



Trustees For Alaska

Consolidated Financial Statements
Years Ended September 30, 2014 and 2013

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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, 2014 and 2013, 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, 2014 and 2013, 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
February 10, 2015

Consolidated Financial Statements

Trustees For Alaska
Consolidated Statements of Financial Position

<i>September 30,</i>	2014	2013
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,001,405	\$ 1,154,677
Receivables:		
Foundation grants	70,000	192,500
Other receivable	11,222	24,777
Prepaid expenses	20,729	26,827
Total Current Assets	1,103,356	1,398,781
Property and equipment	106,117	106,117
Less accumulated depreciation	(87,915)	(82,407)
Property and equipment, net	18,202	23,710
Investments	3,599,378	3,072,788
Total Assets	\$ 4,720,936	\$ 4,495,279
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 8,318	\$ 3,798
Accrued payroll liabilities and leave	25,119	33,331
Current portion, capital lease payable	4,280	4,793
Total Current Liabilities	37,717	41,922
Long term liabilities - capital lease payable, net of current portion	9,880	14,160
Total Liabilities	47,597	56,082
Net Assets		
Unrestricted:		
Designated by the Board - endowment	4,207,666	3,847,376
Designated by the Board for operations	150,000	339,943
Undesignated	3,405	8,475
Temporarily restricted	312,268	243,403
Total Net Assets	4,673,339	4,439,197
Total Liabilities and Net Assets	\$ 4,720,936	\$ 4,495,279

See accompanying notes to consolidated financial statements.

Trustees for Alaska
Consolidated Statements of Activities

<i>Years Ended September 30,</i>	2014			2013		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenue and Support						
Foundation grants	\$ 100,000	\$ 419,500	\$ 519,500	\$ 88,000	\$ 692,174	\$ 780,174
Contributions	149,117	-	149,117	133,039	-	133,039
Colleen Burgh Fund	-	100,000	100,000	-	-	-
In-kind revenue	165,343	-	165,343	214,376	-	214,376
Legal fees	-	-	-	12,451	-	12,451
Interest income	1,270	-	1,270	811	-	811
Other	11,602	-	11,602	11,944	-	11,944
Net assets released from restrictions in satisfaction of program requirements	450,635	(450,635)	-	604,987	(604,987)	-
Total Revenue and Support	877,967	68,865	946,832	1,065,608	87,187	1,152,795
Expenses						
Program services:						
Arctic	288,622	-	288,622	232,297	-	232,297
Clean Air and Water	194,666	-	194,666	266,192	-	266,192
Global Warming	345,050	-	345,050	500,672	-	500,672
Marine	78,695	-	78,695	47,369	-	47,369
Wildlife	68,942	-	68,942	38,297	-	38,297
Total Program Services	975,975	-	975,975	1,084,827	-	1,084,827
Support services:						
General and administrative	96,869	-	96,869	87,564	-	87,564
Fundraising	96,463	-	96,463	87,034	-	87,034
Total Support Services	193,332	-	193,332	174,598	-	174,598
Total Expenses	1,169,307	-	1,169,307	1,259,425	-	1,259,425
Increase (decrease) in net assets from operating activities	(291,340)	68,865	(222,475)	(193,817)	87,187	(106,630)
Non-operating activities - gain (loss) on investments	456,617	-	456,617	260,140	-	260,140
Change in net assets	165,277	68,865	234,142	66,323	87,187	153,510
Net assets, beginning of year	4,195,794	243,403	4,439,197	4,129,471	156,216	4,285,687
Net assets, end of year	\$ 4,361,071	\$ 312,268	\$ 4,673,339	\$ 4,195,794	\$ 243,403	\$ 4,439,197

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
Total Expenses	\$ 288,622	\$ 194,666	\$ 345,050	\$ 78,695	\$ 68,942	\$ 96,869	\$ 96,463	\$ 1,169,307

See accompanying notes to consolidated financial statements.

Trustees For Alaska
Consolidated Statement of Functional Expenses

<i>Year Ended September 30, 2013</i>	Arctic	Clean Air and Water	Global Warming	Marine	Wildlife	General and Admin- istrative	Fund- Raising	Total
Salaries and benefits	\$ 156,940	\$ 165,650	\$ 314,166	\$ 18,155	\$ 22,809	\$ 68,531	\$ 66,259	\$ 812,510
In-kind legal and management support	38,331	46,689	103,644	16,061	9,422	125	104	214,376
Occupancy costs	13,686	17,111	37,069	5,786	3,340	5,429	7,519	89,940
Contract and professional	5,594	5,595	20,263	1,904	1,089	2,905	6,559	43,909
Library	3,341	3,404	8,760	927	531	-	-	16,963
Travel	3,817	7,292	92	1,548	(33)	400	1,185	14,301
Advertising	-	9,377	-	-	-	-	-	9,377
Insurance	3,843	1,069	2,377	368	216	1,339	(27)	9,185
Communications	1,441	1,471	2,893	787	266	1,011	567	8,436
Equipment costs	631	763	1,769	414	169	2,323	366	6,435
Dues and subscriptions	900	1,096	2,433	377	221	9	97	5,133
Supplies and office expense	714	895	1,943	338	176	532	414	5,012
Court costs	1,152	3,692	477	-	(315)	5	-	5,011
Depreciation	636	794	1,721	269	155	416	348	4,339
Training and recruitment	615	695	1,679	238	138	148	124	3,637
Board activities	82	102	222	35	20	2,243	195	2,899
Postage	425	312	761	99	57	154	853	2,661
Printing and publications	22	27	60	9	5	14	1,753	1,890
Interest expense	127	158	343	54	31	83	69	865
Other	-	-	-	-	-	1,897	649	2,546
Total Expenses	\$ 232,297	\$ 266,192	\$ 500,672	\$ 47,369	\$ 38,297	\$ 87,564	\$ 87,034	\$ 1,259,425

See accompanying notes to consolidated financial statements.

Trustees For Alaska
Consolidated Statements of Cash Flows

<i>Years Ended September 30,</i>	2014	2013
Cash Flows for Operating Activities		
Receipts from grants and contributions	\$ 891,117	\$ 788,713
Payments to employees and suppliers	(996,050)	(1,059,271)
Receipts from other revenue sources	26,427	5,353
Net Cash Flows for Operating Activities	(78,506)	(265,205)
Cash Flows from (for) Investing Activities		
Payments for investment fees	(23,000)	(33,225)
Interest and dividends received	72,504	84,098
Purchases of investments	(877,409)	(4,087,401)
Proceeds from sale of investments	757,932	4,769,350
Net Cash from (for) Investing Activities	(69,973)	732,822
Cash Flows for Financing Activities - principal payments on capital lease obligation	(4,793)	(6,372)
Net change in cash and cash equivalents	(153,272)	461,245
Cash and Cash Equivalents, beginning of year	1,154,677	693,432
Cash and Cash Equivalents, end of year	\$ 1,001,405	\$ 1,154,677
Reconciliation of change in net assets to net cash for operating activities:		
Cash flows from operating activities:		
Change in net assets from operating activities	\$ 234,142	\$ 153,510
Adjustments to reconcile change in net assets to cash for operating activities:		
Depreciation	5,508	4,339
Investment income	(456,617)	(260,140)
(Increase) decrease in assets:		
Foundation grants receivable	122,500	(124,500)
Other receivables	13,555	(19,853)
Prepaid expenses	6,098	(9,410)
Increase (decrease) in liabilities:		
Accounts payable	4,520	(3,227)
Accrued payroll liabilities and leave	(8,212)	(5,924)
Net Cash for Operating Activities	\$ (78,506)	\$ (265,205)
Supplemental Cash Flow Disclosure - Noncash Investing Activity - purchase of capital equipment with capital lease	\$ -	\$ 21,647
Supplemental Information - Cash Paid During the Year for Interest	\$ 15	\$ 865

See accompanying notes to consolidated financial statements.

Trustees for Alaska

Notes to Consolidated Financial Statements September 30, 2014 and 2013

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

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

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

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 February 10, 2015, 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:

	2014	2013
Demand deposits	\$ 92,300	\$ 381,152
Short-term certificates of deposit	200,817	-
Total - non endowment funds	293,117	381,152
Demand deposits	8,825	8,880
Money market funds	699,463	764,645
Total - endowment funds	708,288	773,525
Total Cash and Cash Equivalents	\$ 1,001,405	\$ 1,154,677

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, 2014 and 2013, there was \$199,463 and \$264,645 of uninsured deposits in money market funds, respectively.

3. Foundation Grants Receivable

Trustees for Alaska

Notes to Consolidated Financial Statements

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

	2014	2013
Alaska Conservation Foundation	\$ -	\$ 122,500
Wilburforce Foundation	40,000	-
Brainerd Foundation	30,000	-
True North Foundation	-	70,000
Total Grants Receivable	\$ 70,000	\$ 192,500

4. Prepaid Expenses

Prepaid expenses consisted of the following at September 30:

	2014	2013
Security deposit	\$ 5,754	\$ 5,754
Rent	7,750	-
Employee benefits	240	2,225
Insurance	5,205	16,054
Other	1,780	2,794
Total	\$ 20,729	\$ 26,827

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, 2014, \$7,868 of depreciation has been recorded, leaving a remaining net book value of \$13,779 at September 30, 2014. Future required minimum lease payments are as follows:

Fiscal Year Ending:

2015	\$ 4,752
2016	4,752
2017	4,752
2018	794
Total value of payments to be made	15,050
Less amount representing interest	(890)
Present value of net minimum lease payments under capital lease	14,160
Current portion due next year	(4,280)

Long Term Portion	\$ 9,880
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Operating Lease - Office Space

Trustees for Alaska

Notes to Consolidated Financial Statements

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

2015	\$	93,500
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:

	2014	2013
Mining	\$ -	\$ 40,000
Marine	3,286	8,170
Arctic	40,000	-
South Central	-	38,384
Coal/climate change	131,528	126,849
Operational	30,000	30,000
Colleen Burgh Fund	100,000	-
Other	7,454	-
Total	\$ 312,268	\$ 243,403

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

	2014	2013
Mining	\$ 40,000	\$ 137,519
Marine	4,884	35,601
Arctic	40,000	40,000
South Central	38,385	7,542
Coal/climate change	260,321	330,651
Community capacity	3,605	10,174
Operational	60,000	36,000
Other	3,440	7,500
Total	\$ 450,635	\$ 604,987

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, 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

The value of donated goods and services is as follows for the year ended September 30, 2013:

	Program Services	Support Services	Total
In-kind personnel:			
Attorneys and interns	\$ 213,076	\$ -	\$ 213,076
Information technology	1,071	229	1,300
	\$ 214,147	\$ 229	\$ 214,376

Trustees for Alaska received the services of first and second year law students and one paralegal working on special research projects during a summer internship program in fiscal year 2013 and 2012. Some interns are compensated according to the Alaska minimum wage schedule. 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 \$75 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:

	2014	2013
Endowment net assets, beginning of year	\$ 3,847,376	\$ 3,639,739
Contributions	119,700	-
Investment return:		
Interest and dividend income	72,504	84,098
Unrealized gain (loss) on investments	362,233	(210,098)
Realized gain (loss) on sale of investments	44,880	419,365
Investment fees	(23,000)	(33,225)
Total investment return	456,617	260,140
Amounts appropriated for expenditures:		
Contribution to TFA	104,919	50,000
Other expenses	11,108	2,503
Total expenditures	116,027	52,503
Endowment Net Assets, End of Year	4,307,666	3,847,376
Restricted for Colleen Burgh Fund	100,000	-
Unrestricted Endowment Net Assets, End of Year	\$ 4,207,666	\$ 3,847,376

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.
- 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.

Trustees for Alaska

Notes to Consolidated Financial Statements

- 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, 2014 and 2013 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 \$16,704 and \$19,808 for years ending September 30, 2014 and 2013, respectively.

11. Concentrations

The Organization received approximately 51% of its total revenue (excluding in-kind contributions) in fiscal year 2014 and 65% in fiscal year 2013 from three contributors. Two of the contributions in both 2014 and 2013 were received as pass-through funds from another contributor. 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

In 2013, organizational fiscal policies stipulate an operational goal of three months cash designated as an operating reserve, based on the budget. In 2013, this was calculated to be \$339,943. In 2014, this policy was revised to require 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

Trustees for Alaska
Consolidating Statement of Financial Position

<i>September 30,</i>	2014			2013		
	Trustees for Alaska	Trustees for Alaska Endowment	Total	Trustees for Alaska	Trustees for Alaska Endowment	Total
Assets						
Current Assets						
Cash and cash equivalents	\$ 293,117	\$ 708,288	\$ 1,001,405	\$ 381,152	\$ 773,525	\$ 1,154,677
Receivables:						
Foundation grants	70,000	-	70,000	192,500	-	192,500
Other receivables	11,222	-	11,222	24,777	-	24,777
Prepaid expenses	20,729	-	20,729	25,764	1,063	26,827
Total Current Assets	395,068	708,288	1,103,356	624,193	774,588	1,398,781
Property and equipment	106,117	-	106,117	106,117	-	106,117
Less accumulated depreciation	(87,915)	-	(87,915)	(82,407)	-	(82,407)
Property and Equipment, Net	18,202	-	18,202	23,710	-	23,710
Investments	-	3,599,378	3,599,378	-	3,072,788	3,072,788
Total Assets	\$ 413,270	\$ 4,307,666	\$ 4,720,936	\$ 647,903	\$ 3,847,376	\$ 4,495,279
Liabilities and Net Assets						
Current Liabilities						
Accounts payable	\$ 8,318	\$ -	\$ 8,318	\$ 3,798	\$ -	\$ 3,798
Accrued payroll liabilities and leave	25,119	-	25,119	33,331	-	33,331
Current portion, capital lease payable	4,280	-	4,280	4,793	-	4,793
Total Current Liabilities	37,717	-	37,717	41,922	-	41,922
Long Term Liabilities - capital lease payable, net of current portion	9,880	-	9,880	14,160	-	14,160
Total Liabilities	47,597	-	47,597	56,082	-	56,082
Net Assets						
Unrestricted:						
Designated by the Board - endowment	-	4,207,666	4,207,666	-	3,847,376	3,847,376
Designated by the Board for operations	153,405	-	153,405	339,943	-	339,943
Undesignated	-	-	-	8,475	-	8,475
Temporarily restricted	212,268	100,000	312,268	243,403	-	243,403
Total Net Assets	365,673	4,307,666	4,673,339	591,821	3,847,376	4,439,197
Total Liabilities and Net Assets	\$ 413,270	\$ 4,307,666	\$ 4,720,936	\$ 647,903	\$ 3,847,376	\$ 4,495,279

Trustees For Alaska

Consolidating Statement of Activities

Years Ended	2014				2013			
	Trustees for Alaska			Total	Trustees for Alaska			Total
	Trustees for Alaska	Endowment	Eliminations		Trustees for Alaska	Endowment	Eliminations	
Revenue and Support								
Foundator	\$ 519,500	\$ -	\$ -	\$ 519,500	\$ 780,174	\$ -	\$ -	\$ 780,174
Contributic	234,336	19,700	(104,919)	149,117	183,039	-	(50,000)	133,039
Colleen Bu	-	100,000	-	100,000	-	-	-	-
In-kind rev	165,343	-	-	165,343	214,376	-	-	214,376
Legal fees	-	-	-	-	12,451	-	-	12,451
Interest inc	1,270	-	-	1,270	811	-	-	811
Other	11,602	-	-	11,602	11,944	-	-	11,944
Total Rever	932,051	119,700	(104,919)	946,832	1,202,795	-	(50,000)	1,152,795
Expenses								
Program services								
Arctic	288,622	-	-	288,622	232,297	-	-	232,297
Clean Air	194,666	-	-	194,666	266,192	-	-	266,192
Global W	345,050	-	-	345,050	500,672	-	-	500,672
Marine	78,695	-	-	78,695	47,369	-	-	47,369
Wildlife	68,942	-	-	68,942	38,297	-	-	38,297
Total Prog	975,975	-	-	975,975	1,084,827	-	-	1,084,827
Support Services								
General a	85,761	11,108	-	96,869	85,061	2,503	-	87,564
Fundraisir	96,463	-	-	96,463	87,034	-	-	87,034
Total Supp	182,224	11,108	-	193,332	172,095	2,503	-	174,598
Total Exper	1,158,199	11,108	-	1,169,307	1,256,922	2,503	-	1,259,425
Increase (decrease) in net assets								
from opera	(226,148)	108,592	(104,919)	(222,475)	(54,127)	(2,503)	(50,000)	(106,630)
Non-operating Activities:								
Contributic	-	(104,919)	104,919	-	-	(50,000)	50,000	-
Gain (loss)	-	456,617	-	456,617	-	260,140	-	260,140
Change in ne	(226,148)	460,290	-	234,142	(54,127)	207,637	-	153,510
Net Assets,	591,821	3,847,376	-	4,439,197	645,948	3,639,739	-	4,285,687
Net Assets,	\$ 365,673	\$ 4,307,666	\$ -	\$ 4,673,339	\$ 591,821	\$ 3,847,376	\$ -	\$ 4,439,197