

Report of Independent Auditors and
Financial Statements with
Supplementary Information

Golden Gate National Parks Conservancy

September 30, 2025
(With Comparative Totals for September 30, 2024)

Table of Contents

	Page
Report of Independent Auditors	1
Financial Statements	
Statements of Financial Position	5
Statement of Activities	7
Statements of Cash Flows	8
Notes to Financial Statements	10
Supplementary Information	
Schedule of Expenditures of Federal Awards	34
Notes to the Schedule of Expenditures of Federal Awards	35
Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	36
Report of Independent Auditors on Compliance for the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	38
Schedule of Findings and Questioned Costs	41

Report of Independent Auditors

The Board of Directors
Golden Gate National Parks Conservancy

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Golden Gate National Parks Conservancy (the Conservancy), which comprise the statement of financial position as of September 30, 2025, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Golden Gate National Parks Conservancy as of September 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Predecessor Auditor's Report on 2024 Financial Statements and Summarized Comparative Information

The financial statements of Golden Gate National Parks Conservancy as of and for the year ended September 30, 2024, were audited by other auditors whose report thereon dated April 16, 2025, expressed an unmodified opinion on those statements. The summarized comparative information herein, as of and for the year ended September 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

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 Golden Gate National Parks Conservancy's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS and *Government Auditing Standards*, we

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

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal 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 GAAS. In our opinion, the accompanying 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*, we have also issued our report dated March 23, 2026, on our consideration of Golden Gate National Parks Conservancy's internal control over financial reporting and on our 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 our 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 Golden Gate National Parks Conservancy'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 Golden Gate National Parks Conservancy's internal control over financial reporting and compliance.

Baker Tilly US, LLP

San Francisco, California

March 23, 2026

Financial Statements

Golden Gate National Parks Conservancy
Statements of Financial Position
September 30, 2025
(With Comparative Totals for September 30, 2024)

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 39,716,723	\$ 38,176,305
Accounts receivable, net of allowance	6,474,103	6,985,805
Contributions receivable, current portion	562,500	534,900
Inventories	4,951,495	3,413,758
Prepaid expenses	650,663	1,723,854
Short-term investments	4,980,330	3,357,996
Total current assets	57,335,814	54,192,618
NONCURRENT ASSETS		
Contributions receivable, net of current portion and discount	417,683	1,087,563
Investments	20,882,304	21,779,581
Deposits and other assets, net	115,466	174,643
Operating lease right-of-use assets	3,821,824	4,668,097
Furniture, fixtures and equipment, net	3,651,588	592,871
Intangible assets, net	448,744	503,744
Total noncurrent assets	29,337,609	28,806,499
Total assets	\$ 86,673,423	\$ 82,999,117

See accompanying notes.

Golden Gate National Parks Conservancy
Statements of Financial Position
September 30, 2025
(With Comparative Totals for September 30, 2024)

	2025	2024
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 4,485,844	\$ 5,076,377
Agency funds payable, current portion	7,800	4,620
Accrued payroll related expenses	2,379,236	2,989,756
Deferred revenue, current portion	225,950	1,086,199
Operating lease liability, current portion	705,948	781,357
	<u>7,804,778</u>	<u>9,938,309</u>
NONCURRENT LIABILITIES		
Deferred revenue, net of current portion	150,146	231,607
Other long-term liabilities	255,000	345,000
Refundable advances	8,968	8,968
Agency funds payable, net of current portion	825,199	790,726
Operating lease liability, net of current portion	3,816,198	4,511,468
	<u>5,055,511</u>	<u>5,887,769</u>
Total non-current liabilities	<u>5,055,511</u>	<u>5,887,769</u>
Total liabilities	<u>12,860,289</u>	<u>15,826,078</u>
NET ASSETS		
Without donor restrictions		
Undesignated	19,903,634	21,288,086
Board-designated	20,192,931	13,369,440
	<u>40,096,565</u>	<u>34,657,526</u>
Total without donor restrictions	<u>40,096,565</u>	<u>34,657,526</u>
With donor restrictions	<u>33,716,569</u>	<u>32,515,513</u>
Total net assets	<u>73,813,134</u>	<u>67,173,039</u>
Total liabilities and net assets	<u>\$ 86,673,423</u>	<u>\$ 82,999,117</u>

See accompanying notes.

Golden Gate National Parks Conservancy
Statement of Activities
Year Ended September 30, 2025
(With Comparative Totals for Year Ended September 30, 2024)

	Without Donor Restrictions	With Donor Restrictions	2025 Total	2024 Total
SUPPORT AND REVENUE				
Program revenue	\$ 44,074,180	\$ -	\$ 44,074,180	\$ 42,449,578
Cost of interpretive goods sold	(7,502,381)	-	(7,502,381)	(7,121,146)
Program revenue, net	36,571,799	-	36,571,799	35,328,432
Contributed income	4,197,438	4,557,609	8,755,047	6,020,577
Gifts in kind and donated services	239,771	-	239,771	117,595
Special events, net of donor benefits	1,799,293	-	1,799,293	199,722
Cooperative agreement reimbursements	6,035,965	-	6,035,965	6,274,745
Other income	538,756	-	538,756	308,868
Net assets released from restrictions	5,701,503	(5,701,503)	-	-
Total support and revenue	55,084,525	(1,143,894)	53,940,631	48,249,939
EXPENSES				
Program services				
Park interpretation and visitor services	17,565,765	-	17,565,765	16,735,384
Park enhancements and restoration	12,387,047	-	12,387,047	17,634,015
Youth, volunteer and community programs	6,117,335	-	6,117,335	6,162,862
Total program services	36,070,147	-	36,070,147	40,532,261
Management and general	10,319,368	-	10,319,368	9,840,590
Fundraising	4,333,857	-	4,333,857	2,961,334
Total expenses	50,723,372	-	50,723,372	53,334,185
CHANGE IN NET ASSETS FROM OPERATIONS	4,361,153	(1,143,894)	3,217,259	(5,084,246)
ENDOWMENT AND INVESTMENT ACTIVITIES				
Contributed income	-	270,005	270,005	1,066,654
Net realized and unrealized (loss) gain on investments, net of fees	(84,710)	1,826,655	1,741,945	3,703,537
Interest and dividend income	1,162,596	248,290	1,410,886	1,629,927
Total endowment and investment activities	1,077,886	2,344,950	3,422,836	6,400,118
NON-OPERATING EXPENSE	-	-	-	8,000
CHANGE IN NET ASSETS	5,439,039	1,201,056	6,640,095	1,307,872
NET ASSETS, beginning of year	34,657,526	32,515,513	67,173,039	65,865,167
NET ASSETS, end of year	<u>\$ 40,096,565</u>	<u>\$ 33,716,569</u>	<u>\$ 73,813,134</u>	<u>\$ 67,173,039</u>

See accompanying notes.

Golden Gate National Parks Conservancy

Statements of Cash Flows

Year Ended September 30, 2025

(With Summarized Comparative Totals for Year Ended September 30, 2024)

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 6,640,095	\$ 1,307,872
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization of furniture, fixtures and equipment, and intangible assets	221,614	334,741
Amortization of right-of-use assets	1,234,967	809,527
Bad debt expense	38,921	24,062
Net realized and unrealized gain on investments, net of fees	(1,741,945)	(3,703,537)
Change in discount on contributions receivable	(11,619)	(43,519)
Endowment contributions	(270,005)	(1,066,654)
Gain on sale of furniture, fixtures, and equipment	(566)	-
Changes in operating assets and liabilities		
Accounts receivable, net	472,781	(2,811,991)
Contributions receivable	653,899	3,393,500
Inventories	(1,537,737)	(136,366)
Prepaid expenses	1,073,191	(328,865)
Deposits and other assets, net	59,177	17,583
Accounts payable and accrued liabilities	(590,533)	1,063,706
Accrued payroll related expenses	(610,520)	(662,170)
Deferred revenue	(941,710)	833,489
Other long-term liabilities	(90,000)	(90,000)
Agency funds payable	37,653	82,717
Operating lease liability	(1,159,373)	(717,907)
	<u>3,478,290</u>	<u>(1,693,812)</u>
Net cash provided by (used in) operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from maturities or sales of investments	4,609,360	1,902,267
Purchases of investments	(3,592,472)	(1,048,491)
Proceeds from sale of furniture, fixtures, and equipment	2,659	-
Purchases of furniture, fixtures, and equipment	(3,226,116)	(144,869)
Purchases of intangible assets	(1,308)	(420,450)
	<u>(2,207,877)</u>	<u>288,457</u>
Net cash (used in) provided by investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash received for endowment contributions	270,005	1,266,654
	<u>270,005</u>	<u>1,266,654</u>
Net cash provided by financing activities		
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,540,418	(138,701)
CASH AND CASH EQUIVALENTS, beginning of year	<u>38,176,305</u>	<u>38,315,006</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 39,716,723</u>	<u>\$ 38,176,305</u>

See accompanying notes.

Golden Gate National Parks Conservancy
Statements of Cash Flows
Year Ended September 30, 2025
(With Summarized Comparative Totals for Year Ended September 30, 2024)

	<u>2025</u>	<u>2024</u>
SUPPLEMENTAL CASH FLOW INFORMATION		
Operating lease right-of-use assets obtained in exchange for operating lease liability	<u>\$ 16,751</u>	<u>\$ 299,502</u>

See accompanying notes.

Golden Gate National Parks Conservancy

Notes to Financial Statements

Note 1 – Nature of Operations

Golden Gate National Parks Conservancy (the Conservancy) is the nonprofit partner of the National Park Service overseeing the Golden Gate National Recreation Area – 84,000 acres of national parkland spanning the San Francisco Bay Area, including Muir Woods, Ocean Beach, Crissy Field, and Alcatraz Island. The Conservancy is a membership organization created to preserve the Golden Gate National Parks, enhance the experiences of park visitors, and build a community dedicated to conserving the parks for the future. With local and federal partners, the Conservancy is committed to the work of supporting Bay Area national parks through the following programs:

Park interpretation and visitor services – The Conservancy operates the Alcatraz Cellhouse tour, which includes the award-winning Alcatraz Audio Tours, as well as Alcatraz Night Tours and Behind the Scenes Tours. We host over 1.4 million visitors annually on Alcatraz Island. We also operate interpretive retail & visitor centers open year-round serving millions of local and out-of-town visitors annually at seven locations throughout the Parks: Alcatraz Island, Muir Woods, Fort Point, Presidio, Crissy Field Warming Hut, Lands End and Golden Gate Bridge. Purchases at our visitor centers help support our programs that sustain our Parks.

Park enhancements and restoration – Supports stewardship of the rich natural, historic and recreation resources of parklands. Encompasses building and maintaining multi-use, restoring sensitive ecosystems, protecting endangered species, growing native plants, rehabilitating historic structures, constructing overlooks, installing visitor amenities, and creating new park experiences for the entire community. Community science and nursery programs continue to engage students and community members in habitat conservation, scientific monitoring and climate impacts to the parklands.

Youth volunteer and community programs – Connects people to parks through youth programs, community partnerships, and hands-on experiences across three focus areas: Youth Programs, Community Stewardship & Engagement, and Volunteers & Internships. Through these efforts, we strengthen connections between people and parks, fostering stewardship and lifelong appreciation for public lands.

Note 2 – Summary of Significant Accounting Policies

Prior year information – The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Accordingly, such information should be read in conjunction with the Conservancy's financial statements for the year ended September 30, 2024, from which the summarized information was derived.

Golden Gate National Parks Conservancy Notes to Financial Statements

Basis of accounting – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. GAAP applicable to nonprofit organizations. Net assets and revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Conservancy and the changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets without donor restrictions consist of all resources that have not been restricted by a donor and are available to support Conservancy's activities. Board-designated net assets without donor restrictions represent net assets subject to self-imposed limits by action of the Board. The Board has designated these amounts for park projects and programs.

Net assets with donor restrictions – Net assets with donor restrictions represent contributions that are limited in use or time in accordance with donor-imposed stipulations. These stipulations may expire with time or may be satisfied by the actions of the Conservancy according to the intention of the donor. Upon satisfaction of such stipulations, the associated net assets are released from net assets with donor restrictions and reported as net assets without donor restrictions. Net assets with donor restrictions also represent contributions to be held in perpetuity as directed by the donor as well as the perpetual right to the future income from assets held in investments.

Measure of operations – The Conservancy includes in its measure of operations all revenues and expenses that are an integral part of its programs and supporting activities. Appropriations of endowment assets for expenditure pursuant to a defined spending rate are included in the operating measure and reported as net assets released from restrictions. The operating measure excludes investment return and donor restricted endowment contributions.

Cash and cash equivalents – Cash and cash equivalents include all cash balances and highly liquid investments with original maturities of three months or less at the date acquired.

Investments – Investments are reported at fair value. The fair values of mutual funds are based on their quoted market prices. Alternative investments are valued at the net asset value per unit or percentage of ownership as reported by the funds. Due to the inherent uncertainty of valuation of nonmarketable investments and investments with redemption restrictions, those estimated values may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material.

Gains and losses that result from market fluctuations are recognized in the statement of activities in the period such fluctuations occur. Dividend and interest income is recognized when earned. Donated securities are recorded at estimated fair value at the date of donation.

Golden Gate National Parks Conservancy

Notes to Financial Statements

Fair value measurements – The Conservancy carries certain assets at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Conservancy has characterized the fair value of its financial instruments measured at fair value on a recurring basis, based on the priority of the inputs used to value the instruments, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1), and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the instruments fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instruments.

Investments measured and reported at fair value are classified and disclosed in one of the following categories based on inputs:

Level 1 – Quoted prices are available in active markets for identical investments as of the reporting date.

Level 2 – Pricing inputs are observable for the investments, either directly or indirectly, as of the reporting date, but are not identical as those used in Level 1. These inputs may include quoted prices for identical instruments on an inactive market. Fair value is determined through the use of models or other valuation methodologies.

Level 3 – Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require significant judgment or estimation by management. The types of investments which would generally be included in this category include debt, asset-backed securities, forward contracts, long-term debt securities, multi-strategy holding company swaps and warrants, real estate, and equity securities issued by private entities. The Conservancy held no level 3 investments as of September 30, 2025.

The Conservancy reports certain alternative investments using net asset value (NAV) per share as determined by investment managers under the so-called “practical expedient.” The practical expedient allows NAV per share to represent fair value for reporting purposes when the criteria for using this method are met.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the determination of which category within the fair value hierarchy is appropriate for any given investment is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the investment.

Golden Gate National Parks Conservancy

Notes to Financial Statements

Accounts receivable, net – The Conservancy's accounts receivable consist primarily of amounts due from Alcatraz audio tours, wholesale merchandise sales, and amounts due from reimbursable grant agreements. The Conservancy uses the credit loss method to account for uncollectible accounts receivable. The allowance for credit losses is based on historical experience, current aging status of its receivables, management's assessment of current conditions and reasonable and supportable expectations of future conditions. Account balances are charged off against the allowance for credit losses after all means of collection have been exhausted and the potential for recovery is considered remote. Allowance for expected credit losses was \$7,109 as of September 30, 2025 and bad debt expense was \$38,921 for the year ended September 30, 2025. Collection on accounts receivable are expected to be received within one year. Accounts receivables, excluding amounts due from reimbursable grant agreements, were \$3,161,768, \$3,365,232, and \$2,496,008, as of September 30, 2025, September 30, 2024, and October 1, 2023, respectively.

Contributions receivable – Contributions receivable consists of unconditional promises to give. Unconditional promises to give expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are recorded at fair value based upon the present value of their estimated future cash flows. Discounts are computed using estimated market rates which ranged from 7.25% to 8.50% as of September 30, 2025. Amortization of the discounts is included in contributed income.

Inventories – Inventories are accounted for using weighted average method and are valued at lower of cost or net realizable value. Inventories generally consist of books and other interpretive merchandise held for retail sale. An allowance is used for estimated losses from inventory obsolescence. There was no allowance for inventory obsolescence as of September 30, 2025.

Furniture, fixtures and equipment, net – Furniture, fixtures and equipment are stated at cost. The Conservancy capitalizes all acquisitions of furniture, fixtures and equipment with a cost or value in excess of \$2,500 and an estimated useful life in excess of one year. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, ranging from three to seven years.

Intangible assets, net – Intangible assets consist of website costs. The Conservancy capitalizes all acquisitions of intangible assets with a cost or value in excess of \$2,500 and an estimated useful life in excess of one year. Amortization is computed using the straight-line method over the estimated useful life of five years. Website cost and accumulated amortization were \$1,120,860 and \$672,116, respectively, as of September 30, 2025. Amortization expense was \$56,308 for the year ended September 30, 2025.

Long-lived assets – Contributions of long-lived assets are recorded at estimated fair value at the date of donation. In the absence of donor stipulations restricting how the assets are to be used, such contributions are treated as being without donor restriction.

The Conservancy reviews long-lived tangible assets for impairment when circumstances indicate the carrying amount of an asset may not be recoverable. Impairment is recognized if the fair value of the asset is less than the carrying value. When an impairment loss is recognized, the asset's carrying value is reduced to its estimated fair value. There was no impairment loss recognized during the year ended September 30, 2025.

Golden Gate National Parks Conservancy

Notes to Financial Statements

Leases – The Conservancy leases properties and equipment under operating leases. The Conservancy determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) assets and lease liabilities on the statement of financial position. There were no finance leases as of September 30, 2025.

ROU assets represent the Conservancy's right to use an underlying asset for the lease term and lease liabilities represent the Conservancy's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at the commencement date based on the present value of lease payments over the lease term. As the Conservancy's leases do not provide an implicit rate, the Conservancy uses a risk-free rate based on the information available at the commencement date in determining the present value of lease payments. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The Conservancy's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The Conservancy has elected not to recognize right-of-use assets and lease liabilities for short-term leases and instead records them in a manner similar to operating leases under legacy leasing guidelines. A short-term lease is one with a maximum lease term of 12 months or less and does not include a purchase option that the lessee is reasonably certain to exercise.

Deferred revenue – Deferred revenue consists primarily of advances received on contracts for construction and native seed collection and amplification services, as well as mitigation advances, which generally result from court-ordered consent decrees, or settlements reached by parties involved in regulatory actions, to fund environmental remediation projects. Accordingly, revenue from these sources is recognized as expenses for the specified projects are incurred. Deferred revenue was \$376,096, \$1,317,806, and \$484,317 as of September 30, 2025, September 30, 2024, and October 1, 2023, respectively.

Deferred revenue activities during the year ended September 30, 2025 are as follows:

Deferred revenue, beginning of year	\$ 1,317,806
Revenue recognized	(959,066)
Payment received for future obligations	<u>17,356</u>
Deferred revenue, end of year	<u>\$ 376,096</u>

Agency funds payable – Agency funds payable primarily represent a term endowment held in a trust, placed in cash and investments, for the benefit of the National Park Service as well as admission fees to Muir Woods National Monument collected on behalf of and payable to the National Park Service.

Revenue recognition – The Conservancy recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier and a right of return or right of release, are not recognized until the conditions on which they depend have been met.

Golden Gate National Parks Conservancy

Notes to Financial Statements

At September 30, 2025, there were no conditional contributions that have not been recognized in the accompanying statement of activities. Funds received in advance on such conditional gifts are presented as refundable advances in the statement of financial position.

Unconditional promises received with donor stipulations that limit the use of the contribution are recorded as donor-restricted support. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as net assets released from restrictions. Donor-restricted contributions are reported as donor-restricted support and net assets released from restrictions when the restriction is met in the same period as the contribution is received.

A portion of the Conservancy's revenue is derived from cost-reimbursable federal and nonfederal contracts and grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as cooperative agreement reimbursements revenue when the Conservancy has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as deferred revenue in the statement of financial position.

Program revenue is generated by audio tour services, interpretive tours, public programs, and sales of interpretive publications and products at various retail locations. Program revenue is recognized at point of sale for retail items and when the related service has been rendered for tour services.

Donated services – Contributions of services are recognized when received if such services (a) enhance nonfinancial assets, or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not donated. The Conservancy received \$231,764 in donated professional services for the year ended September 30, 2025. In addition, a substantial number of volunteers have donated significant amounts of time in the Conservancy's program services and fundraising activities. The value of donated volunteer services has not been recognized in the accompanying financial statements because such volunteer services do not meet the above-mentioned criteria.

Gifts in kind – The Conservancy receives gifts in kind, such as goods for use in its program activities. Gifts in kind received through donation are valued and recorded as revenue at their fair value at the time the contribution is received. The value of such items received for the year ended September 30, 2025, totaled \$8,007.

Functional expense allocations – Expenses, such as depreciation and amortization, supplies, travel, personnel, and occupancy costs, are allocated among program services, management and general and fundraising expenses based on full-time employee equivalents (FTE), and on estimates made by the Conservancy's management.

Golden Gate National Parks Conservancy Notes to Financial Statements

National Park Service land and facilities

Improvements – The Conservancy operates programs on and offers assistance in the preservation of Golden Gate National Parks land, which is owned by the National Park Service. From time to time, the Conservancy makes improvements to Park property. These improvements are expensed as incurred and have been included in park enhancements, restorations and stewardship in the statement of activities.

Facilities – The Conservancy receives office space at no charge from the National Park Service as part of its agreement as a cooperating association. The space is provided for the mutual benefit of both parties, and the fair value cannot be determined due to the uniqueness of the agreement.

Advertising costs – The Conservancy expenses advertising costs as incurred. Advertising costs are incurred to provide the visitor with information about park interpretive experiences and programs. Advertising costs were \$281,836 for the year ended September 30, 2025.

Tax-exempt status – The Conservancy has been classified as a publicly supported, tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from California franchise taxes under Revenue and Taxation Code Section 23701d.

The Conservancy follows Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 740, *Income Taxes*, to account for uncertain tax positions. Management evaluated the Conservancy's tax positions and concluded that the Conservancy had maintained its tax-exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the financial statements.

Use of estimates – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions. These estimates and assumptions 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent events – Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. The Conservancy recognizes in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. The Conservancy's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position but arose after the statement of financial position date and before the financial statements are available to be issued.

The Conservancy has performed an evaluation of subsequent events through March 23, 2026, which is the date the financial statements are available to be issued.

Golden Gate National Parks Conservancy

Notes to Financial Statements

Note 3 – Contributions

Contributions receivable, net at September 30, 2025, are expected to be received as follows:

<u>Years Ending September 30,</u>	
2026	\$ 562,500
2027	145,000
2028	115,000
2029	115,000
2030	<u>100,000</u>
	1,037,500
Less discount on long-term contributions receivable	<u>(57,317)</u>
Contributions receivable, net	<u><u>\$ 980,183</u></u>

Note 4 – Investments

Investments consisted of the following at September 30, 2025:

Mutual funds - equity	\$ 2,645,997
Mutual funds - fixed income	4,980,330
Equity securities and funds	12,889,203
Alternative investments	<u>5,347,104</u>
Total	<u><u>\$ 25,862,634</u></u>

Investment income, net was comprised of the following for the year ended September 30, 2025:

Net realized and unrealized gain on investments	\$ 1,942,229
Interest and dividend income	1,410,886
Advisory fees	<u>(200,284)</u>
Total	<u><u>\$ 3,152,831</u></u>

Included in investment earnings, net is \$657,467 of net realized and unrealized gains, and \$214,467 of interest and dividend income related to a nonendowment donor restricted fund.

Golden Gate National Parks Conservancy

Notes to Financial Statements

Note 5 – Fair Value Measurements

The following table presents information about the Conservancy's assets measured at fair value on a recurring basis as of September 30, 2025, and indicates the fair value hierarchy of the valuation techniques utilized by the Conservancy to determine the fair values:

	Level 1	Level 2	Level 3	Total
Mutual funds - equity				
Small cap	\$ 2,645,997	\$ -	\$ -	\$ 2,645,997
Fixed income funds				
Fixed mutual funds	4,980,330	-	-	4,980,330
Total assets measured at fair value	\$ 7,626,327	\$ -	\$ -	7,626,327
Investments measured at NAV				18,236,307
				\$ 25,862,634

Golden Gate National Parks Conservancy Notes to Financial Statements

The following table lists investments by major category and investment strategy as of September 30, 2025:

Strategy	Fair Value	# of Funds	Unfunded Commitment s	Redemption Terms	Redemption Restrictions
Large mid-cap	\$ 3,176,164	2	N/A	Quarterly	90 days written notice w/ 25% investor level gate
Large mid-cap	2,101,711	1	N/A	Quarterly	60 days written notice
Developed international equity	3,077,791	1	N/A	Next liquidity date 12/31/2025	90 days written notice
Developed international equity	2,443,674	1	N/A	Monthly	60 days written notice
Emerging markets equity	1,290,527	1	N/A	Monthly	30 days written notice
Small cap	799,336	1	N/A	Quarterly	90 days written notice w/ 25% investor level gate
Long/short hedged equity	1,668,968	2	N/A	Quarterly	60 days written notice
Long/short hedged equity	1,271,424	1	N/A	Next liquidity date 10/31/2025; early redemption after 1 year with fees	60 days written notice
Long/short hedged equity	1,432,185	1	N/A	Annually	75 days written notice
Multi-strategy hedge funds	779,224	1	N/A	Quarterly	70 days written notice (85 if more than 10% outstanding shared)
Private equity	195,303	1	N/A	Discretion on Fund Manager	Discretion of Fund Manager
	<u>\$ 18,236,307</u>				

Golden Gate National Parks Conservancy

Notes to Financial Statements

Note 6 – Liquidity and Availability

The table below presents financial assets available for general expenditures within one year at September 30, 2025:

Financial assets at year end	
Cash and cash equivalents	\$ 39,716,723
Accounts receivable, net	6,474,103
Contributions receivable, net	980,183
Investments	<u>25,862,634</u>
	73,033,643
Less amounts not available to be used within one year	
Restricted by donors for future projects and time	(13,269,762)
Board-designated net assets	(20,192,931)
Portion of donor-restricted endowment to be retained in perpetuity	(9,355,222)
Future expendable donor-restricted endowment earnings	(5,815,883)
Agency funds payable	(832,999)
Deferred revenue to be earned in future years	(150,146)
Refundable advances	<u>(8,968)</u>
	<u>(49,625,911)</u>
	<u><u>\$ 23,407,732</u></u>

The Conservancy receives significant contributions restricted by donors, and considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. For the year ended September 30, 2025, restricted contributions of \$4,926,924 were included in financial assets available to meet cash needs for general expenditures within one year. The Conservancy also considers \$348,777 appropriated from the future expendable donor-restricted endowment to be available to meet cash needs for general expenditures as of September 30, 2025. As of September 30, 2025, the Conservancy no longer maintains a line of credit. The Conservancy manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability, maintaining adequate liquid assets to fund near-term operating needs, and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. The Conservancy has a liquidity policy to maintain current financial assets less current liabilities at a minimum of 90 days operating expenses. The Conservancy has a policy to target a year-end balance of reserves of undesignated net assets without restriction at six to eight months of expected expenditures. To achieve these targets, the Conservancy forecasts its future cash flows and monitors its liquidity quarterly and monitors its reserves annually. During the year ended September 30, 2025, the level of liquidity and reserves was managed within the policy requirements.

Golden Gate National Parks Conservancy Notes to Financial Statements

Note 7 – Furniture, Fixtures, and Equipment

Furniture, fixtures and equipment, net as of September 30, 2025, consisted of the following:

Equipment	\$ 1,738,920
Vehicles	<u>703,684</u>
	2,442,604
Less accumulated depreciation	<u>(2,034,050)</u>
	408,554
Constuction in progress	<u>3,243,034</u>
	<u><u>\$ 3,651,588</u></u>

Depreciation amounted to \$165,306 for the year ended September 30, 2025.

Note 8 – Leases

The Conservancy leases certain office equipment, warehouse facilities, audio tour headsets, office space, vehicles and space at the Port of San Francisco under noncancelable lease agreements classified as operating leases. At September 30, 2025, the operating lease ROU assets and operating lease liabilities amounted to \$3,821,824 and \$4,522,146, respectively.

Additional information related to leases for the year ended September 30, 2025, is as follows:

Operating lease cost	\$ 1,234,967
Operating cash flows from operating leases	\$ 1,159,373
ROU assets obtained in exchange for lease liability	\$ 16,751
Weighted-average remaining lease term (years)	15.09
Weighted-average discount rate	8.50%

Golden Gate National Parks Conservancy Notes to Financial Statements

Future minimum lease payments under noncancelable leases as of September 30, 2025, were as follows:

<u>Years Ending September 30,</u>	
2026	\$ 1,042,043
2027	916,813
2028	768,783
2029	233,347
2030	238,065
Thereafter	<u>5,674,642</u>
	8,873,693
Less imputed interest	<u>(4,351,547)</u>
	<u>\$ 4,522,146</u>

Note 9 – Line of Credit

In October 2021, the Conservancy entered into an agreement with a bank to secure a line of credit in the amount of \$8,500,000. The line had two components including a \$5,000,000 cash collateralized portion bearing interest at the greater of 1.75% or the bank's prime rate less 1.5% with a maturity date of June 30, 2025, and a \$3,500,000 unsecured portion bearing interest at the greater of 2.5% or the bank's prime rate with a maturity date of November 1, 2023. The Conservancy elected not to renew the \$3,500,000 portion of the line of credit upon its maturity. The Conservancy further elected not to renew the \$5,000,000 portion of the line of credit upon its maturity. There was no active line of credit as of September 30, 2025.

Golden Gate National Parks Conservancy

Notes to Financial Statements

Note 10 – Board-Designated Net Assets

Board-designated net assets for park projects and programs as of September 30, 2025, consisted of the following designations:

Park preservation and enhancement fund	\$ 7,089,300
People and parks forever fund	6,102,958
Capital project & new initiative planning fund	3,922,311
Alcatraz preservation and embarkation fund	1,781,194
Crissy Field enhancement and repair fund	<u>1,297,168</u>
	<u><u>\$ 20,192,931</u></u>

The Alcatraz Preservation and Embarkation Fund was created in connection with the initiative to improve the stewardship and operations of Alcatraz Island and is funded by a portion of audio tour fees as stipulated by the agreement. Advances may be made from the fund from time to time to leverage federal fund matching opportunities and will be recovered through future audio tour fees.

The Board of Trustees passed a resolution on December 5, 2024, to create a new Board Designated Fund called Capital Project and New Initiative Planning Fund with a balance of \$3,000,000 transferred from without donor restricted net assets.

Golden Gate National Parks Conservancy Notes to Financial Statements

Note 11 – Net Assets with Donor Restrictions and Net Assets Released from Restrictions

Net assets with donor restrictions include the following as of September 30, 2025:

Subject to expenditure for specified purpose	
Crissy Field projects and programs	\$ 12,161,621
Other park improvements	2,950,145
Conservancy programs fund	916,246
One Tam initiative	699,168
Community engagement, education, and outreach	484,229
Youth programs	356,152
Other Presidio trails and projects	346,794
National Park Service projects	<u>282,332</u>
	<u>18,196,687</u>
Subject to Conservancy spending policy and appropriation	
Other Presidio trails and projects	4,749,949
Other park improvements and conservation projects	4,438,785
Crissy Field projects and programs	3,936,528
Conservancy programs fund	1,317,685
Youth programs	893,522
Conservancy general operations	<u>183,413</u>
	<u>15,519,882</u>
	<u><u>\$ 33,716,569</u></u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors for the year ended September 30, 2025, as follows:

Subject to expenditure for specified purpose	
Conservancy programs fund	\$ 1,822,125
Crissy Field projects and programs	1,195,894
Other park improvements	1,151,883
One Tam initiative	619,039
Youth programs	269,790
Community engagement, education and outreach	444,850
Other Presidio trails and projects	149,170
National Park Service projects	<u>48,752</u>
	<u><u>\$ 5,701,503</u></u>

The appropriations of endowment assets for expenditure in 2025 totaled \$457,141, of which \$410,171 was spent on project expenditures in 2025. The 2025 unspent appropriations of \$46,970 will be released from restriction with the occurrence of future project expenditures.

Golden Gate National Parks Conservancy

Notes to Financial Statements

Note 12 – Endowment

The Conservancy's endowment consists of ten individual donor-restricted endowment funds established for a variety of purposes, as follows:

	Accumulated Gains	Original Gift Amount	Total with Donor Restrictions
James R. Harvey Restoration Fund	\$ 2,263,300	\$ 2,486,648	\$ 4,749,948
Bernard Osher Endowment Fund	1,783,776	2,152,752	3,936,528
Greg Hind Endowment Fund	1,154,757	2,555,000	3,709,757
The Wendell Family Endowment Fund	317,687	1,000,000	1,317,687
Mark Kutnink Endowment Fund	311,650	318,436	630,086
Josephine M. Kennedy Endowment Fund	179,924	411,000	590,924
Anne Kincaid Endowment Fund	89,025	102,888	191,913
Robert Thompson Endowment Fund	1,608	181,805	183,413
Peabody Endowment Fund	42,060	120,925	162,985
Ted Chong Endowment Fund	20,873	25,768	46,641
	<u>\$ 6,164,660</u>	<u>\$ 9,355,222</u>	<u>\$ 15,519,882</u>

The James R. Harvey Restoration Fund was established as an endowment to benefit the ongoing preservation and restoration of the Presidio. The Bernard Osher Endowment was established for environmental education at Crissy Field. The Ted Chong Endowment Fund was established to benefit the Conservancy's native plant nursery programs. The DeSha family created an endowment fund in memory of Anne Kincaid to restore, protect and conserve the natural assets and features of the Golden Gate National Parks. The Mark Kutnink Endowment was established for the benefit of the Trails Forever program and the Crissy Field Center. The Greg Hind Endowment was established for the benefit of the Golden Gate Raptor Observatory. The Peabody Endowment was established for the benefit of habitat restoration and conservation activities at Tennessee Hollow and Mountain Lake in the Presidio. The Josephine M. Kennedy Endowment Fund was established to provide funding for scholarships, stipends or wages for youth participants and interns in Park Conservancy's workforce development initiatives, programs and partnerships. The Wendell Family Endowment Fund was established to provide discretionary support of Park Conservancy's initiative, programs and partnerships that engage youth, families and communities in the Bay Area through the People in Parks Fund. The Robert Thompson Parks Conservancy Endowment Fund is a permanent endowment to provide general support to maintain, steward, and improve our public spaces for future generations.

Golden Gate National Parks Conservancy Notes to Financial Statements

The Conservancy's Board of Trustees has interpreted California's enacted version of the Uniform Prudent Management of Institutional Funds Act (the Act) as requiring the preservation of the fair value of the original gift as of the date of the gift absent explicit donor stipulations to the contrary. As a result of this interpretation, the Conservancy classifies the following as donor-restricted endowment to be retained in perpetuity: (1) the original value of gifts donated to the donor-restricted endowment, (2) the original value of subsequent gifts to the donor-restricted endowment, and (3) accumulations to the donor restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The future expendable portion of the donor-restricted endowment assets is classified as net assets with donor restrictions until appropriated by the Board of Trustees for expenditure. In accordance with the Act, the Conservancy considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- the duration and preservation of the fund;
- the purposes of the Conservancy and the donor-restricted endowment fund;
- general economic conditions;
- the possible effect of inflation and deflation;
- the expected total return from income and the appreciation of investments;
- other resources of the Conservancy; and
- the investment policies of the Conservancy.

Composition of endowment net assets with donor restrictions by type of fund

	Accumulated Gains	Original Gift Amount	Total
	<u> </u>	<u> </u>	<u> </u>
Donor-restricted endowment funds	\$ 6,164,660	\$ 9,355,222	\$ 15,519,882
	<u> </u>	<u> </u>	<u> </u>

Golden Gate National Parks Conservancy

Notes to Financial Statements

Changes in endowment net assets with donor restrictions

	Accumulated Gains	Original Gift Amount	Total
Endowment net assets, beginning of year	\$ 5,229,328	\$ 9,085,217	\$ 14,314,545
Investment return			
Interest and dividend income	33,710	-	33,710
Net realized and unrealized gains on investments	1,358,763	-	1,358,763
Total investment return	1,392,473	-	1,392,473
Contributions	-	270,005	270,005
Appropriations of endowment assets for expenditure	(457,141)	-	(457,141)
	(457,141)	270,005	(187,136)
Endowment net assets, end of year	\$ 6,164,660	\$ 9,355,222	\$ 15,519,882

There were no contributions receivable held for endowment as of September 30, 2025.

Funds with deficiencies – From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the Act requires the Conservancy to retain as a fund of perpetual duration. As of September 30, 2025, there were no such funds with deficiencies.

Return objectives and risk parameters – The Conservancy has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Conservancy must hold in perpetuity or for donor-specified periods. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield while assuming a moderate level of investment risk. The Conservancy expects its endowment funds, over time, to provide an average rate of return of approximately 4.5% annually. Actual returns in any given year may vary from this amount.

Strategies employed for achieving objectives – To satisfy its long-term rate-of-return objectives, the Conservancy relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Conservancy targets a diversified asset allocation that places a greater emphasis on mutual equity and bond fund investments to achieve its long-term return objectives within prudent risk constraints.

Golden Gate National Parks Conservancy

Notes to Financial Statements

Spending policy and how the investment objectives relate to spending policy – The Conservancy has a policy of appropriating for distribution each year up to 4.5% of the trailing 12-quarter average estimated fair value of the endowment investments. Appropriations in excess of 4.5% can be made with board approval and if deemed prudent in accordance with the Act. This is consistent with the Conservancy's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term, as well as to provide additional real growth through new gifts and investment return.

Note 13 – Gifts in Kind and Donated Services

Gifts in kind and donated services consisted of the following for the year ended September 30, 2025:

Advertisement services	\$ 103,464
Photography services	63,000
Transportation services	50,000
Consulting services	15,300
Program supplies	8,007
	<hr/>
	\$ 239,771
	<hr/> <hr/>

Valuation techniques – Program supplies consist of snacks and drinks. Program supplies are valued using the wholesale purchase price and donated services are valued at the estimated fair value based on current rates for similar services.

Note 14 – Cost of Goods Sold

A significant portion of the Conservancy's program service activities consist of sales of interpretive publications, theme-related sales items and products from interpretive demonstrations. The cost of goods sold for these items is included in total expenses for park interpretation and visitor services on the accompanying statement of activities. The following table summarizes cost of goods sold and gross profit from such sales for the year ended September 30, 2025:

Gross sales	\$ 20,587,944
Less cost of goods sold	<hr/> (7,502,381)
	<hr/>
	\$ 13,085,563
	<hr/> <hr/>

Golden Gate National Parks Conservancy Notes to Financial Statements

Note 15 – Aid to the Park

As a National Park Service authorized partner (cooperation association), the Conservancy accounts for “Aid to the Park” which refers to funds, services and other support provided to a park unit that benefits the park’s mission, particularly in areas like interpretation, education, research and conservation. Aid to Park program service expense, excluding cost of goods sold and donated services, for the year ended September 30, 2025, is as follows:

Total program service expense	\$ 43,535,341
Less cost of goods sold - retail	(7,465,194)
	\$ 36,070,147

Note 16 – Functional and Natural Expense Allocations

The table below sets forth the Conservancy's expenses on both a natural and functional basis for the years ended September 30, 2025 and 2024:

	2025							2024
	Park Interpretation and Visitor Services	Park Enhancements and Restoration	Youth Volunteer and Community Programs	Total Program Services	Management and General	Fundraising	Total	Comparative Totals
Employee compensation and benefits	\$13,610,004	\$ 3,668,986	\$ 4,481,662	\$21,760,652	\$ 6,692,653	\$ 2,136,141	\$30,589,446	\$29,547,852
Cost of interpretive goods sold	7,465,194	-	-	7,465,194	37,187	-	7,502,381	7,121,146
Project related expenses	14,171	6,396,087	45,873	6,456,131	21,385	15,374	6,492,890	5,215,520
Professional fees and contract services	433,991	429,212	56,258	919,461	1,360,952	973,217	3,253,630	2,756,475
Occupancy costs	1,608,843	149,371	149,938	1,908,152	284,632	40,732	2,233,516	2,546,327
Information technology	421,983	140,595	143,135	705,713	824,932	240,511	1,771,156	1,691,656
Office expenses	59,953	65,145	627,429	752,527	243,364	635,772	1,631,663	917,372
Grants made	-	904,655	-	904,655	-	-	904,655	7,344,138
Materials and supplies	333,741	176,901	238,985	749,627	100,978	48,515	899,120	768,550
Bank merchant fees	656,215	-	360	656,575	84,188	54,099	794,862	747,884
Insurance	243,484	77,572	98,155	419,211	165,165	23,542	607,918	484,583
Travel	56,315	156,025	166,772	379,112	21,903	65,268	466,283	297,729
Equipment rental	44,863	117,139	41,691	203,693	27,325	26,249	257,267	202,413
Advertising and promotion	-	-	-	-	281,836	-	281,836	165,313
Depreciation and amortization	66,007	32,135	27,402	125,544	83,562	12,508	221,614	334,741
Investment advisory fees	-	-	-	-	200,285	-	200,285	286,026
Printing	1,178	24,652	8,948	34,778	56,476	51,944	143,198	192,225
Conferences, meetings, and travel	13,970	10,698	30,727	55,395	70,016	9,985	135,396	97,345
Bad debt expense	1,047	37,874	-	38,921	-	-	38,921	24,062
Total	25,030,959	12,387,047	6,117,335	43,535,341	10,556,839	4,333,857	58,426,037	60,741,357
Less cost of interpretive goods sold netted from program revenue	(7,465,194)	-	-	(7,465,194)	(37,187)	-	(7,502,381)	(7,121,146)
Less advisory fees netted from investment return	-	-	-	-	(200,284)	-	(200,284)	(286,026)
Total expenses per statement of activities	\$17,565,765	\$ 12,387,047	\$ 6,117,335	\$36,070,147	\$10,319,368	\$ 4,333,857	\$50,723,372	\$53,334,185

Golden Gate National Parks Conservancy

Notes to Financial Statements

Note 17 – Tax Deferred Annuity Retirement Plan

The Conservancy operates a Tax Deferred Annuity Plan under Section 403(b) of the Code (the 403(b) Plan). All employees are eligible to make voluntary contributions into the 403(b) Plan via payroll deduction upon hire and become eligible to receive matching employer contributions upon completing one year of service with at least 1,000 hours completed in that year. Participants may contribute any percentage of their annual compensation, not to exceed Code limitations. Since January 1, 2024, the Conservancy makes a nonelective employer contribution of 3% of the participant's annual salary. Contributions made by the Conservancy for the year ended September 30, 2025, approximated \$685,963.

Note 18 – Top Hat Retirement Plan

The Conservancy provides a Top Hat Plan under Section 457(b) of the Code (the 457(b) Plan) to permit a select group of management or highly compensated employees of the Conservancy to defer a portion of their current compensation in accordance with the provisions of the Code. The Conservancy's Board of Trustees determines the 457(b) Plan participants from time to time. The Conservancy may make annual deferrals to the account balance of a participant on a nonelective basis, subject to the participant's contribution limitations. No such deferrals were made by the Conservancy for the year ended September 30, 2025. As of September 30, 2025, the Top Hat Plan had no assets and no participants in the plan. The Board of Trustees voted on November 7, 2025, to terminate the plan.

Note 19 – Cash Balance Retirement Plan

The Conservancy established a noncontributory defined benefit plan (the Cash Balance Plan) on December 16, 2016, with an effective Plan start date of January 1, 2016. The Plan was subsequently amended to conform to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

All employees who complete one year of service are eligible for employer contributions to the Cash Balance Plan. Participant contributions are disallowed for the Cash Balance Plan. Employer contributions to the Plan vest in accordance with a three-year cliff schedule. An employee's vesting percentage increases to 100% if, while employed with the employer, the employee dies or terminates employment due to becoming disabled.

The amount of a participant's retirement benefit is determined based on the benefit formula under the Plan. The benefit formula provides for a contribution credit plus a guaranteed interest credit, which is credited to participant's account. Generally, the benefit a participant is entitled to upon retirement will equal the amount credited to the participant's account. A contribution credit is received for each year of accrued service.

The Board of Trustees approved in January 2024 to terminate the cash balance plan effective April 30, 2024. The cash balance plan was fully funded as of September 30, 2024. The Conservancy made no contributions to the Cash Balance Plan during the year ended September 30, 2025. The plan termination process is complete, and all plan assets have been fully distributed as of June 4, 2025. The total benefit paid by the Conservancy during the year ended September 30, 2025, totaled \$662,060.

Golden Gate National Parks Conservancy

Notes to Financial Statements

Note 20 – Contingencies

The Conservancy is contingently liable in connection with claims and contracts arising in the normal course of its activities. In addition, the Conservancy receives funds from various federal and state government funded programs which are subject to audit by cognizant governmental agencies. The Conservancy's management believes that the outcome of such matters will not have a significant effect on the Conservancy's financial position.

The Conservancy's grant funding is subject to various risks, including potential changes in government policy and executive orders issued by federal, state, or local authorities. Such actions may lead to modifications, delays, or cancellations of grant programs, which could negatively affect the Conservancy's ability to meet its commitments under existing grants.

While the Conservancy has evaluated these risks, the potential impact of future executive orders and policy changes related to grant funding remains uncertain. The ultimate effect on the Conservancy's financial position and operating results will depend on the nature and timing of governmental actions. The Conservancy will continue to monitor these developments closely and take appropriate action as necessary.

Note 21 – Concentrations

Credit risk – Financial instruments, which potentially subject the Conservancy to credit risk, consist primarily of cash and cash equivalents, accounts and contributions receivable, and investments. The Conservancy maintains cash and cash equivalents with various financial institutions. At times, such amounts might exceed Federal Deposit Insurance Corporation limits. The Conservancy manages credit risk by establishing minimum credit standards for financial institutions and limiting the amount of credit exposure with any one institution. Accounts and contributions receivable are due from various individuals, companies and governmental agencies. The Conservancy's investments have been placed with major financial institutions and counterparties. The Conservancy closely monitors these financial instruments.

Revenues and receivables – Revenues from programs on Alcatraz Island, including audio and interpretive tour fees, totaled approximately 52% of program revenue for September 30, 2025.

Approximately 9% of contributed income for the year ended September 30, 2025, including the net proceeds from special events, was from various members of the Board of Trustees. Approximately 58% of contributions receivable were comprised of amounts due from two members of the Board of Trustees.

Approximately 25% of contributed income during the year ended September 30, 2025, was received from one donor. Approximately 19% of contributions receivable were comprised of amounts due from one donor.

Golden Gate National Parks Conservancy Notes to Financial Statements

Note 22 – Commitments

The Conservancy has entered into various construction contracts for trail enhancement and conservation projects totaling approximately \$6,700,000. As of September 30, 2025, the total remaining balances on these contracts for work to be completed, was approximately \$2,800,000. The Conservancy also had outstanding purchase commitments for publications and other interpretive merchandise approximately \$700,000 at September 30, 2025.

Supplementary Information

Golden Gate National Parks Conservancy
Schedule of Expenditures of Federal Awards
For the Year Ended September 30, 2025

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Federal/Pass-through Entity Identifying Number/Program Number	Federal Expenditures
U.S. Department of the Interior - National Park Service direct awards			
National Park Service Conservation, Protection, Outreach, and Education			
Complete Visitor and Resource Data Analysis at Fort Mason and Rancho Corral de Tierra	15.954	P20AC00993	\$ 108,420
Provide conceptual planning and project management support for the Miramontes Trail at Phleger Estate	15.954	P22AC01185	9,941
Muir Woods Fee Management Agreement	15.954	P23AC00055	571,453
Redwood Creek Vital Signs 3.0	15.954	P24AC02532	17,961
Alcatraz Seismic Signage	15.954	P25AC02125	29,691
Subtotal National Park Service Conservation, Protection, Outreach, and Education			<u>737,466</u>
U.S. Department of the Interior - National Park Service direct awards			
Natural Resource Stewardship			
Redwood Creek Resource Management and Habitat Restoration	15.944	P20AC00221	253
Redwood Creek Vital Signs 2.0	15.944	P20AC00317	42,977
Shoreline Highway Emergency Repairs Invasive Plant Management and Habitat Restoration	15.944	P20AC00832	70,590
NPS Wildland Hazardous Fuels and Invasive Species Reduction	15.944	P20AC00944	49,896
Promote Youth Participation in Wildlife and Habitat Preservation	15.944	P20AC01080	57,526
SFAN Network Collaborative Ecology, Data Management, and Communicating Results	15.944	P22AC01418	72,615
Partner for Mission Blue Butterfly Stewardship	15.944	P22AC01590	28,349
Plant Propagation & Restoration in GGNRA	15.944	P23AC02263	173,888
Collaboration on Climate Change Planning & Response	15.944	P23AC02348	46,753
Partnering with Local Watershed Organizations to Eradicate Japanese Knotweed in 2024	15.944	P24AC00493	12,332
Climate Resiliency, Wildlife Monitoring and Stewardship in Marin	15.944	P24AC02205	17,993
Monitor & Manage Wildlife and Habitat to Promote Climate Resilience	15.944	P24AC02558	5,019
Natural Resources Stewardship & Wildfire Resiliency Support in San Mateo	15.944	P25AC00544	5,106
Marin County Fire Fuels Reduction & Resource Enhancement	15.944	P25AC00545	8,063
Subtotal Natural Resource Stewardship			<u>591,360</u>
Total U.S. Department of the Interior - National Park Service			<u>1,328,826</u>
Total Expenditure of Federal Awards			<u>\$ 1,328,826</u>

The accompanying notes to the schedule of expenditures of federal awards are an integral part of this schedule.

Golden Gate National Parks Conservancy
Notes to the Schedule of Expenditures of Federal Awards
September 30, 2025

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Golden Gate National Parks Conservancy (the Conservancy) under programs of the federal government for the year ended September 30, 2025. The information in this Schedule is presented 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 a selected portion of the operations of the Conservancy, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Conservancy.

Note 2 – Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported 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 allowable or limited as to reimbursement.

Note 3 – Indirect Cost Rate

The Conservancy has elected to use the de minimis indirect cost rate allowed under the Uniform Guidance.

Report of Independent Auditors 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*

The Board of Directors
Golden Gate National Parks Conservancy

We 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 (*Government Auditing Standards*), the financial statements of Golden Gate National Parks Conservancy, which comprise the statement of financial position as of September 30, 2025, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 23, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Golden Gate National Parks Conservancy'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 Golden Gate National Parks Conservancy's internal control. Accordingly, we do not express an opinion on the effectiveness of Golden Gate National Parks Conservancy'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.

Our 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 we 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 Golden Gate National Parks Conservancy's financial statements are free from material misstatement, we 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 our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no 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 our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Baker Tilly US, LLP

San Francisco, California

March 23, 2026

Report of Independent Auditors on Compliance for the Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

The Board of Directors
Golden Gate National Parks Conservancy

Report on Compliance for the Major Federal Program

Opinion on the Major Federal Program

We have audited Golden Gate National Parks Conservancy'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 Golden Gate National Parks Conservancy's major federal program for the year ended September 30, 2025. Golden Gate National Parks Conservancy's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Golden Gate National Parks Conservancy complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2025.

Basis for Opinion on the Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Golden Gate National Parks Conservancy and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of Golden Gate National Parks Conservancy'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 Golden Gate National Parks Conservancy's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our 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 Golden Gate National Parks Conservancy's compliance based on our 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 GAAS, *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 Golden Gate National Parks Conservancy's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- 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 Golden Gate National Parks Conservancy's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Golden Gate National Parks Conservancy'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 Golden Gate National Parks Conservancy's internal control over compliance. Accordingly, no such opinion is expressed.

We are 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 we 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.

Our 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.

Our 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 our 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.

Baker Tilly US, LLP

San Francisco, California
March 23, 2026

**Golden Gate National Parks Conservancy
Schedule of Findings and Questioned Costs
For the Year Ended September 30, 2025**

Section I – Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported
- Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal program:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported
- Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of the Major Federal Programs and Type of Auditor’s Report Issued on Compliance for the Major Federal Program:

<i>Federal Assistance Listing Numbers</i>	<i>Name of Major Federal Programs or Clusters</i>	<i>Type of Auditor’s Report Issued on Compliance for each Major Federal Program</i>
15.954	National Park Service Conservation, Protection, Outreach, and Education	<i>Unmodified</i>

Dollar threshold used to distinguish between type A and type B programs:

\$1,000,000

Auditee qualified as low-risk auditee?

Yes No

**Golden Gate National Parks Conservancy
Schedule of Findings and Questioned Costs (continued)
For the Year Ended September 30, 2025**

Section II – Financial Statement Findings

None reported.

Section III – Federal Award Findings and Questioned Costs

None reported.

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