recognized when earned and expenses are recognized when incurred.

Basis of Presentation

The financial statements are presented in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958-205 *Presentation of Financial Statements of Not-for-Profit Entities*, whereby the Foundation is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

As of September 30, 2022 and 2021, and for the years then ended, the Foundation has recorded activities in the following net asset classes:

> *Net assets without donor restrictions*: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. Net assets without donor restrictions are composed of the following:
>
> > *Undesignated*: Represents resources available to support operations.
> >
> > *Board designated*: The Board of Directors designated certain net assets without donor restrictions to support programmatic or other strategic needs of the Foundation in the future.
> >
> > *NPF designated*: The category is composed of net assets without donor restrictions the Foundation has designated to be used toward signature projects consistent with its strategic mission.
>
> *Net assets with donor restrictions*: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resources were restricted has been fulfilled, or both.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. On an ongoing basis, the Foundation evaluates the estimates and assumptions based upon historical experience and various other factors and circumstances. The Foundation believes that the estimates and assumptions are reasonable in the circumstances; however, the actual results could differ from those estimates under different future conditions.

Cash and Cash Equivalents

Cash includes interest and non-interest-bearing operating accounts with insured financial institutions. Deposits often exceed federally insured limits. Amounts on deposit in excess of federally insured limits approximate $43.7 million and $17.2 million at September 30, 2022 and 2021, respectively. Management, however, does not consider this a significant concentration of credit risk. Cash equivalents include money market accounts. Cash and cash equivalents exclude such amounts included within investments as those funds are part of the investment strategy and portfolio.

Pledges Receivable

Pledges are recognized as support in the period acknowledged by the donor. Pledges are initially recorded at fair value less an estimate made for doubtful pledges based on a review of all outstanding pledges on a quarterly basis. Pledges to be received after one year are discounted to present value at a discount rate commensurate with the risks involved. The Foundation uses discount rates that approximate U.S. Treasury borrowing rates at the end of the fiscal year in which the promise to give was received based on the respective duration of the donor's payment plan. Amortization of the discount is recorded as contribution and endowment gifts revenue in the statements of activities.

The Foundation records an allowance for uncollectible pledges receivable based on a determination of the likelihood of collection for each pledge receivable balance considering the age of the receivable and other factors that would impact collection. Uncollectible amounts are written off when all efforts to collect these receivables have been exhausted.

Investments

Investments are measured and reported at fair value in accordance with FASB ASC 820, *Fair Value Measurement*. Dividends and interest are reflected as income when earned.

Investments in money market funds, mutual funds, and exchange-traded funds are measured and reported at fair value based on quoted market prices provided by the investment managers, with related gains and losses included in the statements of activities. Investments in limited partnerships are reported at fair value based on a practical expedient, the net asset value per share or equivalent, determined by the fund of the investment manager at the measurement date. The estimated values, provided by the fund or investment manager, are subject to annual independent audit, and are reviewed by management for reasonableness. The Foundation believes the carrying amount of the financial instruments is a reasonable estimate of fair value.

Investments are exposed to risks, such as interest rate, market volatility and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and such changes could materially affect the fair value of investments reported in the accompanying statements of financial position.

Furniture and Equipment

The Foundation capitalizes all property and equipment purchased with non-Federal funds with a cost of $5,000 or more. Furniture and equipment is recorded at cost and depreciated on the straight-line basis over estimated useful lives of three to eight years. The Foundation's produced content for creative and video production for campaign is capitalized and depreciated on a straight-line basis over the estimated useful live of three years.

Leasehold improvements are recorded at cost and are amortized over their estimated useful lives or terms of the lease, whichever is shorter.

Maintenance and repair costs are expensed as incurred. Replacements and betterments are capitalized. At the time properties are retired or otherwise disposed of, the property and related accumulated depreciation or amortization accounts are relieved of the applicable amounts and any gain or loss is credited or charged to operations.

Conservation Property

The Foundation acquires conservation property through donations or purchases for subsequent sale or donation to or for the benefit of NPS. Real property donated is valued at its estimated fair market value at the time of donation. The carrying value is reduced if the estimated market value decreases below the original recorded value.

Covenants on the properties restrict their future use to conservation activities.

Impairment of Long-Lived Assets

The Foundation accounts for the valuation of long-lived assets in accordance with FASB ASC 360, *Accounting for the Impairment or Disposal of Long-Lived Assets*, which requires that long-lived assets and certain identifiable intangible assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the 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 estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value, less costs to sell.

The Foundation 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 asset is reduced, by a charge to the statements of activities, to its current fair value. No indicators of impairment were identified for the years ended September 30, 2022 and 2021.

Grants Payable

The Foundation is both a recipient and provider of grants to further its mission. As a grantor, the Foundation recognizes program grants expense once it executes a grant award and the grant becomes an enforceable liability (i.e., when substantially all conditions placed on the grantee are met). Grants payable represent grants awarded but not yet disbursed.

Income Taxes

The Foundation is exempt from federal income taxes under Public Law 90-209, as described in Section 501(c)(1)(a)(i) of the Internal Revenue Code (IRC). In addition, in 1981, the Foundation received a determination that it is exempt from federal income taxes under Section 501(c)(3) of the IRC and it qualifies as a public charity under Section 509(a)(1) of the IRC. The Foundation received a determination letter in 2000 that specifically states it is exempt from filing the Return of Organizations Exempt from Income Tax, Form 990, unless the Foundation has unrelated business income. Effective fiscal year 2012, the Board of Directors elected to file Form 990 on an annual basis. Contributions are tax deductible to donors under section 170 of the IRC.

Under FASB ASC 740-10, *Income Taxes*, the Foundation must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more-likely-than-not that the position will be sustained. The Foundation does not believe there are any material uncertain tax positions and; accordingly, will not recognize any liability for unrecognized tax benefits. The Foundation believes that it is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for fiscal years before 2019. For the years ended September 30, 2022 and 2021, respectively, there were no interest or penalties related to uncertain tax positions recorded or included in the accompanying statements of activities.

Fair Value of Financial Instruments

Fair value measurements reflected in the accompanying financial statements represent the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. U.S. GAAP provides a hierarchy that prioritizes the inputs to fair value measurements based on the extent to which inputs to valuation techniques are observable in the marketplace. The hierarchy assigns a higher priority to observable inputs that reflect verifiable information obtained from independent sources, and a lower priority to unobservable inputs that would reflect the Foundation's assumptions about how market participants would value an asset or liability based on the best information available. Financial instruments include cash and cash equivalents, pledges receivable, investments and accounts and grants payable. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs.

The three levels of the hierarchy of inputs used to measure fair value are described briefly as follows:

> *Level 1*: Unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date.
>
> *Level 2*: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, at the measurement date. Level 2 also includes investments redeemable on or near the measurement date.
>
> *Level 3*: Unobservable inputs for the asset or liability, used in situations in which little or no market activity exists for the asset or liability at the measurement. Level 3 also includes alternative investments not redeemable near the measurement date.

The categorization of fair value measurements by level of the hierarchy is based upon the lowest level input that is significant to the overall fair value measurement for a given asset or liability. In the event that changes in the inputs used in the fair value measurement of an asset or liability result in a transfer between fair value hierarchies, such transfers are recognized at the end of the reporting period.

Management estimates that the respective fair values of the financial instruments, other than investments, approximate their recorded values in the accompanying statements of financial position due to the relative short-term nature of those instruments. Investments are recorded at fair value in the accompanying statements of financial position as described in Notes 4 and 5.

Revenue Recognition

In accordance with FASB Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions,* revenues are accounted for as follows:

Contributions and Endowment Gifts

Contributions are transactions under which the donor does not receive commensurate value. Contributions are recorded as support, at fair value, when received with or without donor restrictions, depending on the existence and/or nature of any donor restriction, including inherent time restrictions. Contributions that are restricted by the donor as to time or purpose are reported as an increase in net assets with donor restrictions. When a time restriction ends, or a purpose restriction or condition is accomplished or met, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Unconditional promises to give are reported at their net realizable value as pledges receivable in the accompanying statements of financial position. Unconditional promises to give that are expected to be collected in future years are discounted to present values using a risk-free rate of return, at the date the contribution is made. The collectability of the pledges receivable is evaluated by management periodically throughout the year, and an allowance for uncollectible amounts, is recorded in the period such a determination is made. Conditional promises to give are not recorded as pledges receivable until the conditions are satisfied. Contributions received by the Foundation consist of support provided primarily by individuals, corporations and foundations.

Endowment gifts are recognized as support when received. The principal amount of the gift is maintained intact. Investment income on endowment gifts is recognized as an increase in net assets without restriction, unless the income is explicitly restricted by donor or law and such restrictions have not been met. The Foundation follows the enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (the UPMIFA). The required disclosures are included in Note 13.

Contributed Goods, Services and Media

Contributed goods, services and media: From time to time, the Foundation receives contributed goods, services and media from third parties. While such contributed goods, services and media primarily support programmatic activities, some contributed goods, services and media also support general and administrative and fundraising activities. Contributed goods, services and media received are measured at their estimated fair value based on a similar value of like goods and services and are included as revenue and expense in the accompanying statements of activities.

The Foundation receives non-professional contributed services from volunteers in connection with its operations. These services do not require specialized skills and, therefore, do not meet the requirement to be recognized as revenue and expense in the accompanying statements of activities.

Government Grants and Support

Revenue and support from government contracts and grants that provide for cost reimbursement are recognized when the related direct and allocated indirect expenses are incurred, deliverables are met, or per-diem services are provided. Revenue recognized in excess of cash received is reported as grants receivable. Cash received in excess of revenue recognized is reported as refundable advances.

Management and Other Income

Management and other income includes litigation settlement contributions which represent voluntary community service payments from corporations that have entered a plea agreement with the Department of Justice. See Note 15 for further information regarding this revenue.

Program and Supporting Services

Program Grants: The Foundation grants funds in support of strategic programmatic initiatives. Specific programmatic focus areas include enhancing the visitor experience, conserving and preserving natural and cultural resources, connecting people to national parks, and connecting partners to national parks. The Foundation monitors the use of granted funds through grantee reporting governed by formally executed agreements with each grantee. These agreements require grantees to certify that the usage of funds meet the requirements of the grant.

Program Support: The Foundation currently appropriates funds for program support activities based upon program demands and availability of funds during a particular year. Support expenses include payroll costs for time spent on specific programs, direct costs relevant to activities that benefit a program, and cost of digital media to support various programs.

General and Administrative: General and administrative expenses include the Foundation's general operations such as execution and oversight of the operating strategy, office administration, financial administration, Board of Directors oversight, human resource management, information technology, security, and related elements.

Fundraising: Fundraising activities include publicizing and conducting fund-raising campaigns; maintaining donor lists; conducting special fund-raising events; and conducting other activities involved with soliciting contributions from individuals, and corporations and foundations.

Expense Classifications and Functional Expense Allocation

The cost of providing various programs and other activities has been summarized on a functional basis in the accompanying statements of activities and statements of functional expenses. Accordingly, expenses that are identified as relating to specific programs, programmatic support services, fundraising activities or general and administrative functions are charged directly to their natural expenditure classifications. However, certain costs that benefit the operations of all the functional areas have been allocated among program support services, fundraising activities, and general and administrative functions based on headcount. Such costs include facilities and lease expense, information technology support, and other administrative and executive support.

Program support services consist of activities that directly support the Foundation's mission through funding programs, education outreach, and building community partnerships. Fundraising activities include conducting fundraising campaigns, preparing and distributing fundraising materials, and conducting other activities involved in soliciting contributions. General and administrative activities include those costs that are not directly identifiable with any specific function, but which provide for the overall support and direction of the Foundation.

Fundraising costs incurred in one year, which may result in contributions received in future years, are expensed as incurred. Additionally, advertising costs are expensed as incurred.

Allocation of Joint Costs

The Foundation accounts for joint costs incurred for materials and activities that are included in fundraising direct mail appeals in accordance with FASB ASC 958-720-45, *Accounting for Costs of Activities That Include Fundraising*, in determining costs to be allocated. During the years ended September 30, 2022 and 2021, the Foundation incurred joint costs of $5,189,051 and $4,064,566, respectively. Of those costs, $3,493,763 and $2,108,464 were allocated to fundraising expense, $1,393,408 and $1,790,478 were allocated to programmatic support, and $301,880 and $165,624 were allocated to general and administrative expense in 2022 and 2021, respectively.

Recently Adopted Accounting Pronouncement

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. This ASU provides temporary optional guidance to ease the potential burden in accounting for reference rate reform. The Foundation adopted this ASU effective October 1, 2021, and the adoption did not have impact to the financial statements. The adoption did not have effect on the change in net assets reported at September 30, 2021.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This ASU requires a not-for-profit organization to present contributed nonfinancial assets as a separate line item in the statement of activities, apart from contributions of cash or other financial assets and requires additional disclosures related to contributed nonfinancial assets. The update enhances the presentation and disclosure of such contributed non-financial assets without changing existing recognition and measurement requirements. Effective October 1, 2021, the Foundation adopted the standard on a retrospective basis. The adoption did not have significant impact to the financial statements and did not have effect on the change in net assets reported at September 30, 2021. See Note 15 for disclosures required related to the adoption of this update.

Recent Accounting Pronouncements Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). This update, along with related ASU's, establishes a comprehensive leasing standard. These updates require the recognition of lease assets and lease liabilities on the statement of financial position and disclosure of key information about leasing arrangements for lessees and lessors. The new standard applies a right-of-use (ROU) model that requires, for leases with a lease term of more than 12 months, an asset representing its right to use the underlying asset for the lease term and a liability to make lease payments to be recorded. The guidance also expands the required quantitative and qualitative lease disclosures as well as provides entities with an additional (and optional) transition method to adopt the new standard. The ASU is effective for the Foundation's fiscal year 2023. Management is currently evaluating the impact of these ASUs on the financial statements.

The Foundation has assessed other accounting pronouncements issued or affecting during the years ended September 30, 2022 and 2021, and deemed they were not applicable to the Foundation and are not anticipated to have a material effect on the financial statements.

3. Pledges Receivable

Pledges receivable that are expected to be collected in future years are discounted to present values using a blended rate using prime rate, and a risk-free rate of return, at the time the unconditional promises are made. The discount rates for the years ended September 30, 2022 and 2021 range from 1.65% to 4.69%. The stated balance also factors in circumstances that may impact the Foundation's ability to collect individual pledge balances. An allowance for uncollectible pledges is annually assessed utilizing a five-year average of actual uncollectible accounts as a percentage of then outstanding receivable balance. At September 30, 2022 and 2021, the allowance for uncollectible pledges totaled $2,035,929 and $1,292,024, respectively and was netted against pledges receivable balances. For the years ended September 30, 2022 and 2021, the Foundation recorded bad debt expense of $819,063 and $1,124,310, respectively.

Pledges receivable consists of the following:

September 30,	**2022**	2021
Due in less than one year	**$ 59,020,623**	$ 50,780,544
Due in two to five years	**19,017,927**	10,566,066
Total pledges receivable	**78,038,550**	61,346,610
Less:		
Discount for present value	**(1,132,746)**	(557,986)
Allowance for doubtful pledges	**(2,035,929)**	(1,292,024)
Pledges receivable, net	**$ 74,869,875**	$ 59,496,600

4. Investments

Investments consist of the following at:

September 30,	2022	2021
Money market funds	$ 35,282,542	$ 37,503,845
Mutual funds	175,915,523	208,659,003
Exchange traded funds	1,022,570	1,264,861
Limited partnerships	15,292,229	10,046,808
Cash	109,165	50,000
Total investments	227,622,029	257,524,517
Less: funds managed as agent for other entities	(11,347)	(14,477)
Total investments, net of other entities' funds	$ 227,610,682	$ 257,510,040

Donated Securities

During the year ended September 30, 2016, the Foundation received donated securities from a private foundation organized for charitable purposes and exempt from federal income taxation under Section 501(c)(3). The grant was composed of 39 non-voting, restricted class B shares of an exempt entity, related to the donor, organized for charitable purposes whose class A shares are owned by the donor. As an owner of the class B shares, the Foundation will receive dividends for use toward restricted charitable purposes, but has no voting rights or other ownership rights.

At the time of the grant, the Foundation was not able to establish a supportable fair market value of the class B shares. Accordingly, the Foundation recorded an asset for an estimated value for management tracking purposes and fully reserved the asset to yield a net asset value of $0 for reporting purposes.

There were no dividends received during the years ended September 30, 2022 and 2021.

5. Fair Value Measurements

The determination of the fair value level within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Foundation's assessment of the significance of the particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the assets or liabilities.

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported as of the end of the reporting period.

Investments in money market, mutual funds, and exchange traded funds (see Note 4) are valued at readily available quoted prices held by the Foundation at year-end reported in the listing of the applicable major exchanges. These financial instruments are classified as Level 1 in the fair value hierarchy.

The Foundation used net asset value (NAV) per share, or its equivalent, such as member units or an ownership interest in partners' capital, as a practical expedient to estimate the fair values of limited partnerships which do not have readily determinable fair values. Investments that are measured at fair value using NAV per share as a practical expedient are not classified in the fair value hierarchy.

The table below presents the balances of assets measured at fair value on a recurring basis by level within the hierarchy:

	As of September 30, 2022			
	Total	Level 1	Level 2	Level 3
Investments at fair value:				
Money market funds	$ 35,282,542	$ 35,282,542	$ -	$ -
Mutual funds	175,915,523	175,915,523	-	-
Exchange traded funds	1,022,570	1,022,570	-	-
Total investments at fair value level	212,220,635	$ 212,220,635	$ -	$ -
Investments at cost – cash[(a)]	109,165			
Investments measured at net asset value[(b)]				
Limited partnerships	15,292,229			
Total investments	$ 227,622,029			

[(a)] *Cash included in the investment portfolio is not subject to the provisions of fair value measurements as they are recorded at cost and are only shown here to reconcile to the accompanying statements of financial position.*

[(b)] *These investments are measured at net asset value ("NAV") or its equivalent for expediency and have not been classified in the fair value hierarchy. The fair value amounts presented in this table are shown here to reconcile to the accompanying statements of financial position.*

The table below presents the balances of assets measured at fair value on a recurring basis by level within the hierarchy:

	As of September 30, 2021			
	Total	Level 1	Level 2	Level 3
Investments at fair value:				
Money market funds	$ 37,503,845	$ 37,503,845	$ -	$ -
Mutual funds	208,659,003	208,659,003	-	-
Exchange traded funds	1,264,861	1,264,861	-	-
Total investments at fair value level	247,427,709	$ 247,427,709	$ -	$ -
Investments at cost – cash[(a)]	50,000			
Investments measured at net asset value[(b)]				
Limited partnerships	10,046,808			
Total investments	$ 257,524,517			

** Cash included in the investment portfolio is not subject to the provisions of fair value measurements as they are recorded at cost and are only shown here to reconcile to the accompanying statements of financial position.*

[(b)] These investments are measured at net asset value ("NAV") or its equivalent for expediency and have not been classified in the fair value hierarchy. The fair value amounts presented in this table are shown here to reconcile to the accompanying statements of financial position.

Limited Partnerships

During the year ended September 30, 2021, the Foundation acquired two private equity investment interests in two separate limited partnerships with a capital commitment of $10 million each. The major categories of the Foundation's investments valued at net asset value, including general information related to each category, are as follows at September 30, 2022 and 2021:

September 30, 2022	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Warburg Pincus Global Growth, L.P. [(a)]	**$ 11,713,229**	**$ 1,205,000**	No immediate liquidity	2 days
General Atlantic Investment Partners 2021, L.P. [(b)]	**3,579,000**	**6,187,138**	No immediate liquidity	8 days
	$ 15,292,229	**$ 7,392,138**		

September 30, 2021		Fair Value		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Warburg Pincus Global Growth, L.P. [(a)]	$	9,251,808	$	2,562,500	No immediate liquidity	2 days
General Atlantic Investment Partners 2021, L.P. [(b)]		795,000		9,151,000	No immediate liquidity	8 days
	$	10,046,808	$	10,754,500		

(a) Warburg Pincus private equity funds consist of an investment mix of international and domestic markets in the industries of financial services, healthcare, technology, and energy, with a focus in growth investing. Approximately 70% of investments are sole sourced by Warburg Pincus in the private market. The fair value of investments is determined based on various valuation techniques and inputs including purchase multiples paid in other comparable third-party transactions, comparable public company trading multiples, discounted cash flow analysis, market conditions, liquidity, current operating results, and other pertinent information.

(b) Private equity capital funds consist of limited partnerships that are organized to make either direct or indirect investments in companies primarily in the sectors of technology, financial services, healthcare, and life sciences. Strategies include diversification by sector, geography, and investment type in venture capital and growth investments. The fair value of investments was determined by an independent valuation firm based on data and assumptions provided by General Atlantic. Investment liquidities are executed primarily through initial public offerings, private and strategic sales, and open market sales, which are anticipated to be long-term.

6. Charitable Gift Annuity

The Foundation has a charitable gift annuity plan whereby donors may contribute assets in exchange for the right to receive a fixed-dollar periodic payment of the gift assets during their lifetimes. Payments begin in accordance with the timing stipulated in the gift annuity contracts. The difference between the original annuity amount invested and the discounted liability for future payments, determined on an actuarial basis, is recognized as contribution revenue at the date of the gift. The liability is revalued annually using the present value calculations based on actuarial tables and discount rates established by the IRS ranging 0.4% to 4.4% for both years ended September 30, 2022 and 2021.

The gift annuity program recorded as an asset totaled $3,195,450 and $2,658,603 and a liability of $2,412,013 and $1,685,027 as of September 30, 2022 and 2021, respectively. Assets held under charitable gift annuities are included in investments and the related liabilities are reported in charitable gift annuity in the statements of financial position. Contribution revenue totaled $410,158 and $849,407 for the years ended September 30, 2022 and 2021, respectively, and is included in the statements of activities.

7. Loan Receivable

In October 2021, the Foundation issued a short-term loan to the Conservancy for the Cuyahoga Valley National Park (Cuyahoga Valley National Park) totaling $500,000. The purpose of the loan was to assist the borrower in acquiring a parcel of property, approximately 15 acres, which sits within the boundary of the Cuyahoga Valley National Park. The property will be conveyed to the NPS who will use the property to create an education center and visitor access to the Cuyahoga Valley National Park. The principal is due on December 31, 2022 with the interest rate of 1% per annum. The interest shall only accrue in the event that the loan is not fully paid by the due date whereby the interest shall accrue from date of disbursement. As such, the Foundation accrued $0 interest for the year ended September 30, 2022. The full amount of loan receivable was collected on December 29, 2022.

8. Furniture and Equipment

Furniture and Equipment consist of the following at:

September 30,	**2022**	2021
Leasehold improvements	**$ 3,474,611**	$ 3,474,611
Computer software and hardware	**2,992,687**	2,345,336
Furniture and equipment	**292,604**	292,603
Produced content	**1,170,221**	269,520
Construction-in-progress	**-**	459,531
	7,930,123	6,841,601
Less: accumulated depreciation and amortization	**(3,751,217)**	(2,773,264)
Furniture and equipment, net	**$ 4,178,906**	$ 4,068,337

Depreciation and amortization expense totaled $977,953 and $770,570 for the years ended September 30, 2022 and 2021, respectively.

9. Grants Payable

Grants payable greater than one year are discounted using the Treasury bill rate at the time the commitments are made. At September 30, 2022 and 2021, grants outstanding of $2,876,958 and $1,134,900, respectively, were due in less than one year.

10. Line-of-Credit

The Foundation has an unsecured line-of-credit. The total amount available under the line-of-credit as of September 30, 2022 and 2021 was $3,000,000. Borrowings bear interest at the one-month Secured Overnight Financing Rate (SOFR) as quoted by the bank plus 2.50%, two business days prior to the date of the draw. Such rate is to be effective and adjusted for the Federal Reserve Board of Governors reserve requirements and FDIC insurance, plus 1.5%. The effective interest rate at September 30, 2022 and 2021 was 5.64% and 2.59%, respectively. There was no balance outstanding at September 30, 2022 and 2021. The line has not been drawn down upon during the years ended September 30, 2022 and 2021.

11. Note Payable

During August 2022, the Foundation entered into an agreement with an unrelated nonprofit public benefit corporation for a two-year loan for $9,600,000 with the principal amount payable in two equal installments of $4.8 million due on May 31, 2023 and 2024. Interest on the unpaid principal is due on or before each principal payment date, at a rate of 0.5% per annum, simple interest. As of September 30, 2022, note payable was $9,600,000, interest accrued for the year ended September 30, 2022 was de minimis.

12. Net Assets

To ensure observance of the limitations and restrictions placed on the use of resources available to the Foundation, the accounts of the Foundation are internally maintained in accordance with the principles of project or fund accounting. Separate accounts are maintained for each fund. However, in the accompanying financial statements, funds are classified for presentation purposes under FASB ASU 2016-14, *Not-for-Profit Entities* (Topic 958) – *Presentation of Financial Statements of Not-for-Profit Entities,* as without donor restrictions which composed of undesignated, designated, or with donor restrictions.

Net assets without donor restrictions include undesignated funds for general operations, and funds designated by the board for grants, or funds designated by the Foundation for other projects.

Net assets without donor restrictions were as follows:

September 30,	**2022**	2021
Without donor restrictions – undesignated	**$ 39,879,114**	$ 37,780,765
Without donor restrictions – designated:		
Board designated for strategic programmatic use in the future	**24,790,389**	32,421,004
NPF designated:		
NPS Centennial	**133,887**	158,887
Innovation	**79,992**	79,992
Land	**168,618**	199,128
Total NPF designated amounts	**382,497**	438,007
Total designated	**25,172,886**	32,859,011
Total net assets without donor restrictions	**$ 65,052,000**	$ 70,639,776

Net assets with donor restrictions, some of which are time restricted, are primarily available to support program grant and program support activities or are restricted to investments in perpetuity, the income from which is expendable to support program activities.

Net assets with donor restrictions were as follows:

September 30,	**2022**	2021
Subject to expenditure for specified purpose:		
Core programs	**$ 145,284,796**	$ 111,373,091
Other programs	**19,027,075**	22,603,530
Total subject to expenditure for specified purpose	**164,311,871**	133,976,621
Subject to endowment spending policy and appropriation:		
Endowments	**91,018,284**	119,196,265
Total net assets with donor restrictions	**$ 255,330,155**	$ 253,172,886

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows:

Years ended September 30,	**2022**	2021
Satisfaction of purpose restrictions:		
Core programs	**$ 58,202,660**	$ 31,905,015
Other programs	**1,451,125**	1,268,254
Total satisfaction of purpose restrictions	**59,653,785**	33,173,269
Restricted-purpose spending-rate distributions and appropriations:		
Endowments	**1,569,426**	4,176,858
Total net assets released from donor restrictions	**$ 61,223,221**	$ 37,350,127

13. Endowment Funds

The Foundation's endowment consists of multiple individual funds established to support program activities. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors to function as a quasi-endowment. Net assets associated with endowment funds, including funds designated as a quasi-endowment by the Board of Directors, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of the Foundation has interpreted the State Prudent Management of Institutional Funds Act (the Act) as requiring the preservation of the fair value of the original gift as the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation 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.

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

(1) The duration and preservation of the donor-restricted endowment fund
(2) The purposes of the Foundation 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 the Foundation
(7) The investment policies of the Foundation

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets.

Endowment assets include those assets of the donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period(s) as well as board designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to provide growth and to preserve or increase the real value of the endowment to meet the future needs of the national parks, always with the objective of selecting investment vehicles that are at an appropriate level of risk for a non-profit organization. Actual returns in any given year may vary.

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 the UPMIFA requires the Foundation to retain as a fund of perpetual duration.

These deficiencies may result from unfavorable market fluctuations that occurred shortly after the investment of new contributions for donor restricted endowment funds. For one of the Foundation's endowments, the donor permitted spending from endowment funds for the initial three-year start up period, in order to support the program's mission.

The Foundation has a policy that permits spending from underwater endowment funds depending on the degree to which the fund is underwater, unless otherwise precluded by donor intent or relevant laws and regulations.

As of September 30, 2022 and 2021, deficiencies of this nature were $1.6 million and $0 million, respectively, which was reported in net assets with donor restrictions.

Spending Policy

The Foundation currently appropriates funds for the distribution of program support activities based upon the demand for these purposes and on the availability of funds during the particular year. The Foundation has a Board policy that permits as part of its annual budget process a transfer from the without donor restrictions Board-designated net assets to the without donor restrictions undesignated net assets of up to 5% of the average market value of the without donor restrictions Board-designated net assets as of March 31 for the three preceding years. Additional transfers are permitted by Board of Directors action.

The net asset composition of the endowment funds as of September 30, 2022 were as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Board designated quasi-endowments	$ 24,790,389	$ -	$ 24,790,389
Donor-restricted endowments:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	-	74,416,367	74,416,367
Accumulated investment gains	-	16,601,917	16,601,917
Total endowment funds	$ 24,790,389	$ 91,018,284	$ 115,808,673

The following table represents the changes in endowment net assets for the year ended September 30, 2022:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 32,421,004	$ 119,196,265	$ 151,617,269
Contributions	95,000	10,053,905	10,148,905
Investment loss, net	(6,627,507)	(19,228,295)	(25,855,802)
Appropriation of endowment assets for expenditure	(1,470,778)	(1,994,921)	(3,465,699)
Transfer	372,670	(17,008,670)	(16,636,000)
Endowment net assets, end of year	$ 24,790,389	$ 91,018,284	$ 115,808,673

During the year ended September 30, 2022, the Foundation's donor modified its gift agreement to change the donor's intent from $20 million permanent endowment to $3 million permanent endowment and $17 million subject to specified purpose.

The net asset composition of the endowment funds as of September 30, 2021 were as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Board designated quasi-endowments	$ 32,421,004	$ -	$ 32,421,004
Donor-restricted endowments:			
Original donor-restricted gift amount and amounts required to be maintained in perpetuity by the donor	-	81,364,961	81,364,961
Accumulated investment gains	-	37,831,304	37,831,304
Total endowment funds	$ 32,421,004	$ 119,196,265	$ 151,617,269

The following table represents the changes in endowment net assets for the year ended September 30, 2021:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	$ 26,828,543	$ 93,318,440	$ 120,146,983
Contributions	-	9,981,388	9,981,388
Investment return, net	5,978,861	19,873,296	25,852,157
Appropriation of endowment assets for expenditure	(386,400)	(3,976,859)	(4,363,259)
Endowment net assets, end of year	$ 32,421,004	$ 119,196,265	$ 151,617,269

14. Commitments and Contingencies

Operating Lease Commitments

The Foundation has executed a lease agreement for office space located at 1500 K Street, NW, effective June 1, 2020. The terms of the new lease agreement consist of 89 months, with the option to extend the lease up to two consecutive periods of 60 months each. The terms also include abatement for the first five months upon occupation of the space and a tenant leasehold improvement allowance of approximately $2.7 million which includes a commission rebate of $0.1 million. As of September 30, 2022, the tenant leasehold improvement allowance was $1.8 million and $2.2 million, respectively. The agreement permits subletting the space, subject to approval.

The Foundation’s leases for office space provide for rent abatement and escalations of the base rent. Accordingly, the Foundation recognizes rent expense based on total minimum future lease payments on a straight-line basis over the life of the lease.

The deferred rent liability balance included in other liabilities in the statements of financial position as of September 30, 2022 and 2021 was $647,812 and $655,648, respectively. Rental expense for the years ended September 30, 2022 and 2021 totaled $1,152,417 and $1,155,079, respectively.

The future minimum payments under the lease agreements are as follows:

Years ending September 30,	
2023	$ 1,557,417
2024	1,596,382
2025	1,636,279
2026	1,677,107
2027	1,719,122
Thereafter	145,632
	$ 8,331,939

15. Contributed Goods, Services and Media

The Foundation received contributed non-financial assets in the form media, event support, sponsorships and airline miles to support programs. These contributed non-financial assets meet the criteria for revenue recognition under FASB ASC 958-605-25, *Contributed Services,* at the fair value of non-financial assets on the statements of activities. During the years ended September 30, 2022 and 2021, the Foundation received contributed goods, services and media valued at $29,240,297 and $43,059,127, respectively, as follows:

Years ended September 30,		**2022**	2021
Type of service	***Valuation Techniques***		
Media [a]	Standard industry pricing for similar service	**$ 29,028,274**	$ 42,919,623
Event support [b]	Market cost of items and service, if purchased from the vendor	**116,493**	120,747
Airline miles [c]	Industry benchmark based on average redemption value or actual cost	**95,530**	-
Sponsorships [d]	Retail value of products	**-**	18,757
		$ 29,240,297	$ 43,059,127

For the years ended September 30, 2022 and 2021, the Foundation recognized in-kind expenses of $29,363,297 (of which $123,000 contributed property was received in prior year) and $43,059,127, respectively.

(a) Digital, broadcast, and public service announcements.
(b) Lighting, fixtures, installment and fir trees donated for the National Christmas Tree Lighting event.
(c) Airline miles used for air flight transportation for employees and non-employees in support of the general and programmatic purposes.
(d) Contest prizes and give aways of goods related to corporate partner sponsorships.

16. Litigation Settlement Contributions (Community Service Payments)

Since 1999, the Foundation has received over $20 million from several litigation settlements. These funds represent voluntary community service payments from corporations that have entered into a plea agreement related to charges by the Department of Justice for violations of certain environment regulations such as polluting or the mistreatment of hazardous waste materials. The plea agreements specify the national parks or areas to which the funds are to be allocated by the Foundation. The Foundation received settlement contributions of $9,267,556 and $4,100,732 for the years ended September 30, 2022 and 2021, respectively, which are included in the management and other income in the statements of activities. The Foundation believes that these plea agreements represent voluntary non-reciprocal payments to the Foundation and has, therefore, classified them as net assets with donor restrictions support.

17. Employee Benefit Plans

The Foundation has maintained a 403(b) retirement plan (the Plan) for its employees since 1992. All employees over 21 years of age with at least one year of service to the Foundation (consisting of at least 1,000 hours of service in a 12-month period) are eligible to receive an employer matching contribution to the Plan. The Foundation matches 100% of employee contributions up to 4% of salary. Thereafter, the Foundation’s match is tiered at a minimum of 75% of employee contribution up to 6% of salary.

Participants are eligible to participate after one year of service and are fully vested in all contributions of the Plan. The Foundation’s contributions to the Plan were $352,077 and $335,089, respectively, for the years ended September 30, 2022 and 2021.

The Foundation established a 457(f) deferred compensation plan during 2017 and 457(b) deferred compensation plan during 2019 for its President and CEO. At September 30, 2022 and 2021, the amounts accrued under these arrangements were $140,638 and $302,218, respectively, which are included in accounts payable and accrued expenses in the statements of financial position.

18. Government Support

National Park Service Endowment

During 2022 and 2021, the Foundation was awarded an endowment of $10,000,000 each year under the National Park Service Centennial Act. As of September 30, 2022 and 2021, the corpus of the National Park Service endowment totaled $60,000,000 and $50,000,000, respectively. Endowment losses and earnings totaled $(14,144,694) and $10,120,360 for the years ended September 30, 2022 and 2021, respectively. The loss incurred during 2022 was primarily the result of unrealized loss from unfavorable market fluctuations. Realized earnings are to be used to help finance the needs of the national parks. As of September 30, 2022 and 2021, $1,791,592 and $396,764 of the earnings have been expended, respectively. Accumulated investment (losses) gains as of September 30, 2022 and 2021 were ($1,637,165) and $14,299,121, respectively.

In addition to the endowment awarded under the National Park Service Centennial Act, the Foundation was also awarded an appropriation of $5,000,000 during 2022 and 2021, to be expensed towards projects and programs that support the mission of NPS. For years ended September 30, 2022 and 2021, $2,646,762 and $4,126,476 of appropriations was expensed to support NPS projects and programs, respectively.

19. Concentrations

As of September 30, 2022 and 2021, pledges receivable from three donors represented approximately 55% and 61%, respectively, of total pledges receivable.

20. Liquidity and Availability of Resources

The following reflects the Foundation's financial assets available for general expenditure within one year of the statement of financial position as of September 30, 2022 and 2021:

	2022	2021
Financial assets:		
Cash and cash equivalents	**$ 44,903,195**	$ 17,068,209
Pledges receivable, net	**74,869,875**	59,496,600
Investments	**227,622,029**	257,524,517
Loan receivable	**500,000**	-
Total financial assets	**347,895,099**	334,089,326
Less: Amounts unavailable for current expenditure due to:		
Funds managed as agent for other entities	**11,347**	14,477
Pledges without donor restrictions collectible beyond one year	**1,554,434**	852,108
Charitable gift annuities	**2,412,013**	1,685,027
Net assets with donor restrictions	**255,330,155**	253,172,886
Total amounts unavailable for general expenditure within one year	**259,307,949**	255,724,498
Less: Amounts unavailable to management without Board approval:		
Board designated quasi-endowments	**24,790,389**	32,421,004
Total financial assets available to management for general expenditure within one year	**$ 63,796,761**	$ 45,943,824

The Foundation regularly monitors liquidity required to meet its general operating needs and other contractual commitments. The Foundation's liquidity management includes a policy of structuring its financial assets to be available to meet its grant-making and general expenditures, liabilities and other obligations as they come due. As part of its liquidity plan, excess cash is invested in publicly traded investment plans such as money market and mutual funds that aim to maximize return on investments based on acceptable levels of risk. The Foundation's investments can be liquidated anytime, and therefore are available to meet current cash flow needs, except for investments held in perpetuity. The Foundation's board-designated net assets include funds designated for specific programs. While the board of directors does not intend to spend for the purposes other than those identified, board-designated funds could be spent for operations, if necessary.

21. Related Parties

During the years ended September 30, 2022 and 2021, the Foundation received contributions and gifts of $28,097,400 and $10,152,296, respectively, from board members of the Foundation. At September 30, 2022 and 2021, balances due from the contributions and gifts totaled $21,715,523 and $7,928,320, respectively.

22. Subsequent Events

Management has evaluated subsequent events through March 28, 2023, which is the date the accompanying financial statements were available to be issued. There were no transactions or events that required adjustment or disclosure in the financial statements other than the matter described in Note 7.

Management Prepared Document

Appendix A – Management's Discussion and Analysis
Year Ended September 30, 2022

Executive Summary

The National Park Foundation ("NPF" or the "Foundation") generates private support and builds strategic partnerships to protect and enhance America's national parks for present and future generations. NPF was congressionally chartered in 1967 as the national non-profit, non-governmental, philanthropic partner of the National Park Service ("NPS"). NPF is positioned to engage with individuals, institutions and corporate America in support of national parks in ways that NPS cannot due to federal regulations and enjoys a unique partnership with NPS that allows it to leverage and direct philanthropic support toward NPS's nationwide priorities.

At its core, the Foundation invests in seven strategic areas to drive positive impact. These areas are referred to as mission pillars and each pillar has a clear desired outcome, a set of impact goals, and an implementation plan: (i) Landscape and Wildlife Conservation, (ii) History & Culture, (iii) Resilience and Sustainability, (iv) Parks of the Future, (v) Youth Engagement and Education, (vi) Outdoor Exploration, and (vii) Communities and Workforce. In fiscal 2022, NPF raised approximately $169 million in contributions and other support to fund its mission. NPF's work is implemented through strategic partnerships with NPS, park friend's groups, corporate partners, and other park partners.

NPF takes a strategic approach in advancing its mission. Key elements of the approach include:

- **Aligning areas of programmatic focus with NPS' priorities.** This helps to ensure that the projects NPF undertakes are a priority and can be completed.
- **Developing diverse and robust fundraising channels.** This helps to ensure NPF can deliver on its mission while yielding steady growth in contributions over time.
- **Keeping programmatic spending ratios high over time.** This helps to ensure NPF successfully delivers financially on its mission.
- **Controlling general, administrative and fundraising costs**. This ensures focus on primary goals.
- **Strategic investments in operations.** This allows NPF to continue leveraging competitive advantages and increase its efficiency in delivering its mission.
- **Mission aligned investment portfolios.** This ensures portfolios are optimized for sustainable asset growth over time.
- **Maintaining a strong financial position.** This ensures NPF takes actions needed to sustain delivery of mission over long term.

Areas of Programmatic Focus

NPF's overarching goal is to ensure America's national parks reach their fullest potential and touch as many lives as possible. NPF delivers programmatic impact to the parks in the following strategic areas:

Landscape and Wildlife Conservation **–** NPF commits to conserving native wildlife and restoring critical habitats and ecosystems in the nation's most treasured places for the enjoyment, education, and inspiration of current and future generations. From majestic mountain ranges in Alaska to the vast sawgrass prairies of Florida's Everglades, national parks have safeguarded the nation's stunning

Unaudited

landscapes, natural habitats, and native wildlife from modern development. Today, national parks protect and preserve 85 million acres of land including world heritage sites, iconic landmarks, and many threatened and endangered species. Many sites are increasingly subject to environmental and human impacts that threaten the health of wildlife. Rising sea levels, changing weather patterns, and ecosystem degradation are leading to paradigm shifts in society. Conservation and preservation are at the core of the Foundation's mission.

History and Culture - Nearly half of the nation's national parks are primarily historic or cultural in their mission, but few Americans visit them or even know they exist. As America's storyteller, these national parks can engage all audiences and tell a broader and more inclusive story of American history. NPF helps to safeguard the historic sites and collections that hold American's shared history, recognizing that national discourse is ever evolving to reflect on the past, engage the present, and imagine the future. With this work, NPF aims to share more comprehensive and inclusive stories that amplify the full range of experience and voices that are woven into the fabric of the United States.

Resilience and Sustainability - In partnership with NPS and other partners, NPF is making national parks more resilient and sustainable by supporting innovative solutions to improve park infrastructure and to make it easier for park visitors to be good stewards of the places they love. NPF supports ongoing work across the entire National Park System through waste reduction efforts, water conservation projects, and investments in renewable and alternative energy projects. The preservation of parks is central to the National Park Service's mission, and NPS's Green Parks Plan acts as a road map of areas to focus on now and in the future to build resilient green infrastructure and educate park visitors on climate change and sustainability.

Parks of the Future - Two hundred million more visitors are expected annually in national parks by 2040, a 60 percent increase from 2018 levels. National parks must be prepared to address the changing demographics and a diversity of needs for these new visitors. From visitor congestion to the workforce of the future. From recreational access to campground and transportation experiences of the future. From how audiences feel welcome to how new audiences can be developed and cultivated. National parks must remain nimble and invest in strategies today that ensure world class visitor experiences tomorrow. Through transformational investments in both emerging technologies and proven solutions, NPF envisions a stronger and more resilient National Park System in 2040.

Youth Engagement and Education - The average child spends five to eight hours a day in front of a digital screen and only about 12 minutes of active time outdoors. National parks are America's largest classroom, offering unparalleled educational resources as hands-on laboratories poised to inspire a new generation. NPF supports Youth Education & Engagement programs that provide ways for kids to enjoy, understand, and connect with the nature, history, and culture of parks through a variety of classroom subjects at national parks across the country. Education programs tied to parks enhance classroom curriculum and have a transformative impact on students, increasing critical thinking skills, knowledge, self-confidence, and motivation to learn. Beyond time spent in the parks, classroom activities conducted before and after in-park or virtual field trips reinforce what students learn during their exploration.

Outdoor Exploration **–** National parks hold the power to inspire a sense of wonder and a love of exploration. Exploration of parks' wildlife, landscapes, history, and culture is an important and memorable element of national park experiences for all visitors. NPF supports ongoing opportunities to promote access for everyone to experience, enjoy, and cultivate life-long connections to the social, mental, and physical health benefits of the outdoors through magnificent national parks. By teaching valuable lifelong skills, collaborating with partner organizations to foster inclusion, and promoting the engagement of communities of color with outdoor recreation, NPF's Outdoor Exploration programs create and deepen longstanding connections to national parks for all.

Communities and Workforce - National parks are the landscapes where American's build community and cultivate stewardship. NPF supports an expansive network of local non-profit organizations, volunteer groups, and service corps dedicated to critical preservation and restoration projects across the country. NPF's Communities & Workforce programming aims to grow the capacity of partners, as well as inspire and diversify the next generation of outdoor leaders. Through efforts like service corps crews that preserve historical sites, restore trails, and remove invasive species in parks, NPF's Communities & Workforce programs highlight the power of teamwork and collective dedication to preserve the nation's most treasured places. Additionally, increased fundraising and management capacity of the park partner community strengthens collective support of critical preservation, restoration, and protection projects in parks across the country.

Overall in fiscal 2022, NPF provided approximately $94.8 million in grants and support to many of the more than 400 units across the country. This constituted nearly 73% of NPF's total expenses for the year.

Fundraising Activities

NPF secures funding for its mission largely through its own fundraising efforts. Funds are raised from individuals, corporate partners, and institutional entities. NPF's ability to raise these funds is driven largely by its consistent, effective and timely delivery of programmatic impact with a margin of excellence.

Since its inception in 1967, NPF has raised more than $1.5 billion.

More specifically, between fiscal 2013 and fiscal 2018, NPF raised roughly $550 million as part of its Centennial Campaign which was designed to yield transformative support and impact for America's national parks as the system turned 100 years old. The campaign and ensuing impact on parks garnered new opportunities to generate extraordinary gifts, diversify NPF's revenue channels and elevate NPF's ability to further leverage its unique partnership with NPS.

Over the years, through strategic investments, NPF has developed a strong corporate partnerships channel, strengthened its individual giving pipeline across all levels (direct mail through major giving) and bolstered its strategic partnerships with institutional foundations.

In 2016, NPF secured passage of congressional legislation that allows up to $5 million in federally appropriated funds to flow to NPF annually. The funds are available to NPF for programmatic use and require a philanthropic match. The legislation also created the "Second Century Endowment", an annual federal contribution of the first $10 million in sales of Federal Recreation Land Passes into an NPF endowment fund. Also available for NPF to access and use, subject to philanthropic match, are challenge funds reserved for NPS programmatic priorities. In general, NPF's federal funding vehicles are designed to further increase and excite philanthropic giving (matching private donations with federal dollars) by leveraging NPF's unique position as NPS's philanthropic partner.

Overall, NPF has set a strong foundation for continued success in fundraising growth through a diversification of its revenue channels.

Measuring Revenue Performance

The growth and professionalization of the Foundation in the last decade helped elevate NPF's philanthropic capacity. Recurring funding streams boosted the Foundation's ability to advance its mission while transformative contributions addressed key nationwide priorities. Transformative contributions, however, take time to develop, steward and execute. This variability in timing can cause fluctuations in total revenue, year to year. As such, NPF measures revenue growth over three to five-year increments. NPF expects steady growth in revenues over this time horizon despite fluctuations that may occur year over year.

High Programmatic Impact Over Time

To support effective delivery of its mission, NPF aspires to keep its ratio of programmatic expenses to total expenses at a high level over time. However, as with revenue, the programmatic expense ratio may fluctuate for various reasons, year to year. Grants and support expenses may deviate from the budget due to changing project timelines, shifting priorities within NPS, a change in size or scope of projects, and federal restrictions on the timing of federally sourced disbursements. Non-programmatic costs (administrative or fundraising) may also be higher in a given year due to strategic investments in operations from time to time. This scenario can temporarily increase total costs and lower the programmatic expense ratio despite increases in programmatic spending.

Over time, NPF expects to maintain a high programmatic impact ratio and continue to steadily increase its total programmatic expenses.

Controlling General, Administrative and Fundraising Costs

NPF's primary goal is to maximize deployment of funds for programmatic purposes in support of its mission. Consequently, NPF carefully controls its general, administrative and fundraising costs through various means including annual budgeting, performance management, strong internal controls, formal cost benefit analyses, and a regular review of operations.

Strategic Investment in Operations

NPF regularly invests in its operations to bolster its competitive advantages or to increase its efficiency in delivering its mission. Examples of this include improving enterprise technology systems, adding productivity tools, professional development of its staff, and elevating NPF's fundraising effectiveness.

Mission Aligned Investment Portfolios

NPF regularly monitors the financial performance, spending policies and asset allocations of its invested assets to ensure portfolios are optimally designed to support NPF's mission and sustainable growth in asset value over time. NPF utilizes outside professional advisors to design and manage its investment portfolios. Each portfolio's asset allocations are designed to balance earnings potential with risk tolerance based on each asset group's purpose and spending needs or time horizons. NPF utilizes the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") to govern its permanently restricted net assets.

Maintaining Strong Financial Position

NPF closely manages its financial position, liquidity and general financial health to ensure sustainable performance in mission delivery over the long term. The following are key elements of NPF's financial management strategy:

- Employing strong oversight, risk management and internal controls over all transactions.
- Efficient use of working capital to fund grants, operations and to generate excess investment earnings where possible.
- Maintaining an optimal level of unrestricted operating reserves. Disciplined review and analysis of NPF financial activities versus plan, risks, opportunities and obligations on an ongoing basis.

Diversity, Equity, and Inclusion (DEI) Vision Statement

NPF a future where everyone feels a sense of belonging in America's national parks and has access to park-related experiences. NPF occupies a unique role as the Congressionally chartered, philanthropic partner of the NPS. Through that role, NPF works to advance priority projects and programs of the Department of Interior (DOI) and the NPS to amplify the value of America's national parks for current and future generations. Consistent alignment with DOI and NPS is essential to NPF's success.

NPF defines diversity, equity, and inclusion (DEI) as the presence of differences across many identities, promoting justice, impartiality and fairness, and a desired state where all feel welcomed. NPF recognizes that the stories of all Americans are not adequately represented in the national parks and that many factors impede the ability for all people to connect with and be inspired by America's national parks. NPF believes national parks have the potential to stand as a living testament to the expansive and ever-evolving story of American history to better reflect the contributions of all communities in our country and as places where all people feel welcome and connected. Working collaboratively with DOI and NPS, NPF strives to make this potential a reality.

NPF recognizes that in order to advance its mission, it must express and integrate the values of DEI in its organizational culture, through its work with partners, and through its grantmaking. This statement defines NPF's commitment to take action:

- to advance DEI values throughout NPF,

- to expand and broaden DEI into NPF's programmatic work, including with our partners, and
- to strive to ensure that all people both see themselves in the stories our national parks tell and feel a sense of belonging in our national parks.

Internally, NPF commits to fostering, cultivating and expanding a culture of DEI. NPF believes in a workplace where staff feel supported and empowered, and where diversity is valued. NPF acknowledges that diverse voices enrich NPF's decision-making. NPF is committed to broadening its integration of DEI values in all aspects of the organization (i.e., governance, HR, procurement, fundraising, programs, media, leadership, etc.). Externally, NPF commits to leveraging its voice, impact and leadership.

- to ensure its work with the National Park Service and its partners gives voice to the stories of all Americans in a shared dialogue of this nation and its history;
- to make national parks welcoming for all people, creating a greater sense of belonging in national parks, and enabling opportunities for all Americans to experience their national parks;
- to grow and build partnerships with diverse park partners and communities.

NPF believes in the evergreen nature of this work and the need to continuously evolve and grow, further ensuring that NPF will always be a more inclusive and equitable place for staff and a more inclusive partner for its community.

NPF holds itself accountable through a variety of ways including participation in the Green 2.0 Transparency Report Card 00-ngo-profiles-all-pages-2.idml (diversegreen.org).