



# Trustees For Alaska

Consolidated Financial Statements  
Years Ended September 30, 2015 and 2014

# Trustees For Alaska

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Consolidated Financial Statements  
Years Ended September 30, 2015 and 2014

# Trustees For Alaska

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## Independent Auditor's Report

Board of Directors  
Trustees for Alaska  
Anchorage, Alaska

We have audited the accompanying consolidated financial statements of Trustees for Alaska, which comprise the consolidated statement of financial position as of September 30, 2015 and 2014, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

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

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

*Opinion*

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Trustees for Alaska as of September 30, 2015 and 2014, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*Other Matters*

*Other information*

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

*BDO USA, LLP*

Anchorage, Alaska  
January 20, 2016

## Consolidated Financial Statements

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**Trustees For Alaska**  
**Consolidated Statements of Financial Position**

<i>September 30,</i>	2015	2014
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 1,797,773	\$ 1,001,405
Receivables:		
Foundation grants	73,748	70,000
Other receivable	5,422	11,222
Prepaid expenses	19,828	20,729
<b>Total Current Assets</b>	<b>1,896,771</b>	<b>1,103,356</b>
Property and equipment	43,557	106,117
Less accumulated depreciation	(30,485)	(87,915)
Property and equipment, net	13,072	18,202
Investments	3,056,418	3,599,378
<b>Total Assets</b>	<b>\$ 4,966,261</b>	<b>\$ 4,720,936</b>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable	\$ 7,850	\$ 8,318
Accrued payroll liabilities and leave	23,586	25,119
Current portion, capital lease payable	4,454	4,280
<b>Total Current Liabilities</b>	<b>35,890</b>	<b>37,717</b>
Long term liabilities - capital lease payable, net of current portion	5,426	9,880
<b>Total Liabilities</b>	<b>41,316</b>	<b>47,597</b>
<b>Net Assets</b>		
Unrestricted:		
Designated by the Board - endowment	4,225,807	4,207,666
Designated by the Board for operations	150,000	150,000
Undesignated	112,326	3,405
Temporarily restricted	436,812	312,268
<b>Total Net Assets</b>	<b>4,924,945</b>	<b>4,673,339</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 4,966,261</b>	<b>\$ 4,720,936</b>

*See accompanying notes to consolidated financial statements.*

**Trustees for Alaska**  
**Consolidated Statements of Activities**

<i>Years Ended September 30,</i>	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Revenue and Support</b>						
Foundation grants	\$ 158,900	\$ 592,548	\$ 751,448	\$ 100,000	\$ 419,500	\$ 519,500
Contributions	154,889	-	154,889	149,117	-	149,117
Colleen Burgh Fund	-	13,325	13,325	-	100,000	100,000
In-kind revenue	96,299	-	96,299	165,343	-	165,343
Interest income	3,134	-	3,134	1,270	-	1,270
Other	7,335	-	7,335	11,602	-	11,602
Net assets released from restrictions in satisfaction of program requirements	481,329	(481,329)	-	450,635	(450,635)	-
<b>Total Revenue and Support</b>	<b>901,886</b>	<b>124,544</b>	<b>1,026,430</b>	<b>877,967</b>	<b>68,865</b>	<b>946,832</b>
<b>Expenses</b>						
Program services:						
Arctic	212,451	-	212,451	288,622	-	288,622
Clean Air and Water	216,972	-	216,972	194,666	-	194,666
Global Warming	335,592	-	335,592	345,050	-	345,050
Marine	26,477	-	26,477	78,695	-	78,695
Wildlife	70,674	-	70,674	68,942	-	68,942
<b>Total Program Services</b>	<b>862,166</b>	<b>-</b>	<b>862,166</b>	<b>975,975</b>	<b>-</b>	<b>975,975</b>
Support services:						
General and administrative	102,157	-	102,157	96,869	-	96,869
Fundraising	136,062	-	136,062	96,463	-	96,463
<b>Total Support Services</b>	<b>238,219</b>	<b>-</b>	<b>238,219</b>	<b>193,332</b>	<b>-</b>	<b>193,332</b>
<b>Total Expenses</b>	<b>1,100,385</b>	<b>-</b>	<b>1,100,385</b>	<b>1,169,307</b>	<b>-</b>	<b>1,169,307</b>
Increase (decrease) in net assets from operating activities	(198,499)	124,544	(73,955)	(291,340)	68,865	(222,475)
Non-operating activities - gain (loss) on investments	325,561	-	325,561	456,617	-	456,617
Change in net assets	127,062	124,544	251,606	165,277	68,865	234,142
Net assets, beginning of year	4,361,071	312,268	4,673,339	4,195,794	243,403	4,439,197
<b>Net assets, end of year</b>	<b>\$ 4,488,133</b>	<b>\$ 436,812</b>	<b>\$ 4,924,945</b>	<b>\$ 4,361,071</b>	<b>\$ 312,268</b>	<b>\$ 4,673,339</b>

*See accompanying notes to consolidated financial statements.*



**Trustees For Alaska**  
**Consolidated Statement of Functional Expenses**

<i>Year Ended September 30, 2015</i>	Arctic	Clean Air and Water	Climate Change	Marine	Wildlife	General and Admin- istrative	Fund- Raising	Total
Salaries and benefits	\$ 141,456	\$ 151,279	\$ 221,431	\$ 17,915	\$ 41,823	\$ 65,540	\$ 89,585	\$ 729,029
In kind legal	23,571	21,844	37,814	2,458	10,142	-	-	95,829
Occupancy costs	18,318	17,266	29,799	1,000	8,458	7,905	11,755	94,501
Contract and professional	9,372	6,168	19,627	967	3,277	20,825	9,245	69,481
Library	2,474	7,244	6,620	836	2,040	202	15	19,431
Insurance	3,674	3,136	5,511	1,230	1,459	2,529	508	18,047
Travel	6,391	3,017	1,897	-	635	-	5,610	17,550
Meetings and events	514	676	824	54	231	250	8,047	10,596
Communications	1,811	1,534	2,664	229	712	1,225	1,093	9,268
Equipment costs	1,149	811	1,482	923	333	1,478	738	6,914
Dues and subscriptions	1,374	1,881	2,130	306	581	70	27	6,369
Printing and publications	138	128	222	14	62	67	6,252	6,883
Depreciation	994	937	1,618	54	459	430	638	5,130
Supplies and office expense	136	98	178	104	41	156	139	852
Training and recruitment	539	416	1,355	323	180	483	345	3,641
Board activities	420	389	673	44	189	715	274	2,704
Postage	120	148	247	20	52	60	1,791	2,438
Other	-	-	1,500	-	-	222	-	1,722
<b>Total Expenses</b>	<b>\$ 212,451</b>	<b>\$ 216,972</b>	<b>\$ 335,592</b>	<b>\$ 26,477</b>	<b>\$ 70,674</b>	<b>\$ 102,157</b>	<b>\$ 136,062</b>	<b>\$ 1,100,385</b>

*See accompanying notes to consolidated financial statements.*

**Trustees For Alaska**  
**Consolidated Statement of Functional Expenses**

<i>Year Ended September 30, 2014</i>	Arctic	Clean Air and Water	Climate Change	Marine	Wildlife	General and Admin- istrative	Fund- Raising	Total
Salaries and benefits	\$ 202,352	\$ 131,063	\$ 229,872	\$ 7,638	\$ 55,415	\$ 65,398	\$ 70,848	\$ 762,586
In kind legal	40,370	18,177	37,412	64,765	4,210	-	-	164,934
Occupancy costs	17,789	19,558	35,961	2,983	3,024	9,810	8,973	98,098
Contract and professional	11,501	9,120	17,534	1,177	1,055	11,442	9,197	61,026
Library	4,034	3,410	6,324	233	3,339	72	-	17,412
Insurance	2,435	3,060	6,522	619	579	3,481	379	17,075
Travel	4,395	3,161	1,209	43	25	66	833	9,732
Communications	1,891	1,921	2,925	273	332	1,322	911	9,575
Dues and subscriptions	976	1,185	2,617	401	238	192	55	5,664
Depreciation	508	1,114	2,066	184	174	951	511	5,508
Printing and publications	68	75	137	11	12	38	2,681	3,022
Equipment costs	282	619	1,147	102	97	317	284	2,848
Supplies and office expense	397	435	797	67	67	255	399	2,417
Training and recruitment	761	869	81	127	116	358	298	2,610
Board activities	104	114	209	17	18	1,837	52	2,351
Postage	462	75	187	11	49	37	867	1,688
Other	297	710	50	44	192	1,293	175	2,761
<b>Total Expenses</b>	<b>\$ 288,622</b>	<b>\$ 194,666</b>	<b>\$ 345,050</b>	<b>\$ 78,695</b>	<b>\$ 68,942</b>	<b>\$ 96,869</b>	<b>\$ 96,463</b>	<b>\$ 1,169,307</b>

*See accompanying notes to consolidated financial statements.*

**Trustees For Alaska**  
**Consolidated Statements of Cash Flows**

<i>Years Ended September 30,</i>	2015	2014
<b>Cash Flows for Operating Activities</b>		
Receipts from grants and contributions	\$ 915,914	\$ 891,117
Payments to employees and suppliers	(1,000,056)	(996,050)
Receipts from other revenue sources	16,269	26,427
<b>Net Cash Flows for Operating Activities</b>	<b>(67,873)</b>	<b>(78,506)</b>
<b>Cash Flows from (for) Investing Activities</b>		
Payments for investment fees	(25,404)	(23,000)
Interest and dividends received	73,135	72,504
Purchases of investments	(1,316,277)	(877,409)
Proceeds from sale of investments	2,137,067	757,932
<b>Net Cash from (for) Investing Activities</b>	<b>868,521</b>	<b>(69,973)</b>
<b>Cash Flows for Financing Activities -</b>		
principal payments on capital lease obligation	(4,280)	(4,793)
<b>Net change in cash and cash equivalents</b>	<b>796,368</b>	<b>(153,272)</b>
<b>Cash and Cash Equivalents, beginning of year</b>	<b>1,001,405</b>	<b>1,154,677</b>
<b>Cash and Cash Equivalents, end of year</b>	<b>\$ 1,797,773</b>	<b>\$ 1,001,405</b>
Reconciliation of change in net assets to net cash for operating activities:		
Cash flows from operating activities:		
Change in net assets from operating activities	\$ 251,606	\$ 234,142
Adjustments to reconcile change in net assets to cash for operating activities:		
Depreciation	5,130	5,508
Investment income	(325,561)	(456,617)
(Increase) decrease in assets:		
Foundation grants receivable	(3,748)	122,500
Other receivables	5,800	13,555
Prepaid expenses	901	6,098
Increase (decrease) in liabilities:		
Accounts payable	(468)	4,520
Accrued payroll liabilities and leave	(1,533)	(8,212)
<b>Net Cash for Operating Activities</b>	<b>\$ (67,873)</b>	<b>\$ (78,506)</b>
<b>Supplemental Information - Cash Paid During the Year for Interest</b>	<b>\$ -</b>	<b>\$ 15</b>

*See accompanying notes to consolidated financial statements.*

# Trustees for Alaska

## Notes to Consolidated Financial Statements September 30, 2015 and 2014

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### 1. Summary of Significant Accounting Policies

#### *Organization and Nature of Activities*

Trustees for Alaska (the Organization) is a public interest law firm whose mission is to protect Alaska's natural resources and environment. Founded in 1974 to address anticipated impacts from the then-proposed Trans Alaska Pipeline System, the Organization has since evolved into an environmental law firm offering free counsel to local and national environmental groups, Alaska Native villages, nonprofit organizations and others with a stake in protecting Alaska's natural heritage. The Organization's support comes primarily from individual contributions, foundation grants and court-awarded attorney fees.

On December 31, 2008, Trustees for Alaska established the Trustees for Alaska Endowment Fund (TAEF) to provide financial support to the charitable activities, projects and programs of Trustees for Alaska. TAEF is classified as a Section 509(a)(3) "Type I" supporting organization by the Internal Revenue Service. All activities of the Endowment Fund are included in these financial statements.

#### *Program Activities*

Trustees for Alaska is dedicated to matters affecting the State of Alaska. Its work covers a wide range of issues from oil and gas development, climate change, mining, and air and water pollution, to wildlife conservation and terrestrial, aquatic and marine ecosystem protection. Trustees for Alaska works in five main areas:

- Protecting America's unique Arctic ecosystems
- Addressing the impacts of climate change on Alaska's communities and ecosystems
- Protecting Alaska's vast marine ecosystems
- Protecting Alaska's spectacular wilderness areas, and promoting the biodiversity of Alaska's Wildlife.
- Assuring clean air, clean water, and continued access to subsistence resources

#### *Basis of Accounting*

The Organization prepares its financial statements on the accrual basis of accounting. Accordingly, revenues are recognized when earned and expenses recognized when incurred.

# Trustees for Alaska

## Notes to Consolidated Financial Statements

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### *Management Estimates and Assumptions*

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

### *Financial Statement Presentation*

The Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets:

*Unrestricted net assets:* Net assets that are not subject to donor-imposed or time restrictions that are general in nature or that are for operating purposes of the Organization.

*Temporarily restricted net assets:* Net assets whose use is limited by donor-imposed stipulations that either expire by the passage of time or can be fulfilled by actions of Trustees for Alaska. When the stipulated time restriction ends or action is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and are reported in the statement of activities as net assets released from program restrictions.

*Permanently restricted net assets:* Net assets from contributions whose use by the Organization is limited by donor-imposed stipulations that neither expire by passage of time nor can be fulfilled or otherwise removed by actions of the Organization.

### *Cash and Cash Equivalents*

For purposes of the statement of cash flows, the Organization considers the unrestricted balances in its checking, savings and money market accounts to be cash, as well as certificates of deposit that mature within one year.

### *Fair Value of Financial Instruments*

Trustees for Alaska must disclose its estimate of the fair value of material financial instruments, including those recorded as assets or liabilities in its financial statements and derive financial instruments.

The following financial instruments are recorded at fair value or at amounts that approximate fair value: (1) cash and cash equivalents, (2) investments, (3) receivables, net (4) certain other current assets, (5) accounts payable and (6) other current liabilities. The carrying amounts reported on the Statement of Financial Position for the above financial instruments closely approximate their fair value due to the short-term nature of these assets and liabilities.

The carrying amount of receivables approximates fair value because they are expected to be received within a reasonable time period where any difference from fair value would be considered immaterial.

# Trustees for Alaska

## Notes to Consolidated Financial Statements

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Included in investment related line items in the financial statements are certain financial instruments carried at fair value. Other financial instruments are periodically measured at fair value, such as when impaired, or, for certain bonds and stock when carried at the lower of cost or market. Mutual funds are valued at the net asset value (NAV) of shares held at year end. The Organization's financial assets carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by generally accepted accounting principles.

### *Equipment*

Equipment in excess of \$1,000, which consists primarily of office equipment, is carried at cost if purchased or fair value if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

### *Functional Allocation of Expenses*

Direct expenses are charged to programs, fundraising and supporting services. Expenses related to more than one function are charged to each function on the basis of time studies and full-time equivalent positions. Management and general expenses include those expenses that are not directly chargeable to any other specific function but provide for the overall support and direction of the Organization.

### *Pledges and Promises to Give*

Unconditional promises to give (pledges) are recognized as revenues in the period in which the promise is made, and as assets, decreases in liabilities, or expenses depending upon the form of the benefits to be received. Conditional pledges are considered unconditional if the possibility that the condition will not be met is remote. Promises to give that are contingent upon substantive conditions being met are recognized only when the conditions have been met and the promise become unconditional. Promises to give are recorded at net realizable value if expected to be collected in more than one year.

### *Contributed Services, Materials, and Utilities*

Donated materials, supplies and utilities are valued at fair market on the date contributed. Donated services are included in the Organization's Statement of Activities in the following circumstances:

- a) the services performed create or enhance non-financial assets; or
- b) the services require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation.

### *Fee Awards*

Court-awarded case costs are recognized in the period which the court order is issued.

# Trustees for Alaska

## Notes to Consolidated Financial Statements

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### *Income Taxes*

The activities of the Organization are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Although the Organization is exempt from federal income taxes, any income derived from unrelated business activities is subject to the requirements of filing Federal Income Tax Form 990-T and a tax liability may be determined on these activities.

The Organization applies the provisions of Topic 740 of the FASB Accounting Standards Codification relating to accounting for uncertainty in income taxes. The Organization annually reviews its return and positions taken in accordance with the recognition standards.

The Organization believes that it has no uncertain tax positions taken in accordance with the recognition standards that would require disclosure or adjustment in these financial statements.

### *Contingencies*

Grants awarded by private foundations may be subject to review by these organizations or their representatives. Adjustments of amounts received could result in the event of noncompliance with budgetary constraints, purpose restrictions, or other significant terms of the agreements.

### *Subsequent Events*

The Organization has evaluated subsequent events through January 20, 2016, the date on which the financial statements were issued.

## 2. Cash and Cash Equivalents

Cash and cash equivalents are comprised of the following amounts at September 30:

	2015	2014
Demand deposits	\$ 426,195	\$ 92,300
Short-term certificates of deposit	202,188	200,817
Total - non endowment funds	628,384	293,117
Demand deposits	2,161	8,825
Money market funds	1,167,228	699,463
Total - endowment funds	1,169,389	708,288
<b>Total Cash and Cash Equivalents</b>	<b>\$ 1,797,773</b>	<b>\$ 1,001,405</b>

Cash and cash equivalents are insured by the Federal Deposit Insurance Corporation (FDIC) and the National Credit Union Insurance Fund (NCUSIF) to a maximum of \$250,000 per financial institution. Certificates of deposit are insured by the Securities Investment Protection Corporation (SPIC) to a maximum of \$500,000 per financial institution. Amounts in excess of the FDIC, NCUSIF and SPIC limit throughout the year are neither insured nor collateralized. At September 30, 2015 and 2014, there was \$667,228 and \$199,463 of uninsured deposits in money market funds, respectively.

# Trustees for Alaska

## Notes to Consolidated Financial Statements

### 3. Foundation Grants Receivable

Promises to give amounts in the future that are not contingent upon meeting substantive conditions consist of the following at September 30:

	2015	2014
Wilburforce Foundation	\$ -	\$ 40,000
Brainerd Foundation		30,000
Pew Charitable Trust	3,748	-
True North Foundation	70,000	-
<b>Total Grants Receivable</b>	<b>\$ 73,748</b>	<b>\$ 70,000</b>

### 4. Prepaid Expenses

Prepaid expenses consisted of the following at September 30:

	2015	2014
Security deposit	\$ 5,574	\$ 5,754
Rent	8,000	7,750
Employee benefits	226	240
Insurance	2,158	5,205
Other	3,970	1,780
<b>Total</b>	<b>\$ 19,828</b>	<b>\$ 20,729</b>

### 5. Leases

#### *Capital Lease - Copier*

In December 2012, the Organization entered into a new 60-month capital lease for a copy machine with minimum monthly payments of \$396 and an effective interest rate of 4%. The cost of the copier was \$21,647 and will be depreciated over an estimated 5-year useful life. As of September 30, 2015, \$12,197 of depreciation has been recorded, leaving a remaining net book value of \$9,450 at September 30, 2015. Future required minimum lease payments are as follows:

#### *Fiscal Year Ending:*

2016	\$	4,752
2017		4,752
2018		793
Total value of payments to be made		10,297
Less amount representing interest		(417)
Present value of net minimum lease payments under capital lease		9,880
Current portion due next year		(4,454)
<b>Long Term Portion</b>	<b>\$</b>	<b>5,426</b>



# Trustees for Alaska

## Notes to Consolidated Financial Statements

### *Operating Lease - Office Space*

The Organization leases office space under a lease originally executed June 7, 1999. The latest amendment extends the lease for a five year period beginning August 1, 2012 and ending July 31, 2017. Future minimum required payments are as follows:

### *Fiscal Year Ending*

2016	96,000
2017	80,000

## 6. Temporarily Restricted Net Assets

Temporarily restricted net assets are restricted as to time or purpose as designated by the donor. The Organization's net assets temporarily restricted for the following purposes or time periods were as follows at September 30:

	2015	2014
Marine	\$ -	\$ 3,286
Arctic	19,080	40,000
Clean air and water	92,104	-
Coal/climate change	212,303	131,528
Operational	-	30,000
Colleen Burgh Fund	113,325	100,000
Other	-	7,454
<b>Total</b>	<b>\$ 436,812</b>	<b>\$ 312,268</b>

The Organization's net assets released from temporary restrictions were as follows for the years ended September 30:

	2015	2014
Mining	\$ -	\$ 40,000
Marine	3,286	4,884
Arctic	47,273	40,000
Clean air and water	132,697	40,000
South Central	-	38,385
Coal/climate change	260,619	260,321
Community capacity	-	3,605
Operational	30,000	60,000
Other	7,454	3,440
<b>Total</b>	<b>\$ 481,329</b>	<b>\$ 450,635</b>

# Trustees for Alaska

## Notes to Consolidated Financial Statements

### 7. In-Kind Revenue and Expense

The value of donated goods and services is as follows for the year ended September 30, 2015:

	Program Services	Support Services	Total
In-kind personnel:			
Attorneys and interns	\$ 95,829	-	\$ 95,829
Information technology	-	470	470
	\$ 95,829	470	\$ 96,299

The value of donated goods and services is as follows for the year ended September 30, 2014:

	Program Services	Support Services	Total
In-kind personnel:			
Attorneys and interns	\$ 164,935	-	\$ 164,935
Information technology	-	408	408
	\$ 164,935	\$ 408	\$ 165,343

Trustees for Alaska received the services of first and second year law students during a summer internship program in fiscal year 2015 and 2014. In 2015, we paid them \$12 per hour, but in 2014, we paid them minimum wage. These services are valuable to Trustees for Alaska because they must be provided by individuals possessing specialized skills in understanding of precedent, methods of legal research and legal reasoning. If these services were purchased from a contract attorney the rate of compensation would be significantly higher than Alaska's minimum wage. The value of in-kind intern salaries in these financial statements was calculated as the difference between estimated market rates for legal research services of \$90 in 2015 and \$75 in 2014 and amounts actually paid for hours worked.

The value of in-kind attorney services was similarly calculated as the difference between estimated fair value of attorney rates and those actually charged by contract attorneys for services provided or the estimated fair value of donated time. The in-kind contributions for other professional services were valued at the excess of market rates over amounts actually charged.

### 8. Endowment Fund

Trustees for Alaska established an Endowment Fund in fiscal year 2009 for the purpose of providing future revenues for organizational spending. The Trustees for Alaska Endowment Fund (TAEF), an Alaska nonprofit corporation formed as a "public charity" under section 509(a)(3) of the Internal Revenue Code was formed as a supporting organization for Trustees for Alaska. TAEF is a "Type I" supporting organization within the meaning of 509(a)(3)(B)(i).

# Trustees for Alaska

## Notes to Consolidated Financial Statements

The TAEF had the following endowment-related activity for the years ended September 30:

	2015	2014
Endowment net assets, beginning of year	\$ 4,307,666	\$ 3,847,376
Contributions	27,805	119,700
Investment return:		
Interest and dividend income	73,135	72,504
Unrealized gain (loss) on investments	201,901	362,233
Realized gain (loss) on sale of investments	63,228	44,880
Investment fees	(25,404)	(23,000)
Total investment return	312,860	456,617
Amounts appropriated for expenditures:		
Contribution to TFA	415,860	104,919
Other expenses	6,664	11,108
Total expenditures	422,524	116,027
Endowment Net Assets, End of Year	4,225,807	4,307,666
Restricted for Colleen Burgh Fund	113,325	100,000
Unrestricted Endowment Net Assets, End of Year	\$ 4,112,482	\$ 4,207,666

### *Investment and Expenditure Policy*

The purpose of the TAEF is to provide support and security for TFA in perpetuity. The Board has adopted an investment policy statement describing the goals and objectives for the assets, including the following:

- Maintain total cash reserves, in the aggregate, of not less than \$150,000, for use by TFA in emergency circumstances.
- Deem the TAEF assets as a quasi-endowment (“endowment assets”).
- Seek returns on its endowment assets (net of the Fund’s fees, expenses, and distributions to TFA) that are in excess of the rate of inflation over the long-term investment horizon of the portfolio.

# Trustees for Alaska

## Notes to Consolidated Financial Statements

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- It is the policy of the Board to provide to the Executive Director, no later than the Spring meeting, guidance as to the amount of and the restrictions (if any) on the use of the TAEF appropriation for the subsequent fiscal year. The TAEF appropriation and its use will be included as an item in the budget approved at the fall meeting, and the appropriation will ordinarily be effective on or about October 1.
- The investment policy statement also characterizes TAEF's risk profile as conservative. As part of this profile, a strategic asset allocation is outlined to reflect the TAEF's preferences and directions and provide base line targets for investment managers.

### 9. Fair Value Measurements and Investments

All of the Organization's investment assets as of September 30, 2015 and 2014 are classified at Level 1, as the values are unadjusted quoted prices for identical assets and liabilities in active markets accessible at the measurement date. These assets include actively-traded exchange-listed equity and debt securities. Unadjusted quoted prices for these securities are provided to the Organization by independent pricing services. All investment assets are held in common stocks across a diversified group of industries.

### 10. Tax-Deferred Annuity Plan

In 1994, the Organization adopted a tax-deferred annuity plan pursuant to Internal Revenue Code Section 403(b). Beginning with an employee's second year, the Organization matches employee contributions to a maximum of 3.5% of annual compensation. On October 1, 2010 the plan was amended to include part-time employees. Employer contributions totaled \$18,682 and \$16,704 for years ending September 30, 2015 and 2014, respectively.

### 11. Concentrations

The Organization received approximately 52% of its total revenue (excluding in-kind contributions) in fiscal year 2015 and 51% in fiscal year 2014 from three contributors. The Organization is at risk that funding from these or other significant sources may be either reduced or eliminated in future periods.

### 12. Board Designated Operating Funds

Effective 2014, organizational fiscal policies were accepted, requiring cash reserves of not less than \$150,000 for use in emergency circumstances. TFA has designated an equivalent amount of net assets to represent this reserve.

## Supplementary Information

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**Trustees for Alaska**  
**Consolidating Statement of Financial Position**

<i>September 30,</i>	2015			2014		
	Trustees for Alaska	Trustees for Alaska Endowment	Total	Trustees for Alaska	Trustees for Alaska Endowment	Total
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	\$ 628,384	\$ 1,169,389	\$ 1,797,773	\$ 293,117	\$ 708,288	\$ 1,001,405
Receivables:						
Foundation grants	73,748	-	73,748	70,000	-	70,000
Other receivables	5,422	-	5,422	11,222	-	11,222
Prepaid expenses	19,828	-	19,828	20,729	-	20,729
<b>Total Current Assets</b>	<b>727,382</b>	<b>1,169,389</b>	<b>1,896,771</b>	<b>395,068</b>	<b>708,288</b>	<b>1,103,356</b>
Property and equipment	43,557	-	43,557	106,117	-	106,117
Less accumulated depreciation	(30,485)	-	(30,485)	(87,915)	-	(87,915)
<b>Property and Equipment, Net</b>	<b>13,072</b>	<b>-</b>	<b>13,072</b>	<b>18,202</b>	<b>-</b>	<b>18,202</b>
Investments	-	3,056,418	3,056,418	-	3,599,378	3,599,378
<b>Total Assets</b>	<b>\$ 740,454</b>	<b>\$ 4,225,807</b>	<b>\$ 4,966,261</b>	<b>\$ 413,270</b>	<b>\$ 4,307,666</b>	<b>\$ 4,720,936</b>
<b>Liabilities and Net Assets</b>						
<b>Current Liabilities</b>						
Accounts payable	\$ 7,850	\$ -	\$ 7,850	\$ 8,318	\$ -	\$ 8,318
Accrued payroll liabilities and leave	23,586	-	23,586	25,119	-	25,119
Current portion, capital lease payable	4,454	-	4,454	4,280	-	4,280
<b>Total Current Liabilities</b>	<b>35,890</b>	<b>-</b>	<b>35,890</b>	<b>37,717</b>	<b>-</b>	<b>37,717</b>
Long Term Liabilities - capital lease payable, net of current portion	5,426	-	5,426	9,880	-	9,880
<b>Total Liabilities</b>	<b>41,316</b>	<b>-</b>	<b>41,316</b>	<b>47,597</b>	<b>-</b>	<b>47,597</b>
<b>Net Assets</b>						
Unrestricted:						
Designated by the Board - endowment	-	4,225,807	4,225,807	-	4,207,666	4,207,666
Designated by the Board for operations	150,000	-	150,000	153,405	-	153,405
Undesignated	112,326	-	112,326	-	-	-
Temporarily restricted	436,812	-	436,812	212,268	100,000	312,268
<b>Total Net Assets</b>	<b>699,138</b>	<b>4,225,807</b>	<b>4,924,945</b>	<b>365,673</b>	<b>4,307,666</b>	<b>4,673,339</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 740,454</b>	<b>\$ 4,225,807</b>	<b>\$ 4,966,261</b>	<b>\$ 413,270</b>	<b>\$ 4,307,666</b>	<b>\$ 4,720,936</b>

## Trustees For Alaska

### Consolidating Statement of Activities

<i>Years Ended September 30,</i>	2015				2014			
	Trustees		Trustees		Trustees		Trustees	
	Trustees for Alaska	for Alaska Endowment	Eliminations	Total	Trustees for Alaska	for Alaska Endowment	Eliminations	Total
<b>Revenue and Support</b>								
Foundation grants	\$ 751,448	\$ -	\$ -	\$ 751,448	\$ 519,500	\$ -	\$ -	\$ 519,500
Contributions *	556,269	14,480	(415,860)	154,889	234,336	19,700	(104,919)	149,117
Colleen Burgh Fund	-	13,325	-	13,325	-	100,000	-	100,000
In-kind revenue	96,299	-	-	96,299	165,343	-	-	165,343
Interest income	3,134	-	-	3,134	1,270	-	-	1,270
Other	7,335	-	-	7,335	11,602	-	-	11,602
<b>Total Revenue and Support</b>	<b>1,414,485</b>	<b>27,805</b>	<b>(415,860)</b>	<b>1,026,430</b>	<b>932,051</b>	<b>119,700</b>	<b>(104,919)</b>	<b>946,832</b>
<b>Expenses</b>								
<b>Program services</b>								
Arctic	212,451	-	-	212,451	288,622	-	-	288,622
Clean Air and Water	216,972	-	-	216,972	194,666	-	-	194,666
Global Warming	335,592	-	-	335,592	345,050	-	-	345,050
Marine	26,477	-	-	26,477	78,695	-	-	78,695
Wildlife	70,674	-	-	70,674	68,942	-	-	68,942
<b>Total Program Services</b>	<b>862,166</b>	<b>-</b>	<b>-</b>	<b>862,166</b>	<b>975,975</b>	<b>-</b>	<b>-</b>	<b>975,975</b>
<b>Support Services</b>								
General administrative	82,792	19,365	-	102,157	85,761	11,108	-	96,869
Fundraising	136,062	-	-	136,062	96,463	-	-	96,463
<b>Total Support Services</b>	<b>218,854</b>	<b>19,365</b>	<b>-</b>	<b>238,219</b>	<b>182,224</b>	<b>11,108</b>	<b>-</b>	<b>193,332</b>
<b>Total Expenses</b>	<b>1,081,020</b>	<b>19,365</b>	<b>-</b>	<b>1,100,385</b>	<b>1,158,199</b>	<b>11,108</b>	<b>-</b>	<b>1,169,307</b>
Increase (decrease) in net assets from operating activities	333,465	8,440	(415,860)	(73,955)	(226,148)	108,592	(104,919)	(222,475)
<b>Non-operating Activities:</b>								
Contribution to TFA *	-	(415,860)	415,860	-	-	(104,919)	104,919	-
Gain (loss) on investments	-	325,561	-	325,561	-	456,617	-	456,617
Change in net assets	333,465	(81,859)	-	251,606	(226,148)	460,290	-	234,142
<b>Net Assets, beginning of year</b>	<b>365,673</b>	<b>4,307,666</b>	<b>-</b>	<b>4,673,339</b>	<b>591,821</b>	<b>3,847,376</b>	<b>-</b>	<b>4,439,197</b>
<b>Net Assets, end of year</b>	<b>\$ 699,138</b>	<b>\$4,225,807</b>	<b>\$ -</b>	<b>\$ 4,924,945</b>	<b>\$ 365,673</b>	<b>\$ 4,307,666</b>	<b>\$ -</b>	<b>\$ 4,673,339</b>

\* The elimination represents the contribution from Trustees for Alaska Endowment to Trustees for Alaska.