

Joshua Tree National Park Association
Financial Statements
For the Year Ended
September 30, 2020

Table of Contents

	<u>Page</u>
Independent Auditors' Report.....	1
Financial Statements:	
Statement of Financial Position	3
Statement of Activities.....	4
Statement of Functional Expenses	5
Statement of Cash Flows	6
Notes to Financial Statements.....	7



Independent Auditors' Report

Board of Directors
Joshua Tree National Park Association
Twentynine Palms, California

We have audited the accompanying financial statements of Joshua Tree National Park Association (a nonprofit organization), which comprise the statement of financial position as of September 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Joshua Tree National Park Association as of September 30, 2020, 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.

A handwritten signature in black ink that reads "Hinton Burdick, PLLC". The signature is written in a cursive, flowing style.

HintonBurdick, PLLC
St. George, Utah
August 18, 2021

JOSHUA TREE NATIONAL PARK ASSOCIATION
Statement of Financial Position
September 30, 2020

Assets

Current assets:

Cash and cash equivalents	\$ 616,407
Restricted cash and cash equivalents	217,766
Prepaid expenses	1,277
Inventories	648,276

Total current assets	<u>1,483,726</u>
----------------------	------------------

Noncurrent assets:

Capital assets:

Land	108,104
Buildings and improvements	1,095,654
Vehicles, machinery and equipment	56,969
Accumulated depreciation	<u>(409,561)</u>

Total capital assets, net	<u>851,166</u>
---------------------------	----------------

Total assets	<u><u>\$ 2,334,892</u></u>
---------------------	-----------------------------------

Liabilities and net assets

Current liabilities:

Accounts payable	\$ 13,739
Sales tax payable	11,664
Accrued expenses	12,431
Deposits and other liabilities	3,350
Compensated absences	39,409

Current portion of noncurrent liabilities:

Notes payable	<u>56,706</u>
---------------	---------------

Total current liabilities	<u>137,299</u>
---------------------------	----------------

Noncurrent liabilities

Notes payable, net of current portion	<u>227,418</u>
---------------------------------------	----------------

Total noncurrent liabilities	<u>227,418</u>
------------------------------	----------------

Total liabilities	<u>364,717</u>
-------------------	----------------

Net assets:

Without donor restrictions	1,752,409
With donor restrictions	<u>217,766</u>

Total net assets	<u>1,970,175</u>
------------------	------------------

Total liabilities and net assets	<u><u>\$ 2,334,892</u></u>
---	-----------------------------------

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

JOSHUA TREE NATIONAL PARK ASSOCIATION
Statement of Activities
For the Year Ended September 30, 2020

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Revenues, gains, and other support:			
Sales	\$ 3,572,487	\$ -	\$ 3,572,487
Contributions	13,352	61,952	75,304
Memberships	19,806	-	19,806
Investment gain/(loss)	1,635	1,171	2,806
Other income	29,580	-	29,580
Desert Institute	48,574		48,574
Net assets released from restrictions	76,070	(76,070)	-
	<u>3,761,504</u>	<u>(12,947)</u>	<u>3,748,557</u>
Total revenues, gains and other support			
Expenses:			
Program services-Sales	3,157,583	-	3,157,583
Program services-Desert Institute	123,138	-	123,138
Program services-Aid to Park	145,340	-	145,340
Program services-Other Mission Based Programs	76,070	-	76,070
Membership	71,982	-	71,982
Management and general	280,799	-	280,799
	<u>3,854,912</u>	<u>-</u>	<u>3,854,912</u>
Total expenses			
Change in net assets	(93,408)	(12,947)	(106,355)
Net assets at beginning of year	<u>1,845,817</u>	<u>230,713</u>	<u>2,076,530</u>
Net assets at end of year	<u>\$ 1,752,409</u>	<u>\$ 217,766</u>	<u>\$ 1,970,175</u>

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

JOSHUA TREE NATIONAL PARK ASSOCIATION
Statement of Functional Expenses
For the Year Ended September 30, 2020

Expense category	Program Services						Total
	Sales	Desert Institute	Aid to Park	Other Mission Based Programs	Membership	Management and General	
Auto expense	\$ 5,851	\$ 1,294	\$ -	\$ -	\$ 60	\$ 1,079	\$ 8,284
Board expense	-	-	-	-	-	1,693	1,693
Bank and credit card fees	111,023	1,690	-	-	-	-	112,713
Concession fees	-	-	-	-	-	15,045	15,045
Cost of goods sold	2,262,084	-	-	-	-	-	2,262,084
Computers and software	1,560	4,389	-	-	3,214	3,019	12,182
Dues and subscriptions	-	-	-	-	-	4,195	4,195
Depreciation and amortization	34,081	-	-	-	-	-	34,081
Employee benefits	94,017	7,805	-	-	6,006	16,934	124,762
Grant and aid	-	-	145,340	76,070	-	-	221,410
Interest	11,356	-	-	-	-	-	11,356
Insurance	26,260	2,267	-	-	1,297	13,082	42,906
Lecture related expenses	-	16,556	-	-	-	-	16,556
Legal and professional	427	4,071	-	-	-	31,828	36,326
Meetings and conventions	2,706	975	-	-	100	7,373	11,154
Office	1,402	-	-	-	-	4,127	5,529
Outside services	-	-	-	-	-	3,079	3,079
Payroll taxes	63,324	5,277	-	-	3,975	12,182	84,758
Rent	6,000	383	-	-	-	-	6,383
Publications and printing	-	3,616	-	-	2,755	-	6,371
Repairs and maintenance	17,630	-	-	-	-	-	17,630
Telephone	550	1,431	-	-	-	3,204	5,185
Shipping and postage	7,967	693	-	-	1,056	1,820	11,536
Supplies	16,216	3,717	-	-	6,695	2,527	29,155
Uniforms	-	-	-	-	-	1,015	1,015
Utilities	7,700	-	-	-	-	-	7,700
Wages and salaries	487,429	68,974	-	-	46,824	158,597	761,824
Total	\$ 3,157,583	\$ 123,138	\$ 145,340	\$ 76,070	\$ 71,982	\$ 280,799	\$ 3,854,912

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

JOSHUA TREE NATIONAL PARK ASSOCIATION
Statement of Cash Flows
For the Year Ended September 30, 2020

Cash flows from operating activities:	
Cash received from sale of goods	\$ 3,572,487
Cash received from fees, membership, contributions and other income	173,264
Payments for inventory and other selling expenses	(3,366,085)
Payments for Aid to Park	(145,340)
Payments for Desert Institute	(123,138)
Payments for miscellaneous programs	(76,070)
Payments for membership	(71,982)
Payments for management and general expenses	(213,168)
	<u>(250,032)</u>
Net cash flows from operating activities	<u>(250,032)</u>
Cash flows from investing activities:	
Interest income	2,806
Purchases of capital assets	(9,022)
	<u>(6,216)</u>
Net cash flows from investing activities	<u>(6,216)</u>
Cash flows from financing activities:	
Proceeds from PPP loan	159,138
Principal paid on long-term debt	(108,065)
	<u>51,073</u>
Net cash flows from financing activities	<u>51,073</u>
Net change in cash and cash equivalents	(205,175)
Cash, cash equivalents, and restricted cash, beginning of year	<u>1,039,347</u>
Cash, cash equivalents, and restricted cash, end of year	<u>\$ 834,172</u>
Reconciliation of change in net assets to net cash used by operating activities:	
Change in net assets	\$ (106,355)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation and amortization	34,081
Interest income	(2,806)
Changes in operating assets and liabilities:	
Decrease/(Increase) in inventories	(206,704)
Decrease/(Increase) in prepaid expenses	(350)
Increase/(Decrease) in accounts payable	11,361
Increase/(Decrease) in sales tax payable	(1,798)
Increase/(Decrease) in accrued liabilities	5,654
Increase/(Decrease) in compensated absences	16,885
	<u>16,885</u>
Net cash flows from operating activities	<u>\$ (250,032)</u>
Supplemental disclosures:	
Cash paid for interest	11,356

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

JOSHUA TREE NATIONAL PARK ASSOCIATION
Notes to the Financial Statements
September 30, 2020

NOTE 1. Significant Accounting Policies

Organization and Nature of Activities

Joshua Tree National Park Association (the Association), a nonprofit association incorporated in 1962, is the primary nonprofit partner for Joshua Tree National Park. Its mission is to support the park in its education, interpretation, scientific, and historic research and activities through financial and in-kind contributions. It sells products and provides services to park visitors, association members, and other interested parties, under the terms of a Concessions Contract and Cooperating Association Agreement with the United States National Park Service (NPS). In the fiscal year ending September 30, 2006, the Association purchased the Joshua Tree Visitor Center and operates it for the NPS as an official Visitor Center near the west entrance to the park. It operates and assists with staffing three other Visitor Centers located in Park Service facilities, operates a website, and wholesales selected merchandise to retailers in the community as appropriate. The Association may also publish park-specific books, print park visitor publications, and purchase supplies, books, equipment, and training materials for the NPS as requested, within the guidelines of governing Department of the Interior Director's Orders. It additionally operates the Desert Institute, which provides educational classes in the park and surrounding public lands. These classes are taught by experts across a wide array of fields, from natural sciences to liberal arts to historical and cultural interests. The Desert Institute further offers lectures on related, relevant topics, held in a variety of venues across communities surrounding the park.

Basis of Accounting

The financial statements of the Joshua Tree National Park Association have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Financial Statement Presentation

The Association presents its financial statements in accordance with U.S. generally accepted accounting principles (GAAP) and the standards in the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC).

The Association reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

JOSHUA TREE NATIONAL PARK ASSOCIATION
Notes to the Financial Statements
September 30, 2020

NOTE 1. Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures 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 Association cash consists of cash on deposit with banks. Cash equivalents represent money market funds or short-term investments with original maturities of three months or less from the date of purchase.

Accounts Receivable and Other Receivables

Accounts receivable consist of balances due for services performed or product provided and are reported at net realizable value. Management considers all receivables to be collectible. Therefore, an allowance is not considered necessary.

Inventory

Inventories consist of goods held for sale. Inventories are valued at cost using the first-in, first out method.

Property and Equipment

Property and equipment are stated at cost at the date of purchase or, for donated assets, at fair value at the date of donation, less accumulated amortization and depreciation. Depreciation and amortization of property and equipment is provided over the estimated useful lives of 5 to 40 years for the respective assets on a straight-line basis. The Association's capitalization policy is to capitalize any fixed asset expenditures costing more than \$1,000 and expense normal repairs and maintenance as incurred. The Association's management periodically evaluates whether events or circumstances have occurred indicating that the carrying amount of long-lived assets may not be recovered.

There are no restrictions or limitations on the use of the Association's capitalized property and equipment.

JOSHUA TREE NATIONAL PARK ASSOCIATION
Notes to the Financial Statements
September 30, 2020

NOTE 1. Significant Accounting Policies (Continued)

Classification of Net Assets

Net assets and changes therein are classified according to the existence or absence of time or donor imposed restrictions. Net assets of the Association are reported as follows:

Net assets without donor restrictions:

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Association. These net assets may be used at the discretion of the Association's management and the board of directors. Net assets without donor restrictions are resources available to support operations. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Association and its mission, the environment in which it operates, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions:

Net assets subject to stipulations or restrictions imposed by donors, and grantors. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or for particular purposes or other events specified by the donor. Those restrictions will be met by actions of the Association or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated or restricted the funds or resources be maintained in perpetuity.

Revenue and Revenue Recognition

The Association's primary sources of revenue are derived from park store sales which includes a percentage of the sales of park passes purchased at the visitor centers. Additional revenues are generated from contributions or grants, membership fees and registration and lecture fees for the Desert Institute. Revenue is recognized when earned. Sales revenue is recognized when the sale occurs. Contributions are recognized when cash, or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction.

Sales Tax

The Association collects sales tax on taxable transactions and remits it to the State of California as required by law.

JOSHUA TREE NATIONAL PARK ASSOCIATION
Notes to the Financial Statements
September 30, 2020

NOTE 1. Significant Accounting Policies (Continued)

Contributions

Contributions received are recorded as increases in net assets without donor restrictions and net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions.

Contributions of property and equipment are reported as net assets with donor restrictions if the donor restricted the use of the property or equipment to a particular program or for a specific time period, as are contributions of cash restricted to the purchase of property and equipment. Otherwise, donor restrictions on contributions of property and equipment or assets restricted for purchase of property and equipment are considered to expire when the assets are placed in service. All other donor restricted contributions are reported as increases in net assets with donor restrictions. When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statement of Activities as net assets released from restrictions.

Contributions, which may include non-cash assets, unconditional promises to give and beneficial interests in irrevocable trusts or other legally-binding agreements, are recognized as revenue at fair value in the period pledged or received. Contributions receivable are reviewed for collectability and reserves for uncollectible amounts are established when needed.

Contributions and bequests may include donor-imposed restrictions or require the fulfillment of certain conditions as set forth in the gift instrument. Failure to fulfill these conditions could require the return of funds to donors. As the Association only accepts those gifts for which it agrees to the terms and conditions contained in the gift instrument, the Association believes this contingency is remote.

Contributed Services

Contributions of services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. No contributed services met the recognition criteria during the period ended September 30, 2020.

JOSHUA TREE NATIONAL PARK ASSOCIATION
Notes to the Financial Statements
September 30, 2020

NOTE 1. Significant Accounting Policies (Continued)

Functional Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification of expenses by function. Accordingly, certain costs have been allocated among program services and supporting services benefited. Such allocations are determined by management on an equitable basis.

Directly identifiable expenses are charged to programs and supporting services. Expenses related to more than one function are charged to programs and supporting services on the basis of periodic time and expense studies. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Association.

Income Taxes

The Association is a not-for-profit organization that is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code). The Association is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code. In addition, the Association qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a)(1) of the Code.

The Association did not incur any income tax during the year ended September 30, 2020 and did not recognize any tax-related interest and penalties on the statement of activities and statement of financial position for that period. The Association has no unrecognized tax benefits and no uncertain tax positions for the year ended September 30, 2020. Tax years that remain open to examination by the Internal Revenue Service are years ending September 30, 2017 through September 30, 2020.

Geographic Concentration

The Association conducts its operations solely in and around Joshua Tree National Park in California and, therefore, is subject to risks from changes in local economic and tourism conditions. A downturn in the local economy or tourism could cause a decrease in revenue concurrently with an increase in requested assistance from the federal agencies.

Date of Management's Review

In preparing these financial statements, the Association has evaluated events and transactions for potential recognition or disclosure through August 18, 2021, the date the financial statements were available to be issued.

JOSHUA TREE NATIONAL PARK ASSOCIATION
Notes to the Financial Statements
September 30, 2020

NOTE 2. Cash and Cash Equivalents

The Association maintains cash in various financial institutions. The balances are insured by the Federal Deposit Insurance Corporation up to \$250,000. At September 30, 2020, the bank balance of the Association's deposits was \$856,561. The Association had uninsured balances of \$99,845 at September 30, 2020.

A reconciliation to cash and cash equivalents on the statement of financial position follows:

Cash on hand	\$ 2,798
Cash in bank	<u>831,375</u>
Total cash and cash equivalents	<u><u>\$ 834,173</u></u>

The nature and amounts of restriction and/or limitations, including donor-imposed restrictions, on the Association's use of cash and cash equivalents are disclosed in Notes 3 and 8. There are no cash and cash equivalents with donor-imposed restrictions limiting use to long-term purposes.

NOTE 3. Liquidity and Availability of Financial Assets

The following reflects the Association's financial assets available within one year of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

Financial assets at September 30, 2020:	
Cash and cash equivalents	<u>\$ 834,173</u>
Less those unavailable for general expenditures within one year, due to:	
Contractual or donor-imposed restrictions:	
Restricted by donor with purpose restrictions (see Note 8 for details)	<u>(217,766)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u><u>\$ 616,407</u></u>

The Association defines general expenditures as any expenditure which does not reduce the balance of net assets with donor restrictions.

JOSHUA TREE NATIONAL PARK ASSOCIATION
Notes to the Financial Statements
September 30, 2020

NOTE 4. Capital Assets

The following table summarizes the changes to the capital assets during the year ended September 30, 2020.

	Balance at 9/30/2019	Additions	Deletions	Reclass	Balance at 9/30/2020
Capital assets, not being depreciated:					
Land	\$ 108,104	\$ -	\$ -	\$ -	\$ 108,104
Total capital assets, not being depreciated	<u>108,104</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,104</u>
Capital assets, being depreciated:					
Buildings and improvements	1,086,632	9,022	-	-	1,095,654
Vehicles, machinery and equipment	48,223	-	-	8,746	56,969
Furniture and fixtures	8,746	-	-	(8,746)	-
Total capital assets, being depreciated	<u>1,143,601</u>	<u>9,022</u>	<u>-</u>	<u>-</u>	<u>1,152,623</u>
Less: accumulated depreciation	<u>(375,480)</u>	<u>(34,081)</u>	<u>-</u>	<u>-</u>	<u>(409,561)</u>
Total capital assets, being depreciated, net	<u>768,121</u>	<u>(25,059)</u>	<u>-</u>	<u>-</u>	<u>743,062</u>
Net capital assets	<u>\$ 876,225</u>	<u>\$ (25,059)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 851,166</u>

Depreciation and amortization expenses for the fiscal year ended September 30, 2020 was \$34,081.

This section intentionally left blank

JOSHUA TREE NATIONAL PARK ASSOCIATION
Notes to the Financial Statements
September 30, 2020

NOTE 5. Long-term Liabilities

The following is a summary of changes in long-term obligations for the current fiscal year:

	Balance 9/30/2019	Additions	Retirements	Balance 9/30/2020
Notes Payable:				
Bank of Southern California	\$ 233,051	\$ -	\$ (108,065)	\$ 124,986
PPP Loan	-	159,138	-	159,138
	<u>\$ 233,051</u>	<u>\$ 159,138</u>	<u>\$ (108,065)</u>	<u>\$ 284,124</u>

The Association's long-term liabilities as of September 30, 2020 consists of the following:

Note payable to the Bank of Southern California, secured by the building at 6554 Park Boulevard, including interest at 6.25% per annum.	\$ 124,986
Payroll Protection Program Loan due in two years if not forgiven including 1% interest per annum.	159,138
Less: Current portion	<u>-</u>
Total long-term liabilities	<u><u>\$ 284,124</u></u>

The Association's board of directors authorized an accelerated prepayment plan in prior years on the Bank of Southern California note payable.

Future scheduled maturities of long-term liabilities is as follows:

Year Ending September 30	Southern California Note	PPP Loan	Total
2021	\$ 56,706	\$ -	\$ 56,706
2022	60,358	159,138	219,496
2023	7,922	-	7,922
2024	-	-	-
2025	-	-	-
	<u>\$ 124,986</u>	<u>\$ 159,138</u>	<u>\$ 284,124</u>

JOSHUA TREE NATIONAL PARK ASSOCIATION
Notes to the Financial Statements
September 30, 2020

NOTE 6. Employee Benefits

The Association provides a 401k plan with a 3% match for participating employees. In addition, the Association offers an Individual Retirement Account (IRA) option to full-time employees. Contributions to these plans were \$14,078 during the fiscal year ended September 30, 2020.

The Association provides compensation of up to \$6,000 per year per full-time employee for health insurance. Health assist expenses for the year ended September 30, 2020 were \$110,683.

The Association pays employees unused accrued vacation time when an employee separates from the Association. The compensated absences balance is estimated based on pay rates in place at the end of the fiscal year. At September 30, 2020 the balance of accrued compensated absences was \$39,409.

NOTE 7. Board Designated Reserves

The Association has adopted a policy whereby adequate emergency reserve funds will be maintained to ensure the financial means to continue to provide essential services, programs, and operations as well as consistent/essential visitor center staffing and aid to NPS during a business downturn or to handle unexpected Association expenses, which are required to continue satisfactory Association operations. At the beginning of the fiscal year ended September 30, 2020, the board formally designated \$210,000 as an operating reserve and \$120,000 for anticipated costs of the renovation of the visitor center.

This section intentionally left blank.

JOSHUA TREE NATIONAL PARK ASSOCIATION
Notes to the Financial Statements
September 30, 2020

NOTE 8. Restrictions on Net Assets

The Association's net assets with donor restrictions activity during 2020 consisted of the following:

	Beginning Balance	Contributions	Releases	Reclassification	Ending Balance
Aid 2018	\$ 10,389	\$ -	\$ -	\$ -	\$ 10,389
AIR program	1,344	490	-	-	1,834
Annenberg	5,000	-	-	-	5,000
Cornett	1,722	3,000	(2,957)	-	1,765
DI Grant/Donation	1,348	840	(1,350)	-	838
Friend Raising	9,576	10,494	(2,813)	-	17,257
Sullivan 16	3,837	-	-	-	3,837
McCarthy 16	1,946	-	-	-	1,946
Heintzman 16	1,332	-	(249)	-	1,083
Edmunds 16	4,000	-	-	-	4,000
Hale 16	3,952	-	-	-	3,952
Wagner 16	41	-	-	-	41
Adams 16	2,448	-	(2,448)	-	-
Bologh 16	3,662	-	-	-	3,662
Shuman 16	3,341	-	(3,341)	-	-
McHugh 16	303	-	-	-	303
Donation Education	2,540	-	(64)	-	2,476
NPF Grant Education	21,736	10,000	(5,098)	303	26,941
Education	303	-	-	(303)	-
Leadership Academy	2,000	-	(2,000)	-	-
Minerva Grant	2,000	2,000	(1,520)	-	2,480
Pew Charitable Trust	8,696	-	(450)	1,046	9,292
Pew Case Property	1,046	-	-	(1,046)	-
H James Fine Arts	7,304	-	(3,057)	-	4,247
Volunteer	593	-	-	-	593
Earthwatch	13,424	10,441	(4,791)	-	19,074
Vegetation and Habitat Restoration	42,542	24,687	(36,322)	-	30,907
Web/Ipod Interpretation	704	-	-	-	704
Edison	2,115	-	-	-	2,115
Rose Foundation	2,487	-	-	-	2,487
Search and Rescue	1,831	-	-	-	1,831
Science Wifi Buckner Center	615	-	(621)	6	-
From Tas	421	-	(415)	(6)	-
Matt Prisco Holding	445	-	-	-	445
Interest	1,287	-	(1,287)	-	-
Frugé Publishing	302	-	(302)	-	-
Page and Turn	3,675	-	(3,675)	-	-
Frugé Publishing CD	60,406	1,171	-	-	61,577
Other	-	-	(3,310)	-	(3,310)
	<u>\$ 230,713</u>	<u>\$ 63,123</u>	<u>\$ (76,070)</u>	<u>\$ -</u>	<u>\$ 217,766</u>

JOSHUA TREE NATIONAL PARK ASSOCIATION
Notes to the Financial Statements
September 30, 2020

NOTE 9. Concentrations of Risk

The Association operates in buildings owned by the NPS, as well as the building owned by the Association in Joshua Tree, CA, under its Concessions Contract and Cooperating Association Agreement.

The Cooperating Association Agreement states that the NPS may terminate the agreement at any time when it is determined to be in the best interest of the public, or by default, without any legal process whatsoever, by giving the Association thirty days' notice of termination.

The Association and NPS have entered into a ten-year Concessions Contract enabling the Association to sell convenience items. A 5% fee will be paid, on a quarterly basis, to NPS on the convenience items only.

NOTE 10. Subsequent Events

The COVID-19 outbreak in the United States has resulted in the closing and delay in fully reopening the Association's sales outlets and has otherwise disrupted and continues to disrupt operations of those outlets. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the operating limitations. Therefore, the Association expects this matter to negatively impact its operating results in 2021. However, the related financial impact and duration cannot be reasonably estimated at this time. Until the sales outlets return to full capacity, Joshua Tree National Park Association is maintaining the majority of its staff and other business operations.

The Association did apply for and received Payroll Protection Loan from the United States Small Business Administration under the CARES Act in May 2020 in the amount of \$159,138. The Association received a second loan under the same program in January 2021 in the amount of \$159,137. Based on the expenditures for payroll and other allowable expenses during the covered period, management expects that the PPP loans will be fully forgiven.