

Dallas Ecological Foundation  
*d/b/a*  
Outdoors Tomorrow's Foundation  
Financial Statements and  
Independent Auditors' Report  
June 30, 2019 and 2018

Dallas Ecological Foundation  
*d/b/a*  
Outdoors Tomorrow Foundation

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# Malnory, McNeal & Company, PC

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### Independent Auditors' Report

To the Board of Directors of  
Dallas Ecological Foundation *d/b/a* Outdoors Tomorrow Foundation

We have audited the accompanying financial statements of Dallas Ecological *d/b/a* Outdoors Tomorrow Foundation (a Texas nonprofit Foundation) (the "Foundation"), which comprise the statements of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

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

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

#### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 on the financial statements.



Dallas Ecological Foundation *dba* Outdoors Tomorrow Foundation  
 Statements of Financial Position  
 June 30,

	2019	2018
<b>ASSETS</b>		
Cash	\$ 742,593	\$ 861,232
Restricted cash	702,513	386,668
Certificate of deposit	112,108	110,475
Contributions receivable	67,730	24,573
Grant receivable	-	15,000
Promises to give receivable, net of discount	395,534	415,873
Restricted investments	25,874	25,367
Inventory	2,048	-
Prepays	25,982	4,858
Property and equipment, net	<u>3,057</u>	<u>3,659</u>
Total assets	<u>2,077,439</u>	<u>1,847,705</u>
<b>LIABILITIES</b>		
Accounts payable	86,745	43,021
Accrued expenses	<u>42,602</u>	<u>23,695</u>
Total liabilities	<u>129,347</u>	<u>66,716</u>
<b>NET ASSETS</b>		
Net assets without donor restrictions	824,171	862,274
Net assets with donor restrictions	<u>1,123,921</u>	<u>918,715</u>
Total net assets	<u>1,948,092</u>	<u>1,780,989</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$ 2,077,439</u></u>	<u><u>\$ 1,847,705</u></u>

Dallas Ecological Foundation *dba* Outdoors Tomorrow Foundation  
 Statements of Activities and Changes in Net Assets  
 For the Year Ended June 30, 2019

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total
<b>Revenues and Support</b>			
Contributions	\$ 269,358	\$ 299,298	\$ 568,656
Grants	150,000	-	150,000
Special events	261,637	-	261,637
Interest and dividend income	7,885	-	7,885
Net assets released from restriction	<u>117,289</u>	<u>(117,289)</u>	<u>-</u>
Total revenues and support	<u>806,169</u>	<u>182,009</u>	<u>988,178</u>
<b>Cash Disbursements</b>			
Program	398,352	-	398,352
Supporting	279,390	-	279,390
Fundraising	<u>166,530</u>	<u>-</u>	<u>166,530</u>
Decreases in net assets	<u>844,272</u>	<u>-</u>	<u>844,272</u>
<b>Non-Operating Expenses</b>			
Bad debt expense	-	-	-
Change in discount on pledges	<u>-</u>	<u>(23,197)</u>	<u>(23,197)</u>
Total non-operating expenses	<u>-</u>	<u>(23,197)</u>	<u>(23,197)</u>
Change in Net Assets	(38,103)	205,206	167,103
Net Assets at beginning of year	<u>862,274</u>	<u>918,715</u>	<u>1,780,989</u>
Net Assets at end of year	<u>\$ 824,171</u>	<u>\$ 1,123,921</u>	<u>\$ 1,948,092</u>

Dallas Ecological Foundation *dba* Outdoors Tomorrow Foundation  
 Statements of Activities and Changes in Net Assets  
 For the Year Ended June 30, 2018

	<u>Net Assets without Donor Restrictions</u>	<u>Net Assets with Donor Restrictions</u>	<u>Total</u>
<b>Revenues and Support</b>			
Contributions	\$ 361,286	\$ 71,112	\$ 432,398
Grants	50,000	-	50,000
Special events	216,590	-	216,590
Interest and dividend income	2,262	-	2,262
Net assets released from restriction	<u>178,667</u>	<u>(178,667)</u>	<u>-</u>
Increases in net assets	<u>808,805</u>	<u>(107,555)</u>	<u>701,250</u>
<b>Expenses</b>			
Program	443,368	-	443,368
Supporting	218,797	-	218,797
Fundraising	<u>148,342</u>	<u>-</u>	<u>148,342</u>
Decreases in net assets	<u>810,507</u>	<u>-</u>	<u>810,507</u>
<b>Non-Operating Expenses</b>			
Bad debt expense	-	40,000	40,000
Change in discount on pledges	<u>-</u>	<u>(9,627)</u>	<u>(9,627)</u>
Total non-operating expenses	<u>-</u>	<u>30,373</u>	<u>30,373</u>
Change in Net Assets	(1,702)	(137,928)	(139,630)
Net Assets at beginning of year	<u>863,976</u>	<u>1,056,643</u>	<u>1,920,619</u>
Net Assets at end of year	<u>\$ 862,274</u>	<u>\$ 918,715</u>	<u>\$ 1,780,989</u>

Dallas Ecological Foundation *dba* Outdoors Tomorrow Foundation  
 Statements of Functional Expenses  
 For the Year Ended June 30, 2019

	<u>Program</u>	<u>Supporting</u>	<u>Fundraising</u>	<u>TOTAL</u>
Salaries and benefits	\$ 218,729	\$ 137,102	\$ -	\$ 355,831
Advertising	-	24,566	-	24,566
Awards	7,510	1,088	-	8,598
Bank fees	-	7,687	8,387	16,074
Dues and subscriptions	-	5,371	-	5,371
Events	50,049	-	128,968	179,017
Insurance	395	9,018	-	9,413
Member activities	-	3,644	-	3,644
Office supplies	-	2,630	-	2,630
Phone	-	2,299	-	2,299
Postage	-	1,168	-	1,168
Printing	476	1,843	3,914	6,233
Professional fees	-	31,300	-	31,300
Rent/utilities	-	18,258	-	18,258
Scholarships	31,500	-	-	31,500
School equipment funding	37,000	-	-	37,000
Student enrichment	3,460	-	-	3,460
Travel	25,306	-	-	25,306
Training	2,084	-	-	2,084
Transportation	3,503	1,482	-	4,985
Other expenses	18,340	30,755	25,261	74,356
Total	<u>398,352</u>	<u>278,211</u>	<u>166,530</u>	<u>843,093</u>
Depreciation	<u>-</u>	<u>1,178</u>	<u>-</u>	<u>1,178</u>
Total functional expenses	<u>\$ 398,352</u>	<u>\$ 279,390</u>	<u>\$ 166,530</u>	<u>\$ 844,272</u>

Dallas Ecological Foundation *dba* Outdoors Tomorrow Foundation  
 Statements of Functional Expenses  
 For the Year Ended June 30, 2018

	<u>Program</u>	<u>Supporting</u>	<u>Fundraising</u>	<u>TOTAL</u>
Salaries and benefits	\$ 210,730	\$ 127,421	\$ 952	\$ 339,103
Advertising	-	13,784	-	13,784
Awards	-	7,172	3,571	10,743
Bank fees	-	7,077	6,283	13,360
Contract labor	4,841	4,841	-	9,682
Dues and subscriptions	-	5,177	-	5,177
Events	7,999	-	123,547	131,546
Insurance	-	2,595	50	2,645
Member activities	2,616	7,553	-	10,169
Office supplies	-	1,722	-	1,722
Phone	-	2,178	-	2,178
Postage	-	940	-	940
Printing	-	1,362	5,264	6,626
Professional fees	-	34,530	-	34,530
Scholarships	17,741	-	-	17,741
School equipment funding	80,000	-	-	80,000
Student enrichment	9,400	-	-	9,400
Travel	29,785	-	-	29,785
Training	6,223	-	1,089	7,312
Transportation	6,128	1,030	-	7,158
Wildlife grants	67,800	-	-	67,800
Other expenses	105	120	7,586	7,811
Total	<u>443,368</u>	<u>217,502</u>	<u>148,342</u>	<u>809,212</u>
Depreciation	<u>-</u>	<u>1,295</u>	<u>-</u>	<u>1,295</u>
Total functional expenses	<u>\$ 443,368</u>	<u>\$ 218,797</u>	<u>\$ 148,342</u>	<u>\$ 810,507</u>

Dallas Ecological Foundation *dba* Outdoors Tomorrow Foundation  
Statements of Cash Flows  
For the Years Ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities		
Change in net assets	\$ 167,103	\$ (139,630)
Adjustments to reconcile change in net assets to cash provided (used) by operating activities		
Depreciation	1,178	1,295
Reinvested interest	(507)	-
Change in operating assets and liabilities		
(Increase) decrease in inventory	(2,048)	6,074
(Increase) decrease in contributions receivable	(43,157)	(10,749)
(Increase) decrease in grant receivable	15,000	140,000
(Increase) decrease in pledges receivable	20,339	86,747
(Increase) decrease in prepaid expenses	(21,124)	(4,358)
Increase (decrease) in accounts payable	43,724	(1,726)
Increase (decrease) in accrued expense	18,907	13,674
Net cash provided (used) by operating activities	199,415	91,327
Cash flows from investing activities		
Purchase of property and equipment	(576)	(512)
Net cash provided (used) by investing activities	(576)	(512)
Net increase (decrease) in cash	198,839	90,815
Cash and cash equivalents and restricted cash at beginning of year	1,358,375	1,267,560
Cash and cash equivalents and restricted cash at end of year	\$ 1,557,214	\$ 1,358,375

Dallas Ecological Foundation d/b/a Outdoors Tomorrow Foundation  
Notes to the Financial Statements  
June 30, 2019

**Note 1 - Business Activity**

Dallas Ecological Foundation *d/b/a* Outdoors Tomorrow Foundation (the “Foundation”) is a Texas nonprofit corporation incorporated on May 14, 1981. The Foundation’s primary purpose is expanding youth outdoor education and furthering wildlife conservation efforts worldwide.

Effective August 24, 2016, Dallas Ecological Foundation elected to promote their mission statement and its outdoor adventure program under doing a business as name (“DBA”). The DBA is the Outdoors Tomorrow Foundation (OTF). The reasoning for operating under the DBA was to better reflect and market the geographical expansion of the Foundation.

The Foundation is supported primarily through contributions.

**Note 2 - Summary of Significant Accounting Policies**

A summary of the significant accounting policies consistently applied in the preparation of the accompanying financial statements are as follows:

Basis of Financial Statements Presentation and Accounting Estimates

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America.

For reporting purposes, resources are classified into two net asset categories according to the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation and changes therein are classified and reported as follows:

Net assets without donor restrictions - net assets that are not subject to donor-imposed stipulations.

Net assets with donor restrictions - net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time or subject to donor-imposed stipulations that are to be maintained permanently. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on any related investments for general or specific purposes. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of cash receipts and disbursements – cash basis, as net assets are released from restrictions. Contributions received with donor-imposed restrictions that are met in the same year as received are reported as revenues of the net assets without donor restrictions. As of June 30, 2019, and 2018, there were net assets with donor restrictions of \$1,123,921 and \$918,715, respectively.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization’s cash and cash equivalents consist of cash on hand and certificate of deposit purchased with an initial maturity of twelve months or less. The FDIC deposit insurance insures deposits and money markets up to \$250,000

## **Note 2 - Summary of Significant Accounting Policies (continued)**

### Cash and Cash Equivalents (continued)

per depositor, per insured bank for each ownership category. The Foundation has not incurred losses with respect to its cash.

### Restricted Cash

The Foundation receives support from donors that is restricted as to withdrawal or use by the donors.

### Investments

Investments consist of mutual funds, which are held for sale and are recorded at their current fair values. Securities that have been donated are recorded at the fair values as of the date of the gift.

### Fair Value of Financial Instruments

FASB ASC Topic 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides the 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 lowers priority to unobservable inputs (Level 3 measurements). The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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

*Mutual funds:* Valued at the closing price reported in an active market in which the security is traded.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Foundation believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The provisions of Topic ASC 820 did not have an impact on the Foundation's nonfinancial assets and nonfinancial liabilities that are not permitted or required to be measured at fair value on a recurring basis.

Dallas Ecological Foundation d/b/a Outdoors Tomorrow Foundation  
Notes to the Financial Statements  
June 30, 2019

**Note 2 - Summary of Significant Accounting Policies (continued)**

Contributions Receivable and Promise to Give

Contributions are recognized when a donor makes a promise to give to the Foundation that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as an increase in net assets with donor restrictions. When a restriction expires or is satisfied, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Unconditional promises to give that are expected to be collected in more than one year are discounted to a net present value using an estimated discount factor for risk-free borrowing. For the years ended June 30, 2019 and 2018, discount to present values rates were 2.00% and 2.31%, respectively.

Contributions receivable and promises to give receivable are considered past due when payments are not made under the terms of the contribution agreement. There were no past due contributions receivable or promises to give receivable at June 30, 2019, and no provision was made for uncollectible receivables as of that date. Contributions receivable and promises to give receivable are considered uncollectible and written off to uncollectible bad debt when the donor withdraws the contribution commitment or fails to provide a reasonable revised schedule of contributions. For the years ended June 30, 2019 and 2018, promises to give receivable deemed uncollectible and written off were \$0 and \$40,000, respectively.

As of June 30, 2019, and 2018, contribution receivable had outstanding balances of \$67,730 and \$24,573, respectively while promises to give receivable net of discount, had outstanding balances of \$395,534 and \$415,873, respectively.

Grants Receivable

In October 2015, the Cabela's Outdoor Fund (Cabela's) approved a grant in the amount of \$470,000 to the benefit of the Foundation's Outdoors Adventure Program. The grant monies were fully expensed in 2018.

Donated Goods and Services

The Foundation receives a substantial amount of services donated by its volunteers in carrying out the Foundation's mission. In accordance with the generally accepted accounting principles, donated services are not recorded in these financial statements. Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

Property and Equipment

Property and equipment are stated at cost when purchased or fair value at the date the equipment is donated, less accumulated depreciation. Major expenditures and those that substantially increase useful lives are capitalized. All equipment purchases in excess of \$500 and having a

**Note 2 - Summary of Significant Accounting Policies (continued)**

Property and Equipment (continued)

useful live of one year or more are capitalized. Maintenance, repairs, and replacements, which do not improve or extend the lives of the respective assets, are included in the statement of activities and changes in net assets. When property and equipment is sold or otherwise disposed of, the asset and related accumulated depreciation is removed, and any gain or loss is included in the statement of activities and changes in net assets. Depreciation has been computed using the straight-line method over the useful lives of the assets as follows:

Computer equipment	5 years
Equipment	3–7 years

Functional Allocation of Expenses

The costs of providing the Foundation’s various programs, fundraising, and management and general have been summarized on a functional basis in the statement of activities. The statement of functional expenses present the natural classification detail of expenses by function. Certain costs have been allocated among the program, fundraising, and management and general categories based on the specific identification of costs or approximate percentage of time and other methods.

Change in Accounting Principle

In 2019, the Foundation adopted Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities* (Topic 958): *Presentation of Financial Statements of Not-for Profit Entities*. A summary of the changes is as follows:

- The statement of financial position distinguishes between two new classes of net assets – those with donor-imposed restrictions and those without. This is a change from the previously required three classes of net assets – unrestricted, temporarily restricted and permanently restricted.
- Expenses are reported by nature and function on a separate statement of functional expense. Notes to the financial statements include enhanced quantitative and qualitative disclosures providing additional information useful in assessing liquidity and cash flows available to meet operating expenses for one year from the date of the statement of financial position.

## **Note 2 - Summary of Significant Accounting Policies (continued)**

### Change in Accounting Principle (continued)

- ASU 2016-14 clarifies that for purposes of allocating expenses to functional categories, only activities which constitute direct conduct or supervision of program services can be included in program expense. As a result, accounting, reporting and general oversight associated with grants and investment management, previously included as program expense, are included in administrative support for 2019. The result is a reduction in program expense and an increase in administrative support.

### Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

### Income Taxes

The Foundation is a not-for-profit Foundation that is exempt from federal income tax under Section 501(a) of the Internal Revenue Code (IRC) of 1986, as amended, as an organization described in Section 501(c)(3) of the IRC. The Foundation has been classified as an organization that is not a private foundation under IRC Section 509(a)(2), and as such, contributions to the Foundation qualify for deductions as charitable contributions. However, income generated from activities unrelated to the Foundation's exempt purpose is subject to tax under IRC Section 511, of which there is none. Accordingly, no provision or liability for federal or state income taxes has been included in the accompanying financial statements.

The Foundation is exempt from Texas state taxation for franchise tax and sales and use tax.

The Foundation's Federal Return of Foundation Exempt from Income Tax (Form 990) for 2015, 2016, and 2017 are open to examination by the IRS for a period of three years from the date the returns are filed.

### Accounting for Uncertainty in Income Taxes

Management has concluded that any tax provisions that would not meet the more-likely-than-not criterion of Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) Topic 740-10, *Accounting for Income Taxes*, would be immaterial to the financial statements taken as a whole. Accordingly, the accompanying financial statements do not include any provision of uncertain tax positions, and no related interest or penalties have been recorded in the statement of activities and changes in net assets or accrued in the statement of financial position.

Dallas Ecological Foundation d/b/a Outdoors Tomorrow Foundation  
Notes to the Financial Statements  
June 30, 2019

**Note 2 - Summary of Significant Accounting Policies (continued)**

Reclassification

Certain amounts reported in the 2018 financial statements have been reclassified to conform to the current year's presentation.

**Note 3 – Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date are Cash and cash equivalents of \$341,358.

**Note 4– Cash and Cash Equivalents**

Cash and cash equivalents are composed of the following at June 30, 2019 and 2018:

		2019		2018
Cash	\$	742,593	\$	861,232
Restricted cash		702,513		386,668
Certificate of deposit		112,108		110,475
Total cash, cash equivalents and restricted cash	\$	1,557,214	\$	1,358,375

**Note 5 – Endowments**

The Foundation has endowments that were pledged by donors to support the mission of the Foundation. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Foundation Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. The Foundation's endowment program consists of donor-restricted endowment funds and do not include any funds designated by the Board of Directors to functions as endowments. The endowment program is subject to the Texas Uniform Prudent Management of Institutional Funds Act (TUPMIFA).

The Foundation Board of Directors has interpreted the TUPMIFA 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 restrictions to the contrary. The Foundation classifies the original value of gifts donated to the permanent endowment as well as accumulations to the permanent endowment made at the direction of the donor as net assets with donor restrictions. The remaining portion of the donor-restricted endowment fund that is not subject to permanent donor restrictions is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by TUPMIFA.

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

Dallas Ecological Foundation d/b/a Outdoors Tomorrow Foundation  
Notes to the Financial Statements  
June 30, 2019

**Note 5 – Endowments (continued)**

- (1) The duration and preservation of the 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 policy of the Foundation

		With Donor Restrictions
Endowment net assets, June 2018	\$	358,412
Contributions		96,063
Releases		-
Endowment net assets, June 2019	\$	454,475
		With Donor Restrictions
Endowment net assets, June 2017	\$	302,038
Contributions		56,374
Releases		-
Endowment net assets, June 2018	\$	358,412

Return Objectives and Risk Parameters

The Foundation has adopted investment and spending policies for endowment assets that attempt to protect the related assets and provide a reasonable return until authorized use. The Foundation’s investment philosophy is to invest in secure vehicles, obtain adequate return on investment and invest in vehicles which are compatible with purposes of the Foundation.

Strategies Employed for Achieving Objectives

To satisfy its long-term objectives, the Foundation relies on strategy of asset diversification through professional investment managers. On longer-term investments, the funds are normally placed with the Foundation in the investment pool except when the donor instrument defines another custodian.

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 TUPMIFA requires the Foundation to retain as a fund perpetual duration. An aggregate deficiency did not exist at June 30, 2019 or 2018.

Dallas Ecological Foundation d/b/a Outdoors Tomorrow Foundation  
Notes to the Financial Statements  
June 30, 2019

**Note 6 – Promises to Give Receivable**

Unconditional promises to give, consisting primarily of pledges, are summarized as follows at June 30, 2019 and 2018:

	2019	2018
Less than one year	\$ 96,464	\$ 69,800
One to five years	323,000	349,000
More than five years	10,810	95,010
Subtotal	430,274	513,810
Allowance for doubtful accounts	-	(40,000)
Discount	(34,740)	(57,937)
	\$ 395,534	\$ 415,873

**Note 7 – Restricted Investments**

Investments at June 30, 2019 and 2018 consisted of mutual funds in the amount of \$25,874 and \$25,367, respectively. Investment return for the years ended June 30, 2019 and 2018 included interest and dividends of \$507 and \$1,240, respectively.

**Note 8 – Fair Value of Financial Instruments**

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of June 30, 2019 and 2018:

		<u>Fair Value Measurements at Reporting Date Using:</u>			
		<u>Fair Value</u>	<u>Quoted Prices in Active markets for Identical Assets/Liabilities (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
June 30, 2019					
Mutual funds	\$	25,874	\$ 25,874	\$ -	\$ -
June 30, 2018					
Mutual funds	\$	25,367	\$ 25,367	\$ -	\$ -

**Note 9 – Prepaid Expense**

Prepaid expenses are composed of the following at June 30, 2019 and 2018:

	2019	2018
Prepaid - 2018-2019	\$ 7,273	\$ 4,858
Prepaid - 2019-2020	17,309	-
Deposits	1,400	-
	\$ 25,982	\$ 4,848

Dallas Ecological Foundation d/b/a Outdoors Tomorrow Foundation  
Notes to the Financial Statements  
June 30, 2019

**Note 10 – Fixed Assets**

Fixed assets are composed of the following at June 30, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Camping equipment	\$ 8,811	\$ 8,841
Computer equipment	6,233	5,627
Less accumulated depreciation	(11,987)	(10,809)
	<u>\$ 3,057</u>	<u>\$ 3,659</u>

Depreciation expense for June 30, 2019 and 2018 was \$1,178 and \$1,295.

**Note 11 – Net Assets with Donor Restrictions**

Net assets with donor restrictions at June 30, 2019 and 2018, consisted of the following:

	<u>2019</u>	<u>2018</u>
<b>Purpose Restrictions</b>		
GS	\$ 33,000	\$ 35,000
Houston grants	16,130	2,000
Kentucky	1,900	1,900
Texas Archery	54,347	36,007
Hunting fund	105	105
Warren Wildlife	36,812	38,953
RN LTD	74,071	-
New Mexico schools	4,600	4,600
Scholarships	25,000	25,000
Sportsmen’s Club of Fort Worth	(9,168)	-
Youth shooting teams	865	865
Scholarships (expire 2024 & 2025)	36,250	-
	<u>273,912</u>	<u>144,430</u>
<b>Time Restrictions</b>		
Pledges receivable, net of discount	395,534	415,873
<b>Endowment</b>	454,475	358,412
	<u>\$ 1,123,921</u>	<u>\$ 918,715</u>

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Notes to the Financial Statements  
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**Note 11 – Net Assets with Donor Restrictions (continued)**

Release of net assets with donor restrictions during the fiscal years ended June 30, 2019 and 2018, consisted of the following:

	2019	2018
<b>Purpose Restrictions</b>		
GS	\$ 17,000	\$ -
Houston grants	5,870	8,000
Texas Archery	1,322	-
Hunting fund	-	319
Warren Wildlife	2,250	4,000
RN LTD	64,634	-
Cabela’s grant	-	11,348
Bella Vernon	1,000	
Sportsmen’s Club of Fort Worth	25,213	-
	117,289	23,667
<b>Time Restrictions</b>		
Pledges receivable	85,036	211,374
	\$ 202,325	\$ 235,041

**Note 12– Concentrations**

Significant concentrations are those that exceed more than 10% of revenues received for the year. One donor representing 14% met the reporting threshold for significant donors requiring disclosure as a concentration for the year ending June 30, 2019.

**Note 13 – Subsequent Events**

The Foundation has evaluated subsequent events through March 12, 2020, the date the financial statements were available to be issued.