

**FINANCIAL STATEMENTS**

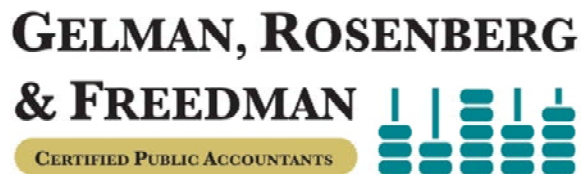
**SOCIETY FOR CONSERVATION BIOLOGY**

**FOR THE YEAR ENDED DECEMBER 31, 2011**

# SOCIETY FOR CONSERVATION BIOLOGY

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Society for Conservation Biology  
Washington, D.C.

We have audited the accompanying statement of financial position of the Society for Conservation Biology (the Society) as of December 31, 2011, and the related statements of activities and change in net assets, and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Society as of December 31, 2011, and its change in net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

July 18, 2012

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(301) 951-9090 • FAX (301) 951-3570 • WWW.GRFCPA.COM

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## SOCIETY FOR CONSERVATION BIOLOGY

STATEMENT OF FINANCIAL POSITION  
AS OF DECEMBER 31, 2011

## ASSETS

## CURRENT ASSETS

|                             |                  |
|-----------------------------|------------------|
| Cash and cash equivalents   | \$ 339,675       |
| Investments (Notes 2 and 9) | 860,409          |
| Accounts receivable         | 461,978          |
| Grants receivable (Note 3)  | 1,120,941        |
| Prepaid expenses            | <u>38,058</u>    |
| Total current assets        | <u>2,821,061</u> |

## FIXED ASSETS

|   |                  |
|---|------------------|
| Land  | 432,360          |
| Building and improvements                       | 876,942          |
| Furniture and equipment                         | <u>83,532</u>    |
|   | 1,392,834        |
| Less: Accumulated depreciation and amortization | <u>(148,880)</u> |
| Net fixed assets                                | <u>1,243,954</u> |

## OTHER ASSETS

|  |                  |
|--|------------------|
| Grants receivable, net of current portion (Note 3)               | 1,064,783        |
| Note financing costs, net of accumulated amortization of \$3,700 | <u>32,503</u>    |
| Total other assets   | <u>1,097,286</u> |

**TOTAL ASSETS****\$ 5,162,301**

## LIABILITIES AND NET ASSETS

## CURRENT LIABILITIES

|  |                |
|--|----------------|
| Note payable (Note 4)                    | \$ 14,872      |
| Accounts payable and accrued liabilities | 553,759        |
| Deferred revenue                         | <u>111,929</u> |
| Total current liabilities                | <u>680,560</u> |

## LONG-TERM LIABILITIES

|   |                  |
|---|------------------|
| Note payable, net of current portion (Note 4) | <u>608,134</u>   |
| Total liabilities                             | <u>1,288,694</u> |

## NET ASSETS

|                                 |                  |
|---------------------------------|------------------|
| Unrestricted                    |                  |
| Undesignated                    | 699,717          |
| Board designated                | <u>963,166</u>   |
| Total unrestricted              | 1,662,883        |
| Temporarily restricted (Note 6) | <u>2,210,724</u> |
| Total net assets                | <u>3,873,607</u> |

**TOTAL LIABILITIES AND NET ASSETS****\$ 5,162,301**

See accompanying notes to financial statements.

**SOCIETY FOR CONSERVATION BIOLOGY**  
**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

|  | <u>Unrestricted</u>        | <u>Temporarily<br/>Restricted</u> | <u>Total</u>               |
|--|----------------------------|-----------------------------------|----------------------------|
| <b>REVENUE</b>                                       |                            |                                   |                            |
| Contributions and grants                             | \$ 1,447,288               | \$ 2,160,724                      | \$ 3,608,012               |
| Meetings   | 1,045,740                  | -                                 | 1,045,740                  |
| Profit sharing                                       | 473,872                    | -                                 | 473,872                    |
| Membership and outreach                              | 393,451                    | -                                 | 393,451                    |
| Publications   | 229,472                    | -                                 | 229,472                    |
| Other revenue (Note 7)                               | 62,089                     | -                                 | 62,089                     |
| Investment income (Note 2)                           | 50,650                     | -                                 | 50,650                     |
| In-kind contributions                                | 35,000                     | -                                 | 35,000                     |
| Net assets released from donor restrictions (Note 6) | <u>166,992</u>             | <u>(166,992)</u>                  | <u>-</u>                   |
| Total revenue  | <u>3,904,554</u>           | <u>1,993,732</u>                  | <u>5,898,286</u>           |
| <b>EXPENSES</b>                                      |                            |                                   |                            |
| Program Services:                                    |                            |                                   |                            |
| Publications   | 715,669                    | -                                 | 715,669                    |
| Projects   | 2,686,858                  | -                                 | 2,686,858                  |
| Membership and Outreach                              | <u>180,665</u>             | <u>-</u>                          | <u>180,665</u>             |
| Total program services                               | <u>3,583,192</u>           | <u>-</u>                          | <u>3,583,192</u>           |
| Supporting Services:                                 |                            |                                   |                            |
| Executive Office                                     | 240,789                    | -                                 | 240,789                    |
| Governance   | 142,518                    | -                                 | 142,518                    |
| Development  | <u>70,230</u>              | <u>-</u>                          | <u>70,230</u>              |
| Total supporting services                            | <u>453,537</u>             | <u>-</u>                          | <u>453,537</u>             |
| Total expenses                                       | <u>4,036,729</u>           | <u>-</u>                          | <u>4,036,729</u>           |
| Change in net assets                                 | (132,175)                  | 1,993,732                         | 1,861,557                  |
| Net assets at beginning of year                      | <u>1,795,058</u>           | <u>216,992</u>                    | <u>2,012,050</u>           |
| <b>NET ASSETS AT END OF YEAR</b>                     | <b><u>\$ 1,662,883</u></b> | <b><u>\$ 2,210,724</u></b>        | <b><u>\$ 3,873,607</u></b> |

See accompanying notes to financial statements.

**SOCIETY FOR CONSERVATION BIOLOGY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

**CASH FLOWS FROM OPERATING ACTIVITIES**

|   |                  |
|---|------------------|
| Change in net assets  | \$ 1,861,557     |
| Adjustments to reconcile change in net assets to net cash used by operating activities: |                  |
| Depreciation and amortization   | 36,354           |
| Unrealized gain   | (12,638)         |
| Realized gain   | (10,726)         |
| Discount on long-term receivables   | 34,605           |
| (Increase) decrease in:   |                  |
| Accounts receivable   | (93,474)         |
| Grants receivable   | (2,070,329)      |
| Prepaid expenses  | 8,952            |
| Increase (decrease) in:   |                  |
| Accounts payable and accrued liabilities  | 288,598          |
| Deferred revenue  | <u>(235,557)</u> |
| Net cash used by operating activities   | <u>(192,658)</u> |

**CASH FLOWS FROM INVESTING ACTIVITIES**

|   |                |
|---|----------------|
| Purchase of fixed assets                  | (12,476)       |
| Purchase of investments                   | (167,486)      |
| Proceeds from sale of investments         | <u>283,954</u> |
| Net cash provided by investing activities | <u>103,992</u> |

**CASH FLOWS FROM FINANCING ACTIVITIES**

|   |                          |
|---|--------------------------|
| Payments on mortgage note payable               | <u>(16,994)</u>          |
| Net cash used by financing activities           | <u>(16,994)</u>          |
| Net decrease in cash and cash equivalents       | (105,660)                |
| Cash and cash equivalents at beginning of year  | <u>445,335</u>           |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b> | <b><u>\$ 339,675</u></b> |

**SUPPLEMENTAL INFORMATION**

|                      |                         |
|----------------------|-------------------------|
| <b>Interest Paid</b> | <b><u>\$ 31,296</u></b> |
| <b>Taxes Paid</b>    | <b><u>\$ 222</u></b>    |

See accompanying notes to financial statements.

# SOCIETY FOR CONSERVATION BIOLOGY

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

#### Organization -

The Society for Conservation Biology (the Society) is a nonprofit organization, incorporated in the State of California. The Society's mission is to promote the scientific study of the phenomena that affect the maintenance, loss, and restoration of biological diversity. The Society's membership comprises a wide range of people interested in the conservation and study of biological diversity: resource managers, educators, government and private conservation workers and students.

#### Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958, *Not-for-Profit Entities*.

#### Cash and cash equivalents -

The Society considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

Through December 31, 2012, the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act") provides temporary unlimited deposit insurance coverage for noninterest-bearing transaction accounts at all Federal Deposit Insurance Corporation (FDIC) - insured depository institutions (the "Dodd-Frank Deposit Insurance Provision"). The Society maintains a portion of its cash balances at financial institutions in noninterest-bearing accounts; thereby, all of these cash balances are protected by the FDIC under this Act.

At times during the year, the Society maintains cash balances in interest bearing accounts at financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) limits. Management believes the risk in these situations to be minimal.

#### Investments -

Investments are recorded at their readily determinable fair value. Realized and unrealized gains and losses are included in investment income in the Statement of Activities and Change in Net Assets.

#### Grants and accounts receivable -

Grants receivable that are expected to be collected in future years are recorded at fair value, measured as the present value of their future cash flows. The discounts on these amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in grants and contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. Accounts receivable are recorded at their net realizable value, which approximates fair value. All grants and accounts receivable are considered by management to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

# SOCIETY FOR CONSERVATION BIOLOGY

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

#### Fixed assets -

Fixed assets in excess of \$2,500 are capitalized and stated at cost. Furniture and equipment are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to seven years. Building and improvements are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally forty years. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation expense for the year ended December 31, 2011 totaled \$32,734.

#### Note financing costs

Note financing costs are capitalized and amortized over the life of the note payable. Amortization expense for the year ended December 31, 2011 totaled \$3,620.

#### Income taxes -

The Society is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Society is not a private foundation. The Society is required to report unrelated business income to the Internal Revenue Service and the appropriate state taxing authorities. The Society reports unrelated business income associated with advertising. For the year ended December 31, 2011, the taxes on unrelated business income were immaterial to the financial statements.

#### Uncertain tax positions -

In June 2006, the Financial Accounting Standards Board (FASB) released FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes. For the year ended December 31, 2011, the Society has documented its consideration of FASB ASC 740-10 and determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements. The Federal Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by the Internal Revenue Service, generally for three years after it is filed.

#### Revenue recognition -

Deferred revenue consists of member dues and subscriptions. The Society recognizes member dues and subscriptions on a pro-rata basis over the annual membership period or subscription period. The Society recognizes meeting revenue when the related event has occurred. Profit sharing revenue is recognized when earned under a contractual agreement with the publisher of the Society's journal, *Conservation Biology*.

#### Net asset classification -

The net assets are reported in three self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of the Society and include both internally designated and undesignated resources. As of December 31, 2011, the Board of Directors has designated \$963,166 of unrestricted net assets as an operational reserve.



# SOCIETY FOR CONSERVATION BIOLOGY

## NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION (Continued)

#### Contributions and grants -

Unrestricted and temporarily restricted contributions and grants are recorded as revenue in the year notification is received from the donor. Temporarily restricted contributions and grants are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Such funds in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying financial statements.

#### In-kind contributions -

In-kind contributions consist of donated office space. In-kind contributions are recorded at their fair market value as of the date of the gift. For the year ended December 31, 2011, the Society recognized \$35,000 of donated office space.

#### Use of estimates -

The preparation of the 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 at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

#### Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

#### Risks and uncertainties -

The Society invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

### 2. INVESTMENTS

Investments consisted of the following at December 31, 2011:

|                       | <u>Market Value</u> |
|-----------------------|---------------------|
| Cash and money market | \$ 73,150           |
| Corporate bonds       | 72,289              |
| Common stocks         | 520,166             |
| Mutual funds          | 164,101             |
| Exchange traded funds | 29,332              |
| Accrued Interest      | <u>1,371</u>        |
|                       | <u>\$ 860,409</u>   |

**SOCIETY FOR CONSERVATION BIOLOGY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2011**

**2. INVESTMENTS (Continued)**

Included in investment income are the following:

|                                |                         |
|--------------------------------|-------------------------|
| Interest and dividends         | \$ 27,286               |
| Unrealized gain                | 12,638                  |
| Realized gain                  | <u>10,726</u>           |
| <b>TOTAL INVESTMENT INCOME</b> | <b><u>\$ 50,650</u></b> |

**3. GRANTS RECEIVABLE**

As of December 31, 2011, contributors to the Society have made written promises to give totaling \$2,220,329. Grants due in more than one year have been recorded at the present value of the estimated cash flows, using a discount rate of 3%. Grants are due as follows at December 31, 2011:

|  |                            |
|--|----------------------------|
| Less than one year                                   | \$ 1,120,941               |
| One to five years                                    | <u>1,099,388</u>           |
| Total  | 2,220,329                  |
| Less: Allowance to discount balance to present value | <u>(34,605)</u>            |
| <b>GRANTS RECEIVABLE</b>                             | <b><u>\$ 2,185,724</u></b> |

Approximately 97% of the Society's grants receivable for the year ended December 31, 2011 was derived from one donor.

**4. NOTE PAYABLE**

During 2010, the Society entered into a \$640,000 note payable to a financial institution. The fair value of the note payable approximates its carrying value based upon terms and rates the Society could obtain for obligations of a similar nature. The note calls for the first 60 monthly payments of \$3,769 at 5% interest per annum and the remaining 60 monthly payments of \$3,930 at 5.5% interest per annum. A final balloon payment of the unpaid principal of \$469,148 is due December 23, 2020. The note is collateralized by a deed of trust on real estate and improvements of the Society's headquarters. As of December 31, 2011, the outstanding principal of the note payable was \$623,006. Principal payments are due as follows:

|                                       |                          |
|---------------------------------------|--------------------------|
| <b><u>Year Ended December 31,</u></b> |                          |
| 2012                                  | \$ 14,872                |
| 2013                                  | 15,161                   |
| 2014                                  | 15,936                   |
| 2015                                  | 16,067                   |
| 2016                                  | 16,724                   |
| 2017 and Thereafter                   | <u>544,246</u>           |
|                                       | <b><u>\$ 623,006</u></b> |

**SOCIETY FOR CONSERVATION BIOLOGY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2011**

**4. NOTE PAYABLE (Continued)**

For the year ended December 31, 2011 interest expense was \$31,296.

The loan agreements contain various covenants, which among other things, place restrictions on the Society's ability to incur additional indebtedness and require the Society to maintain certain financial ratios. As of the date of this report, the Society was in compliance with all loan covenants.

**5. LINE OF CREDIT**

The Society has a \$100,000 bank line of credit which matures December 23, 2013. Amounts borrowed under this agreement bear interest at the bank's prime rate plus 2%, and are secured primarily by a deed of trust on real estate and improvements of the Society's headquarters. As of and throughout the year ended December 31, 2011 there was no outstanding balance on the line of credit.

**6. TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consisted of the following at December 31, 2011:

|                |                            |
|----------------|----------------------------|
| Projects       | \$ 2,110,724               |
| Other Programs | <u>100,000</u>             |
|                | <b><u>\$ 2,210,724</u></b> |

The following temporarily restricted net assets were released from donor restrictions by incurring expenses (or through the passage of time) which satisfied the restricted purposes specified by the donors:

|                |                          |
|----------------|--------------------------|
| SCB Groups     | \$ 60,000                |
| Other Programs | <u>106,992</u>           |
|                | <b><u>\$ 166,992</u></b> |

**7. LEASE COMMITMENTS**

The Society subleases a portion of its office space under various leases expiring throughout 2013. The following is a schedule of the future minimum rental income:

| <u>Year Ended December 31,</u> |                         |
|--------------------------------|-------------------------|
| 2012                           | \$ 10,400               |
| 2013                           | <u>5,200</u>            |
|                                | <b><u>\$ 15,600</u></b> |

Rental income for the year ended December 31, 2011 was \$29,709. Rental income is included in other revenue in the Statement of Activities and Change in Net Assets.

## SOCIETY FOR CONSERVATION BIOLOGY

### NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2011

#### 8. RETIREMENT PLAN

The Society provides retirement benefits to its employees through a defined contribution plan under Section 401(k) of the Internal Revenue Code. Employees are eligible to participate if they have completed three months of employment. The plan requires that the participants work at least 1,000 hours during the plan year, in addition to being employed the last day of the plan year. The Society will match employee contributions up to 8% of salary. Contributions to the plan during the year ended December 31, 2011 totaled \$21,126.

#### 9. FAIR VALUE MEASUREMENTS

In accordance with FASB ASC 820, *Fair Value Measurements and Disclosures*, the Society has categorized its financial instruments, based on the priority of the inputs to the valuation technique, 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 financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Investments recorded in the Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

**Level 1.** These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Society has the ability to access.

**Level 2.** These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

**Level 3.** Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2011.

- *Money market funds* - Fair value is equal to the reported net asset value of the fund.
- *Common stocks and exchange traded funds* - Valued at the closing price reported on the active market in which the individual securities are traded.
- *Mutual funds* - The fair value is equal to the reported net asset value of the fund, which is the price at which additional shares can be obtained.
- *Corporate bonds* - Fair value is based upon current yields available on comparable securities of issuers with similar ratings, the security's terms and conditions, and interest rate and credit risk.

**SOCIETY FOR CONSERVATION BIOLOGY**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2011**

**9. FAIR VALUE MEASUREMENTS (Continued)**

The table below summarizes, by level within the fair value hierarchy, the Society's investments as of December 31, 2011:

|                       | <u>Level 1</u>           | <u>Level 2</u>          | <u>Level 3</u>     | <u>Total</u>             |
|-----------------------|--------------------------|-------------------------|--------------------|--------------------------|
| <b>Asset Class:</b>   |                          |                         |                    |                          |
| Cash and money market | \$ 73,150                | \$ -                    | \$ -               | \$ 73,150                |
| Corporate bonds       | -                        | 72,289                  | -                  | 72,289                   |
| Common stocks         | 520,166                  | -                       | -                  | 520,166                  |
| Mutual funds          | 164,101                  | -                       | -                  | 164,101                  |
| Exchange traded funds | 29,332                   | -                       | -                  | 29,332                   |
| Accrued Interest      | <u>1,371</u>             | <u>-</u>                | <u>-</u>           | <u>1,371</u>             |
| <b>TOTAL</b>          | <b><u>\$ 788,120</u></b> | <b><u>\$ 72,289</u></b> | <b><u>\$ -</u></b> | <b><u>\$ 860,409</u></b> |

**10. SUBSEQUENT EVENTS**

In preparing these financial statements, the Society has evaluated events and transactions for potential recognition or disclosure through July 18, 2012, the date the financial statements were issued.



**INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL  
FINANCIAL INFORMATION**

To the Board of Directors  
Society for Conservation Biology  
Washington, D.C.

We have audited the financial statements of the Society for Conservation Biology as of and for the year ended December 31, 2011, and have issued our report thereon dated July 18, 2012, which contained an unqualified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental information is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

July 18, 2012

4550 MONTGOMERY AVENUE · SUITE 650 NORTH · BETHESDA, MARYLAND 20814  
(301) 951-9090 · FAX (301) 951-3570 · WWW.GRFCPA.COM

MEMBER OF CPAMERICA INTERNATIONAL, AN AFFILIATE OF HORWATH INTERNATIONAL  
MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

**SOCIETY FOR CONSERVATION BIOLOGY**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2011**

|  | Publications            |                          |                       |                       | Program Services  |                   |                   |                   |
|--|-------------------------|--------------------------|-----------------------|-----------------------|-------------------|-------------------|-------------------|-------------------|
|  | Conservation<br>Biology | Conservation<br>Magazine | Other<br>Publications | Total<br>Publications | Smith<br>Fellows  | Annual<br>Meeting | Policy            | SCB<br>Groups     |
| Grants and contract                      | \$ 91,013               | \$ 57,305                | \$ 15,052             | \$ 163,370            | \$ 737,463        | \$ 48,137         | \$ 2,380          | \$ 21,587         |
| Salaries and related expenses            | 111,625                 | 8,796                    | -                     | 120,421               | 74,200            | 150               | 117,135           | (937)             |
| Outsourced payroll                       | -                       | 143,508                  | -                     | 143,508               | -                 | -                 | -                 | -                 |
| Professional fees                        | -                       | 50,917                   | -                     | 50,917                | 13,000            | 1,899             | 20                | (38)              |
| Telephone and internet                   | 872                     | -                        | -                     | 872                   | 406               | 6,381             | 53                | 2,126             |
| Supplies and equipment                   | 1,192                   | 453                      | -                     | 1,645                 | 3,145             | 172               | 410               | (21)              |
| Postage and fulfillment                  | -                       | 73,207                   | 2,161                 | 75,368                | 530               | 53                | 80                | 278               |
| Occupancy expense                        | -                       | 35,000                   | -                     | 35,000                | -                 | -                 | -                 | (22)              |
| Printing and production                  | 41                      | 56,059                   | 9,112                 | 65,212                | 2,957             | 720               | 1,450             | 11,582            |
| Travel                                   | 5,266                   | 1,978                    | -                     | 7,244                 | 50,510            | 36,336            | 10,178            | 56,529            |
| Conferences and meetings                 | 914                     | 118                      | -                     | 1,032                 | 61,976            | 524,420           | 2,644             | 571,429           |
| Depreciation and amortization            | -                       | -                        | -                     | -                     | -                 | -                 | -                 | -                 |
| Insurance                                | -                       | -                        | -                     | -                     | -                 | 4,652             | -                 | (103)             |
| Bank charges                             | 52                      | 1,097                    | -                     | 1,149                 | 36                | 27,336            | 17                | (297)             |
| Advertising and marketing                | -                       | 13,066                   | -                     | 13,066                | 3,359             | 46                | -                 | -                 |
| Other                                    | 280                     | -                        | -                     | 280                   | -                 | -                 | 301               | 230               |
| <b>Subtotal</b>                          | <b>211,255</b>          | <b>441,504</b>           | <b>26,325</b>         | <b>679,084</b>        | <b>947,582</b>    | <b>650,302</b>    | <b>134,668</b>    | <b>662,343</b>    |
| Allocation of general and administrative | 5,123                   | 27,736                   | 3,726                 | 36,585                | 43,158            | 124,533           | 50,298            | 73,974            |
| <b>TOTAL</b>                             | <b>\$ 216,378</b>       | <b>\$ 469,240</b>        | <b>\$ 30,051</b>      | <b>\$ 715,669</b>     | <b>\$ 990,740</b> | <b>\$ 774,835</b> | <b>\$ 184,966</b> | <b>\$ 736,317</b> |

| Memberships and Outreach |                      |                        |  |                              | Supporting Services<br>General and Administrative |                   |                  |  |                    |
|--------------------------|----------------------|------------------------|--|------------------------------|---|-------------------|------------------|--|--------------------|
| Total<br>Projects        | Society<br>Marketing | Membership<br>Services | Total<br>Membership<br>and<br>Outreach | Total<br>Program<br>Services | Executive<br>Office                               | Governance        | Development      | Total General<br>and<br>Administrative | Total<br>Expenses  |
| \$ 809,567               | \$ 10,250            | \$ 55,809              | \$ 66,059                              | \$1,038,996                  | \$ 15,024   | \$ 34,720         | \$ 16,431        | \$ 66,175                              | \$1,105,171        |
| 190,548                  | 3,055                | 198                    | 3,253                                  | 314,222                      | 421,753   | -                 | -                | 421,753                                | 735,975            |
| -                        | -                    | 600                    | 600                                    | 144,108                      | -   | -                 | -                | -                                      | 144,108            |
| 14,881                   | -                    | -                      | -                                      | 65,798                       | 153,640   | -                 | -                | 153,640                                | 219,438            |
| 8,966                    | 8                    | 2,400                  | 2,408                                  | 12,246                       | 28,330  | -                 | -                | 28,330                                 | 40,576             |
| 3,706                    | -                    | 23,965                 | 23,965                                 | 29,316                       | 5,900   | 373               | 8                | 6,281                                  | 35,597             |
| 941                      | 358                  | (7,250)                | (6,892)                                | 69,417                       | 1,480   | 200               | -                | 1,680                                  | 71,097             |
| (22)                     | -                    | -                      | -                                      | 34,978                       | 46,761  | -                 | -                | 46,761                                 | 81,739             |
| 16,709                   | 1,035                | -                      | 1,035                                  | 82,956                       | 2,061   | 985               | -                | 3,046                                  | 86,002             |
| 153,553                  | 1,196                | -                      | 1,196                                  | 161,993                      | 5,678   | 15,789            | 4,092            | 25,559                                 | 187,552            |
| 1,160,469                | -                    | -                      | -                                      | 1,161,501                    | 3,669   | 11,157            | 357              | 15,183                                 | 1,176,684          |
| -                        | -                    | -                      | -                                      | -                            | 36,354  | -                 | -                | 36,354                                 | 36,354             |
| 4,549                    | -                    | -                      | -                                      | 4,549                        | 9,992   | -                 | -                | 9,992                                  | 14,541             |
| 27,092                   | 3                    | 3,276                  | 3,279                                  | 31,520                       | 49,046  | 20                | -                | 49,066                                 | 80,586             |
| 3,405                    | 1,219                | -                      | 1,219                                  | 17,690                       | 60  | -                 | -                | 60                                     | 17,750             |
| 531                      | -                    | (93)                   | (93)                                   | 718                          | 2,746   | 95                | -                | 2,841                                  | 3,559              |
| 2,394,895                | 17,124               | 78,905                 | 96,029                                 | 3,170,008                    | 782,494   | 63,339            | 20,888           | 866,721                                | 4,036,729          |
| 291,963                  | 32,268               | 52,368                 | 84,636                                 | 413,184                      | (541,705)   | 79,179            | 49,342           | (413,184)                              | -                  |
| <b>\$2,686,858</b>       | <b>\$ 49,392</b>     | <b>\$ 131,273</b>      | <b>\$ 180,665</b>                      | <b>\$3,583,192</b>           | <b>\$240,789</b>                                  | <b>\$ 142,518</b> | <b>\$ 70,230</b> | <b>\$ 453,537</b>                      | <b>\$4,036,729</b> |