

POLLINATOR PARTNERSHIP

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

FOR THE YEARS ENDED DECEMBER 31, 2024 AND 2023

POLLINATOR PARTNERSHIP
For the years ended December 31, 2024 and 2023

C O N T E N T S

	<u>Page</u>
Independent Auditor's Report	1 - 2
Financial Statements	
Statements of Financial Position	3
Statements of Activities	4
Statements of Functional Expenses	5-6
Statements of Cash Flows	7
Notes to Financial Statements	8 – 14
<u>Uniform Guidance Reports</u>	
Independent Auditor's Report on Supplemental Information	15
Schedule of Expenditures of Federal Awards	16
Notes to Schedule of Expenditures of Federal Awards	17
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	18 – 19
Independent Auditor's Report on Compliance for Each Major And on Internal Control over Compliance Required by Uniform Guidance	20 – 22
Schedule of Findings and Questioned Costs	23 – 24

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Independent Auditor's Report

To the Board of Trustees
Pollinator Partnership
San Francisco, California

Report on the Audit of the Financial Statements

Opinion

I have audited the accompanying financial statements of Pollinator Partnership (a nonprofit Center), which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Pollinator Partnership as of December 31, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of the Pollinator Partnership and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pollinator Partnership's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Pollinator Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Pollinator Partnership's ability to continue as a going concern for a reasonable period of time.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that I identified during the audit.

Supplementary Information

My audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal, state, and local awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated May 27, 2025 on my consideration of the Pollinator Partnership's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Pollinator Partnership's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Pollinator Partnership's internal control over financial reporting and compliance.

Allan Liu

Certified Public Accountant
Millbrae, California
May 27, 2025

POLLINATOR PARTNERSHIP
STATEMENT OF FINANCIAL POSITION
December 31, 2024 and 2023

Assets

Assets	2024	2023
Current Assets		
Cash and cash equivalents	\$ 1,348,545	\$ 2,091,500
Grants receivable, net	4,654,343	3,949,942
Prepaid expenses and other assets	33,325	31,289
	<u>6,036,213</u>	<u>6,072,731</u>
 Property and equipment, net of accumulated depreciation	 -	 344
 Right of use asset	 157,932	 40,894
	<u>157,932</u>	<u>40,894</u>
 Total Assets	 <u><u>\$ 6,194,145</u></u>	 <u><u>\$ 6,113,969</u></u>

Liabilities and Net Assets

Liabilities		
Current Liabilities		
Accounts payable	\$ 267,010	\$ 80,622
Accrued compensation	63,179	29,693
Lease liability	35,957	40,893
Total Current Liabilities	<u>366,146</u>	<u>151,208</u>
 Long-term Liabilities		
Lease Liability	121,975	-
Total Long-term Liabilities	<u>121,975</u>	<u>-</u>
Total Liabilities	<u>488,121</u>	<u>151,208</u>
 Net Assets		
Without donor restrictions	1,811,164	2,250,571
With donor restrictions	3,894,860	3,712,190
Total Net Assets	<u>5,706,024</u>	<u>5,962,761</u>
 Total Liabilities and Net Assets	 <u><u>\$ 6,194,145</u></u>	 <u><u>\$ 6,113,969</u></u>

See accompanying notes to financial statements.

POLLINATOR PARTNERSHIP
STATEMENT OF ACTIVITIES
For the Years Ended December 31, 2024 and 2023

	Without Donor Restrictions	With Donor Restrictions	Total 2024	Without Donor Restrictions	With Donor Restrictions	Total 2023
Support and Revenue						
Individual and group donations	\$ 168,365	194,000	\$ 362,365	\$ 330,281		\$ 330,281
Foundation grants	149,118	900,505	1,049,623	232,763	381,335	614,098
Corporate grants	565,213		565,213	522,544		522,544
Government grants	98,116	1,114,812	1,212,928	211,467	2,718,890	2,930,357
Contract income	49,804		49,804	130,345		130,345
Interest income	36,226		36,226	34,687		34,687
Registration, program and other revenue	174,336		174,336	125,704		125,704
Net assets released from restrictions	2,026,647	(2,026,647)	-	917,684	(917,684)	-
Total Support and Revenue	3,267,825	182,670	3,450,495	2,505,475	2,182,541	4,688,016
Expenses						
North American Pollinator Protection Campaign	486,603	-	486,603	480,499	-	480,499
Agriculture	745,163		745,163	655,351		655,351
Monarch	477,037		477,037	368,873		368,873
Pollinator Habitat and Research	1,273,751		1,273,751	751,752		751,752
Other Programs	194,547		194,547	152,976		152,976
Total Programs	3,177,101		3,177,101	2,409,451		2,409,451
Management and general	357,712	-	357,712	123,462	-	123,462
Fundraising	172,418	-	172,418	84,210	-	84,210
Total Expenses	3,707,231	-	3,707,231	2,617,123	-	2,617,123
Change in Net Assets	(439,406)	182,670	(256,736)	(111,648)	2,182,541	2,070,893
Net Assets, beginning of year	2,250,570	3,712,190	5,962,760	2,362,218	1,529,650	3,891,868
Net Assets, end of year	<u>\$ 1,811,164</u>	<u>\$ 3,894,860</u>	<u>\$ 5,706,024</u>	<u>\$ 2,250,570</u>	<u>\$ 3,712,191</u>	<u>\$ 5,962,761</u>

See accompanying notes to financial statements.

POLLINATOR PARTNERSHIP
Statement of Functional Expenses
Year Ended December 31, 2024

	North American Pollinator Protection	Agriculture	Monarch	Pollinator Habitat and Research	Other Programs	Management and General	Fund Raising	Shared	Total Expenses
Salaries	\$ 180,505	\$ 546,756	\$ 174,203	\$ 396,604	\$ 92,926	\$ 161,401	\$ 124,994	\$ 33,486	\$ 1,710,875
Payroll taxes	13,685	41,452	13,207	30,069	7,045	12,237	9,476	2,539	129,710
Employee benefits	23,652	71,643	22,826	51,968	12,176	21,149	16,378	4,388	224,181
Grants distributed	113,013	-	-	35,667	49,325	-	-	-	198,005
Rent	-	-	-	-	-	-	-	43,413	43,413
Consultants:	-	-	-	-	-	-	-	-	-
Design and graphics	5,089	105	350	18	-	-	368	-	5,929
Program Development	-	2,440	-	-	-	-	-	-	2,440
Computer and database	-	2,000	-	-	600	-	3,900	-	6,500
Fundraising	-	-	-	-	-	-	-	-	-
General	12,270	9,637	60,704	203,964	10,050	1,559	-	8,500	306,684
Telephone	48	-	-	58	-	3,136	-	-	3,242
Accounting	-	-	-	-	-	32,688	-	-	32,688
Utilities	-	-	-	-	-	17,323	-	-	17,323
Travel	51,041	19,967	12,613	19,556	4,939	-	232	20,630	128,978
Meetings and conferences	800	87	-	-	-	-	39	1,500	2,426
Office supplies	-	-	-	-	-	17,574	2,862	-	20,437
Program supplies	22,171	15,726	158,766	158,590	3,065	-	-	-	358,318
Program Direct Assistance	-	-	-	320,305	-	-	-	-	320,305
Computer supplies	-	-	-	-	-	9,644	-	-	9,644
Insurance	-	-	-	-	-	8,381	-	-	8,381
Postage and delivery	16,032	61	2,778	897	29	55	1,299	-	21,152
Printing	20,869	1,201	585	267	3,557	-	1,237	472	28,189
Depreciation	-	-	-	-	-	344	-	-	344
Web site	-	19	-	-	-	32,105	-	-	32,124
Service charges	1,493	1,098	41	325	3,139	4,938	3,965	-	15,000
Miscellaneous expenses	10,850	9,867	16,168	15,949	1,660	24,127	2,322	-	80,942
In-kind services	-	-	-	-	-	-	-	-	-
Shared costs allocated	15,085	23,102	14,795	39,512	6,036	11,052	5,345	(114,927)	(0)
	\$486,603	\$745,163	\$477,037	\$1,273,751	\$194,547	\$357,712	\$172,418	\$0	\$ 3,707,231

The accompanying notes are an integral part of these financial statements.

POLLINATOR PARTNERSHIP
Statement of Functional Expenses
Year Ended December 31, 2023

	North American Pollinator Protection	Agriculture	Monarch	Pollinator Habitat and Research	Other Programs	Management and General	Fund Raising	Shared	Total Expenses
Salaries	\$ 161,376	\$ 408,781	\$ 124,045	\$ 293,615	\$ 73,835	\$ 81,401	\$ 41,376	\$ 24,328	\$ 1,208,757
Payroll taxes	11,790	29,867	9,063	21,452	5,395	5,947	3,023	1,777	88,315
Employee benefits	16,649	42,173	12,798	30,292	7,618	8,398	4,269	2,510	124,705
Grants distributed	106,728			5,050	45,657				157,435
Rent								45,483	45,483
Consultants:									
Design and graphics	2,396	1,303		60					3,759
Program Development		14,454		2,000					16,454
Computer and database								13,901	13,901
Fundraising	31,169						19,185		50,354
General	24,800	23,242	22,397	167,613	500		2,400		240,952
Telephone					34			2,451	2,485
Accounting						32,744			32,744
Utilities								6,830	6,830
Travel	54,486	19,230	8,792	18,468	72		1,501	4,786	107,335
Meetings and conferences	3,360	802	533	3,972		1,800	316	2,135	12,918
Office supplies	65	1,134		64		133		10,934	12,329
Program supplies	14,590	9,058	163,079	141,650	5,199				333,576
Computer supplies								10,383	10,383
Insurance-Liability								3,505	3,505
Postage and delivery	225	369	1,988	1,712	1,773	42		17,292	23,401
Printing	23,964	1,198		266		-	1,983	654	28,065
Depreciation						911			911
Web site								24,608	24,608
Service charges	1,477	1,183	29	241	2,842		3,390		9,161
Miscellaneous expenses	2,064	25,756	4,309	12,355	517	(20,484)	492	33,748	58,757
Shared costs allocated	25,361	76,801	21,840	52,940	9,536	12,570	6,274	(205,323)	-
	\$ 480,499	\$ 655,351	\$ 368,873	\$ 751,752	\$ 152,976	\$ 123,462	\$ 84,210	\$ -	\$ 2,617,122

The accompanying notes are an integral part of these financial statements.

POLLINATOR PARTNERSHIP
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2024 and 2023

	2024	2023
Cash Flows from Operating Activities:		
Change in net assets	\$ (256,736)	\$ 2,069,443
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	344	911
(Increase) decrease in:		
Grants receivable, net	(704,401)	(2,158,244)
Prepaid expenses and other assets	(2,036)	(3,602)
Right of use asset	(117,038)	44,417
Increase (decrease) in:		
Accounts payable	186,387	22,045
Accrued compensation	33,487	24,327
Lease liability	117,038	(44,417)
Net Cash Used in Operating Activities	<u>(742,955)</u>	<u>(45,120)</u>
Net Increase in Cash and Cash Equivalents	(742,955)	(45,120)
Cash and Cash Equivalents, beginning of year	<u>2,091,500</u>	<u>2,136,620</u>
Cash and Cash Equivalents, end of year	<u>\$ 1,348,545</u>	<u>\$ 2,091,500</u>

See accompanying notes to financial statements.

POLLINATOR PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
For the years ended December 31, 2024 and 2023

(1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – Pollinator Partnership (P2), formerly Coevolution Institute, was founded in 1997 in San Francisco, California as a 501(c)(3) nonprofit public benefit corporation to protect the diversity of life on Earth through education, conservation, and research. Program services for 2024 and 2023 were primarily the North American Pollinator Protection Campaign (NAPPC), Monarch Butterfly Conservation, and Bee Friendly Farming (BFF). NAPPC is a growing, private-public collaboration of more than 170 diverse partners, with scientists, researchers, conservationists, government officials and stakeholder representatives working for over a decade to support the health of pollinating animals and the plants and habitat that they support. More information about NAPPC is available at www.NAPPC.org. Monarch butterflies are an iconic species, easily recognized by their large and vibrant orange wings. Unfortunately, the monarch butterfly migration is declining and P2 works to protect and sustain future populations. BFF is a certification program working with farmers to help protect, preserve and promote pollinator health. BFF helps farmers incorporate affordable, simple, science-based guidelines, like offering nutrition and habitats for bees, and integrated pest management strategies.

Pollinator Partnership’s mission is to promote the health of pollinators, critical to food and ecosystems, through conservation, education, and research. Since its inception P2 has established itself as an innovator in biodiversity protection. P2 works to promote the adoption of widespread collaborative stewardship practices on open and working lands, within institutions and among individuals. For more information, visit www.Pollinator.org, your source for pollinator information including the following:

Pollinators are essential to life.

Nearly 80% of our world's crop plants require pollination. Birds, bees, butterflies, but also beetles, mosquitoes, and even bats transfer pollen between seed plants. This function is vital for plant reproduction.

Pollinators need protection.

Without pollinators, humans and ecosystems cannot survive. Due to biodiversity threats such as land development, pollution, and pesticide poisoning, we are losing pollinators around the world at an alarming rate. Greater awareness and global action are required now to change this trend.

Learn about pollinators at our website and get involved.

Whether you are gardener, a farmer, a resource manager, an educator, or simply an interested consumer, Pollinator Partnership provides news, resources, programs, and an extensive digital library to support you in helping pollinators. From small daily actions to larger organized activities, you can get involved in many ways.

Basis of Accounting – The financial statements have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables and other liabilities.

Financial Statement Presentation – In accordance with U.S. Generally Accepted Accounting Principles, net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions – Net assets available for use in general operations and

POLLINATOR PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
For the years ended December 31, 2024 and 2023

not subject to donor (or certain grantor) restrictions.

Net Assets With Donor Restrictions – Net assets subject to donor (or certain grantor) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Use of Estimates – The preparation of financial statements, in conformity with U.S. generally accepted accounting principles 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 reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents – The Organization considers all highly liquid investments, except for those held for long-term investment, with maturities of three months or less when purchased to be cash equivalents. The Organization maintains cash balances at financial institutions located in California. Certain amounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times during the years ended December 31, 2024 and 2023, the Organization held cash in excess of federally insured limits. Pollinator Partnership has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Office Equipment and Furniture – Office equipment and furniture are stated at cost. Contributed property and equipment are recorded at their estimated fair market values at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. Pollinator Partnership uses \$2,000 as its capitalization threshold for office equipment and furniture.

Revenue Recognition – All contributions are considered available for general programs unless specifically restricted by the donor. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Amounts received that are designated for future periods or restricted by the donor are reported as support with donor restrictions. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred.

Promises to Give – Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

POLLINATOR PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
For the years ended December 31, 2024 and 2023

Functional Allocation of Expenses – Salaries, pro- rata share of payroll taxes and employee benefits are allocated to program and supporting services based on management’s estimate of the time worked in various programs and supporting services. Time and other costs of soliciting contributions are charged to fundraising expense. (no costs are charged to fundraising in years in which there costs are nominal). The costs of applying for contracts are charged to administration.

Income Taxes – The Organization is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. Currently, the Organization engages in no activities that would be taxed as unrelated business income.

The Organization recognizes the financial statement effects from a tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Organization and various positions relating to potential sources of unrelated business income. The Organization has analyzed its tax positions taken for filings with the Internal Revenue Service and believes that its positions will be sustained upon examination.

The Organization’s federal Return of Organization Exempt From Income Tax (Form 990) for 2023, 2022 and 2021, are subject to examination by the IRS, generally for three years after they were filed.

2) PROPERTY AND EQUIPMENT

Property and Equipment at December 31, 2024 and 2023 consists of the following:

	<u>2024</u>	<u>2023</u>
Furniture and equipment	\$16,243	\$16,243
Less accumulated depreciation	<u>(16,243)</u>	<u>(15,899)</u>
	<u>\$ 0</u>	<u>\$ 344</u>

Depreciation expense as of December 31, 2024 and 2023 was \$344 and \$911, respectively.

(3) NET ASSETS WITH DONOR RESTRICTIONS

With donor restrictions were as follows:

<u>Restriction</u>	<u>Balance at</u> <u>12/31/2023</u>	<u>2024</u> <u>Additions</u>	<u>2024</u> <u>Releases</u>	<u>Balance at</u> <u>12/31/2024</u>
NRCS CPC 2023	\$ -	\$ 70,868	\$ (32,342)	\$ 38,526
RCPP Enhancement	-	32,693	(11,228)	21,465
NFWF MWAC Almonds	-	372,500	(76,596)	295,904

POLLINATOR PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
For the years ended December 31, 2024 and 2023

(3) NET ASSETS WITH DONOR RESTRICTIONS-continued

With donor restrictions were as follows:

<u>Restriction</u>	<u>Balance at 12/31/2023</u>	<u>2024 Additions</u>	<u>2024 Releases</u>	<u>Balance at 12/31/2024</u>
NRCS ECCA	-	310,302	(81,347)	228,955
NFWF PWCC	-	234,738	(60,170)	174,569
RCPP Implementation	-	65,890	-	65,890
APHIS Tropi	-	69,231	(27,238)	41,993
NFWF PW ATS	-	293,267	(78,121)	215,146
BLM 2024	-	20,000	(8,764)	11,236
USDA FS Midwest CRP	-	195,828	(4,704)	191,124
CDFA (R-SCMS 2022)	340,722	-	(187,232)	153,490
University of Guelph	10,544	-	(7,484)	3,060
USDA-(R-NRCS 2022)	158,048	350,000	(307,594)	200,454
USDA APHIS- 2022	8,773	-	(8,773)	-
2022 NRCS (CPC)	21,005	-	(21,005)	-
2022 NFWF (CPP)	214,066	-	(101,281)	112,786
2022 NFWF (PWII)	127,474	-	(109,075)	18,399
2022 NFWF (MWAU)	126,174	-	(96,405)	29,769
2023 BDG)	676,289	-	(33,835)	642,454
USFS (R-USFS 2023)	12,151	-	(12,151)	-
BLM	12,018	-	(12,018)	-
2023 PHP	1,981,509	-	(573,725)	1,407,784
BFF MOOD	23,417	-	(14,909)	8,508
Toyota	-	194,000	(160,650)	33,350
Total	<u>\$ 3,712,190</u>	<u>\$ 2,209,317</u>	<u>\$ (2,026,647)</u>	<u>\$ 3,894,860</u>

POLLINATOR PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
For the years ended December 31, 2024 and 2023

(4) CONTINGENCIES

Pollinator Partnership receives funds from various government sources that are subject to inspection and audit by the appropriate governmental funding agencies. The purpose is to determine whether program funds were used in accordance with their respective guidelines and regulations. The potential exists for disallowance of previously funded program costs. The ultimate liability, if any, which may result from these governmental audits cannot be reasonably estimated and, accordingly, Pollinator Partnership has no provision for the possible disallowance of program costs in their financial statements. The Organization is seeking to broaden its financial backing in order to further support and continue its programs. Accounts receivable and investments are subject to credit risk. No allowance for bad debts has been provided because management believes that all receivables are collectible in full.

(5) LIQUIDITY AND AVAILABILITY

As part of Pollinator Partnership's liquidity management, it's goal is to maintain cash and short-term investments on hand to meet 90 days of normal operating expense, which on average is \$300,000. In addition, any cash in excess of the daily requirements is invested in market funds.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Cash and cash equivalents	\$1,348,545
Grants and pledge receivable	<u>4,654,343</u>
Financial assets available to meet cash need for general expenditures within one year	<u>6,002,888</u>
Restricted by donor with time or purpose restrictions	<u>(3,862,464)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$2,140,424</u>

(6) LEASES

The Organization recognizes and measures its leases in accordance with FASB ASC 842, Leases. The Organization determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. A contract contains a lease if there is an identified asset and the Organization has the right to control the asset. Lease terms include options to extend the lease when it is reasonably certain those options will be exercised. The Organization recognizes a lease liability and a right-of-use (ROU) asset at the commencement date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when

POLLINATOR PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
For the years ended December 31, 2024 and 2023

those variable payments depend on an index rate. The Organization has elected to use the risk-free rate in lieu of determining an incremental borrowing rate as its discount rate for all leases which is the Treasury constant maturity rate as of the lease commencement date for yield-curve-rates of similar length to the lease term. The ROU asset is subsequently measured throughout the lease term at the present value of remaining lease payments, plus any unamortized initial direct costs. Lease cost for lease payments is recognized on a straight-line basis over the lease term.

The Organization has elected not to recognize ROU assets and lease liabilities for short-term leases that have a lease term of twelve-months or less at lease commencement. The lease cost associated with short-term leases are recognized on a straight-line basis over the lease term. Assets and liabilities related to a lease are capitalized if they exceed \$10,000 at inception.

On November 6, 2024, the Organization entered into an agreement of lease of office space located at 582 Market Street, Suite 1215 in San Francisco, California. The term of the lease is four years and four months commencing on the 15th day of November 2024 and ending on the 15th of March 2029. Rents are January 1, 2025 to October 31, 2025 at \$3,335/month and November 1, 2025 to November 30, 2025.

Future minimum lease payments for the operating lease (including the option to extend) as of December 31, 2024, are as follows:

Year ending Dec 31	2025	\$ 36,730
	2026	37,841
	2027	42,620
	2028	43,900
	2029	9,202
Total minimum lease payments		<u>170,293</u>
	Less interest	<u>(12,361)</u>
Present value of lease liabilities		<u>\$157,932</u>

Remaining lease term for operating lease in years is 4.416
Discount rate for operating lease is 9.75%.

Maturities of lease liabilities under noncancellable operating leases are as follows:

Year ending Dec 31	2024	\$ 35,957
	2026	35,878
	2027	39,086
	2028	38,994
	2028	<u>8,017</u>
Total lease liabilities		<u>\$157,932</u>

Pollinator Partnership's total rent and occupancy expense for the years ended December 31, 2024 and 2023 amounted to \$43,413 and \$45,483, respectively, and is reflected on the statement of

POLLINATOR PARTNERSHIP
NOTES TO FINANCIAL STATEMENTS
For the years ended December 31, 2024 and 2023

functional expenses.

(7) SUBSEQUENT EVENTS

Subsequent Events – Management evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affects the financial statements. Such events have been evaluated through May 27, 2025, which is the date the financial statements were available to be issued.

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

To the Board of Directors
Pollinator Partnership
San Francisco, California

I have audited the financial statements of Pollinator Partnership for the year ended December 31, 2024, and have issued my opinion thereon dated May 27, 2025, which is presented in the preceding section. My audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The following supplemental information, listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the combined 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In my opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Allan Liu

Certified Public Accountant
Millbrae, California
May 27, 2025

Pollinator Partnership
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDING DECEMBER 31, 2024

Federal Grantor/ Pass Through Grantor/ Program Title	ASSISTANCE LISTING Number	Program or Award Number	TOTAL Amount Awarded	Revenue Recognized	Disbursement/ Expenditures
Federal					
U.S. DEPT. OF AGRICULTURE					
<i>Passed through:</i>					
USDA APHIS					
Plant and Animal Disease, Pest Control, and Animal Care (R-CA FY24 Tropi STOP 5.0409.01 (R-APHIS Tropi)	10.025	AP22PPQS&T00C182	\$ 39,736	\$ 8,773	\$ 8,773
	10.025	AP24PPQFO000C258	69,231	27,238	27,238
<i>Passed through:</i>					
USDA FSA					
Conservation Reserve Program (R-USDA FSA Midwest CRP)	10.069	FSA24CPT0013885	195,828	4,704	4,704
<i>Passed through:</i>					
California Department of Food and Agriculture					
Specialty Crop Block Grant Program- Farm Bill (R-SCMS 2022)	10.170	21-0733-001-SF	554,663	187,232	187,232
<i>Passed through:</i>					
National Fish and Wildlife Foundation					
Monarch Butterfly and Pollinators Conservation Fund 2022 (R-Monarch Butterfly and Pollinators Conservation Fund 2023 (R-	10.683	76550	120,000	109,075	109,075
	10.683	81437	120,000	28,404	28,404
<i>Passed through:</i>					
Monarch Joint Venture (Non-profit)					
MJV Partner Grant Projects 2021 (R-MJV 2021 Partner Grant)	10.684	N/A	9,992	0	0
MJV Partner Grant Projects 2023 (R-BFF MOOD)	10.684	N/A	24,757	14,909	14,909
<i>Passed through:</i>					
USFS					
Challenge Cost Share Agreement (R-USFS 2022)	10.699	22-CS-11132400-250	25,000	0	0
<i>Passed through:</i>					
USDA Forest Service					
Challenge Cost Share Agreement (R-USFS 2023)	10.699	22-CS-11132400-250	20,000	12,151	12,151
<i>Passed through:</i>					
USDA NRCS					
Soil and Water Conservation, Environmental Quality	10.902	NR223A750010C002	350,000	158,048	158,048
Equity in Conservation Outreach Cooperative Agreements (R-	10.902	NR243A750003C005	310,302	81,347	81,347
<i>Passed through:</i>					
National Fish and Wildlife Foundation					
Conservation Partners Program 2022 (R-NFWF CPP 2022)	10.902	75061	300,000	101,281	101,281
America the Beautiful Challenge 2023 (R-NFWF PW ATS)	10.902	79878	5,405	5,405	5,405
<i>Passed through:</i>					
USDA NRCS California					
Soil and Water Conservation (R-NRCS CPC 2023)	10.902	NR239104XXXXC020	70,868	32,342	32,342
<i>Passed through:</i>					
USDA NRCS California					
Soil and Water Conservation (R-NRCS CPC 2022)	10.912	NR229104XXXXC015	58,973	21,005	21,005
<i>Passed through:</i>					
USDA NRCS					
Soil and Water Conservation, Environmental Quality	10.912	NR223A750010C002	350,000	149,546	149,546
<i>Passed through:</i>					
National Fish and Wildlife Foundation					
America the Beautiful Challenge 2023 (R-NFWF PW ATS)	10.912	79878	52,000	52,000	52,000
<i>Passed through:</i>					
National Fish and Wildlife Foundation					
America the Beautiful Challenge 2023 (R-NFWF PW ATS)	10.924	79878	52,000	20,716	20,716
<i>Passed through:</i>					
USDA NRCS					
Regional Conservation Partners Program (R-RCPP Enhancemer	10.932	SA-2746-A-1236	32,693	11,258	11,258

Regional Conservation Partners Program (R-RCPP Implementat	10.932	SA-2746-A-1421	65,890	0	0
<i>Passed through:</i>					
Blue Diamond Growers (For-profit corporation)					
Partnerships for Climate-Smart Commodities (R-BDG 2023)	10.937	NR233A750004G006	680,523	33,835	33,835
Department of the Interior					
<i>Passed through:</i>					
Bureau of Land Management					
Wildlife Resources Management (R-BLM 2023)	15.247	L23AC00419-00	20,491	12,012	12,012
Wildlife Resources Management (R-BLM 2024)	15.247	L23AC00419-01	20,000	8,764	8,764
<i>Passed through:</i>					
National Fish and Wildlife Foundation					
Monarch Butterfly and Pollinators Conservation Fund 2023 (R-	15.663	81437	31,765	31,765	31,765
Monarch Butterfly and Pollinators Conservation Fund 2022 (R-	15.670	76467	174,890	96,405	96,405
TOTAL FEDERAL AWARDS			\$ 3,755,005	\$ 1,208,216	\$ 1,208,216

POLLINATOR PARTNERSHIP
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARD
For the Year Ended December 31, 2024

NOTE A: BASIS OF PRESENTATION

The accompanying schedule of expenditures of Federal awards includes the Federal award activity of Pollinator Partnership under programs of the federal government for the year ended December 31, 2024 in accordance with the requirements of *Title 2 U.S. code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal awards (Uniform Guidance)*. Because the schedule presents only selected portion of the operations of Pollinator Partnership, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Pollinator Partnership

NOTE B: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the *Uniform Guidance*, wherein certain types of expenditures are not allowed or are limited to reimbursements.

Pollinator Partnership has elected to use the 10 percent de minimis indirect cost rate allowed under Uniform Guidance.

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**Independent Auditor's Report on Internal Control over Financial
Reporting and on Compliance and Other Matters Based on
an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards***

To the Board of Directors
Pollinator Partnership
San Francisco, California

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Pollinator Partnership (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and functional expenses and cash flows for the year then ended, and the related notes to the financial statements, and have issued my report thereon dated May 27, 2025.

Report on Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Pollinator Partnership's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Pollinator Partnership's internal control. Accordingly, I do not express an opinion on the effectiveness of Pollinator Partnership's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pollinator Partnership's financial statements are free from material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests did not disclose any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Allan Liu

Certified Public Accountant
Millbrae, California
May 27, 2025

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**Independent Auditor's Report on Compliance for
Each Major Program and on Internal Control over
Compliance Required by *the Uniform Guidance***

To the Board of Directors
Pollinator Partnership
San Francisco, California

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

I have audited Pollinator Partnership's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Pollinator Partnership's major federal programs for the year ended December 31, 2024. Pollinator Partnership's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In my opinion, Pollinator Partnership complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). My responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of my report.

I am required to be independent of Pollinator Partnership and to meet my other ethical responsibilities, in accordance with relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion on compliance for each major federal program. My audit does not provide a legal determination of Pollinator Partnership's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Pollinator Partnership's federal programs.

Auditor's Responsibilities for the Audit of Compliance

My objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Pollinator Partnership's compliance based on my audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Pollinator Partnership's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, I:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Pollinator Partnership's compliance with the compliance requirements referred to above and performing such other procedures as I considered necessary in the circumstances.
- Obtain an understanding of Pollinator Partnership's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Pollinator Partnership's internal control over compliance. Accordingly, no such opinion is expressed.

I am required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that I identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

My audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Allan Liu

Certified Public Accountant
Millbrae, California
March 24, 2024

Pollinator Partnership
SCHEDULE OF CURRENT YEAR FINDINGS
For the Year Ended December 31, 2024

Section I – Summary of Auditor's Results

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ☐ yes ☒ no

Noncompliance material to financial statements noted?

☐ yes ☒ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ yes ☒ no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? ☐ yes ☒ no

Type of auditor's report issued on compliance for major program: qualified

Any audit findings disclosed that are:

Required to be reported in accordance with 2 CFR 200.516(a)?

☐ yes ☒ no

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

10.902

USDA Soil and Water Conservation

10.912

Environmental Quality Incentive Programs

Dollar threshold used to distinguish

Between type A and type B programs

\$750,000

Auditee qualified as low-risk auditee?

☐ yes ☒ no

Pollinator Partnership
SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2023

Section II—Financial Statement Findings

NONE

Section III—Federal Award Findings and Questioned Costs

NONE