

Santa Fe Conservation Trust Revenue Recognition Procedures

Adopted: April 29, 2008

Revised: October 15, 2024

The purpose of establishing these procedures is to create internal controls and consistency over the recognition of revenues. The objective is to insure that all revenues are recorded in the appropriate fiscal period, and in accordance with Generally Accepted Accounting Principles.

Revenues can be generated in several ways, including:

- Unrestricted cash contributions from donors (including checks and credit cards)
- Unrestricted gifts of stocks or bonds from donors
- Gifts from donors in the above manner, but with restrictions on how that money can be spent
- Sales of tickets to fundraising and point of entry events
- Grants from foundations
- Proceeds from contractual arrangements
- Dividends, interest and capital gains/losses from investments and endowment accounts

Generally, revenues shall be recognized in the Statement of Activities in the period when they are received or unconditionally promised to the Trust.

Acknowledgements to contributors for tax purposes should cite the date or tax period it was paid. Checks may be acknowledged on the date they are mailed or hand delivered. Credit cards and other forms of electronic payment are considered paid when they are charged. Refer to IRS publication 526: Charitable Contributions.

Contributions: SFCT's programs are supported primarily by contributions and grants. All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Unconditional promises to give cash and other assets to SFCT are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. Gifts received with donor stipulations that limit the use of the donated assets are reported as support with donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished by SFCT, restricted net assets are reclassified as unrestricted net assets and reported in the statements of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

Contracts, Grants, and Contributions Receivable (Receivables): Contributions and pledge receivables are recognized on the date a donor makes an unconditional promise to give to SFCT. SFCT records unconditional promises to give that are expected to be collected

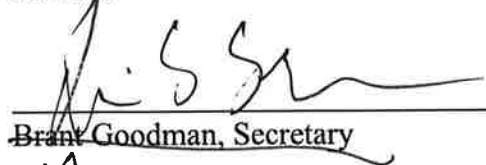
within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of activities. SFCT determines the allowance for uncollectable receivables based on historical experience, an assessment of economic conditions, and a review of subsequent collections.

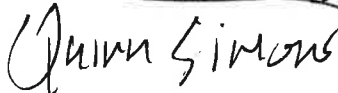
Investments: SFCT records investment purchases at cost, or if donated, at fair value on the date of donation. Thereafter, investments are reported at their fair values in the statements of financial position. Net investment return/(loss) is reported in the statements of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

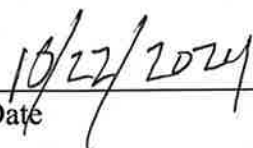
Beneficial Interest in Assets Held by a Community Foundation: SFCT has established and names itself beneficiary of two endowment funds held and managed by the Santa Fe Community Foundation (Foundation). The endowment funds are held and invested by the Foundation for SFCT's benefit and are reported at fair value in the statements of financial position, with changes in fair value recognized in the statements of activities.

Contributions of Long-Lived Assets: Contributions of equipment and other long-lived assets without donor-imposed stipulations concerning the use of such assets are reported as revenues of the unrestricted net asset class. Contributions of cash or other assets to be used to acquire equipment and other long-lived assets with such donor stipulations are recorded as revenues of the temporarily restricted net asset class; the restrictions are considered to be released at the time of the acquisition of such long-lived assets.

Donated Services and In-Kind Contributions: Volunteers contribute significant amounts of time to SFCT's program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. SFCT records donated professional services at the respective fair values of the services received.



Brant Goodman, Secretary




Date