Ohio River Foundation

Financial Statements
for the Year Ended
December 31, 2024
and Independent Auditors' Report

LOCEY, MITCHELL
& Associates
CERTIFIED PUBLIC ACCOUNTANTS

Connecting with the Community

LOCEY, MITCHELL
& Associates
CERTIFIED PUBLIC ACCOUNTANTS

Connecting with the Community

4760 Red Bank Expressway
Suite 222
Cincinnati, OH 45227
(513) 281-3333

Independent Auditors' Report

To the Board of Trustees of
Ohio River Foundation

Opinion

We have audited the accompanying financial statements of Ohio River Foundation (a nonprofit organization), which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Ohio River Foundation as of December 31, 2024, 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 State of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Ohio River Foundation 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.

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 Ohio River Foundation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' 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 auditors' 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, 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 Ohio River Foundation'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 Ohio River Foundation'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.

Locey, Mitchell & Assoc, Ltd

Locey, Mitchell & Associates, Ltd.
Certified Public Accountants
Cincinnati, Ohio

September 16, 2025

Ohio River Foundation

Statement of Financial Position
December 31, 2024

Assets		
Cash and cash equivalents	$	291,700
Grants receivable (no allowance for doubtful accounts necessary)		36,250
Total Assets	$	327,950
Liabilities and Net Assets		
Accounts payable	$	16,744
Accrued bonuses		4,481
Total Liabilities		21,225
Net Assets		
Without donor restrictions		84,826
With donor restrictions		221,899
Total Net Assets		306,725
Total Liabilities and Net Assets	$	327,950

See notes to the financial statements.

Ohio River Foundation

Statement of Activities and Changes in Net Assets
For the Year Ended December 31, 2024

Revenue and Support	Without Donor Restrictions	With Donor Restrictions	Total
Grant income	$ 5,000	$ 246,890	$ 251,890
Contributions	66,688	-	66,688
Fundraising income	159,125	-	159,125
Program fees	64,991	-	64,991
Interest income	5,326	-	5,326
Net assets released from restriction	466,535	(466,535)	-
Total Revenue and Support	767,665	(219,645)	548,020
Expenses			
Program services	546,332	-	546,332
Management and general	68,935	-	68,935
Fundraising	162,859	-	162,859
Total Expenses	778,126	-	778,126
Change in Net Assets	(10,461)	(219,645)	(230,106)
Net Assets - January 1, 2024	95,287	441,544	536,831
Net Assets - December 31, 2024	$ 84,826	$ 221,899	$ 306,725

See notes to the financial statements.

Ohio River Foundation

Statement of Functional Expenses
For the Year Ended December 31, 2024

	Program Services	Management and General	Fundraising	Total
Expenses				
Salaries	$ 300,331	$ 25,484	$ 68,033	$ 393,848
Payroll taxes and benefits	69,358	2,414	12,687	84,459
Accounting services	8,324	3,547	-	11,871
Payroll processing fees	1,201	3,528	-	4,729
Advertising and promotion	-	777	2,519	3,296
Office expenses	2,334	5,240	787	8,361
Information technology	11,802	295	694	12,791
Mileage and travel reimbursements	31,572	2,158	2,206	35,936
Insurance	-	798	-	798
Supplies	114,462	2,012	2,031	118,505
Storage and equipment rental	3,475	494	466	4,435
Professional development	429	258	-	687
Event costs	2,604	21,710	73,471	97,785
Miscellaneous	440	220	(35)	625
Total Expenses	$ 546,332	$ 68,935	$ 162,859	$ 778,126

Ohio River Foundation

Statement of Cash Flows
For the Year Ended December 31, 2024

Cash Flows from Operating Activities	
Change in net assets	$ (230,106)
Change in operating assets and liabilities	
Grants receivable	55,555
Miscellaneous assets	250
Accounts payable	14,797
Accrued bonuses	(4,744)
Net cash and cash equivalents used for operating activities	(164,248)
Net Change in Cash and Cash Equivalents	(164,248)
Cash and Cash Equivalents - January 1, 2024	455,948
Cash and Cash Equivalents - December 31, 2024	$ 291,700

See notes to the financial statements.

1. Organization

Ohio River Foundation (the "Organization") is a nonprofit organization which is dedicated to protecting and improving the water quality and ecology of the Ohio River and all waters in its eleven-state watershed. The Organization works towards these goals through environmental education and conservation activities that serve to inspire environmental stewardship. The Organization is a regional organization that works in the 200,000 square mile Ohio River watershed to educate-build an informed citizenry; advocate-advance pollution reduction and encourage enforcement of environmental laws and regulations; and remove small dams and invasive species, and restore native habitats to create climate resilient habitats. The Organization is supported by more than 1,500 members, donors, and volunteers.

2. Summary of Significant Accounting Policies

<u>Change in Basis of Accounting</u> – Effective January 1, 2024, the Organization elected to convert from the modified cash basis of accounting to generally accepted accounting principles in the United States of America (GAAP). Management has analyzed the provisions of GAAP and concluded that there is no cumulative effect upon conversion to GAAP.

<u>Basis of Presentation</u> – The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP). Net assets, support and revenues, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

> *Without Donor Restrictions*: Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. Assets restricted solely through the actions of the Board are reported as net assets without donor restrictions, board-designated.
>
> *With Donor Restrictions*: Net assets subject to donor-imposed stipulations that are more restrictive than the Organization's mission and purpose. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, when the donor stipulates those resources be maintained in perpetuity.

<u>Use of Estimates</u> – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements, and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates.

<u>Cash and Cash Equivalents</u> – The Organization considers bank deposits and all highly liquid investments with original maturity dates of three months or less to be cash equivalents. The Organization maintains its cash in bank deposit accounts which, at times, may exceed federally

insured limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk.

Supplemental Cash Flow Information – As of December 31, 2024:

Cash	$ 291,602
Cash equivalents	98
Cash and cash equivalents	$ 291,700

Grants Receivable – Grants receivable consist of grants awarded but not yet paid to the Organization. Amounts are reported net of the allowance for doubtful accounts. If amounts become uncollectible, they are charged to operations as bad debt when that determination is made that the amount is unlikely to be collected.

Current Estimated Credit Loss – Allowance for Doubtful Accounts – The Organization maintains allowances for doubtful accounts for grants receivable for estimated future expected credit losses resulting from donors' failure to make payments on its grants receivable. The Organization determines the estimate of the allowance for doubtful accounts by considering several factors including (1) recently communication with the donor or grantor, (2) payment history and historical experience, (3) aging of the receivable, and (4) if the grant cycle is completed. The Organization evaluates the outstanding receivables annually using the aging reports and the Organization's best judgment when considering the previous outlined criteria and current market and economic conditions and expectations or future market and economic conditions.

Revenue Recognition – The Organization records revenue from grant funds received from government agencies when the grants are awarded. Reimbursement type grants are classified as program service revenue and revenue is recorded as costs are incurred or milestones met. Grant revenue is recognized when awarded and not when received.

All non-grant revenue is recorded when received and or earned through notification of the donor.

Contributions and Support – Contributions received are recorded as with donor restrictions or without donor restrictions, depending on the existence and/or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions. Conditional contributions are recognized when the conditions on which they depend are substantially met.

Commitments and Contingencies – The Organization participates in several federal grant programs, which are governed by various rules and regulations of the grantor agency. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Organization has not complied with the rules and regulations governing the grants, refunds of any money received may be required, and the collectability of any related receivable may be impaired. Management does not believe there are any significant contingent liabilities related to compliance with the rules and regulations governing the respective grants.

Functional Allocation of Expenses – The costs of providing various programs and related supporting services have been summarized on a functional basis in the statement of functional expenses. Accordingly, costs have been allocated to the appropriate programs and supporting services.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Expenses that are allocated include salaries, payroll tax and benefits, payroll processing fees, advertising and promotion, office expenses, information technology, mileage and travel reimbursements, professional fees, supplies, professional development, and miscellaneous expenses which are allocated based on a time utilization schedule of timesheets submitted by staff.

Tax Status – The Organization is a not-for- profit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue code and is not a "private foundation" within the meaning of Section 509(a). Donors of money or property, or both, are entitled to the maximum charitable contribution deduction allowed by law. Management is not aware of any tax positions that would have a significant impact on its financial position.

Advertising – Advertising costs are expensed as incurred and were $3,296 for the year ended December 31, 2024.

3. Net Assets with Donor Restrictions

Net assets with donor restrictions subject to special purpose restrictions as of December 31, 2024 consisted for the following:

Conservation	$ 155,810
Education	65,837
Communication	252
Total assets with donor restrictions	$ 221,899

The special purpose restrictions were met for the following assets during the year ended December 31, 2024:

Conservation	$ 266,088
Education	145,425
Communication	55,022
Total assets released from restrictions	$ 466,535

4. Liquidity and Availability

The following reflects the Organization's financial assets as of December 31, 2024, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year.

Cash and cash equivalents	$ 291,700
Grants receivable	36,250
Financial assets available at December 31, 2024	327,950
Less: Assets with donor restrictions (see note 3)	(221,899)
Financial assets available for general expenditures within one year	$ 106,051

The Organization is substantially supported by contributions, which may contain donor restrictions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

5. Prior Period Restatement

Net assets with and without donor restriction as of January 1, 2024 were restated from the previously issued financial statements. Net assets without donor restrictions was decreased by $25,000 and net assets with donor restrictions was increased by $25,000 as of January 1, 2024. There was no impact to total net assets only a reclassification between the categories.

6. Date of Management's Review

The Organization evaluated subsequent events through September 16, 2025 which is the date the financial statements were available to be issued. No subsequent events were identified that required adjustment or disclosure within the financial statements.

LOCEY, MITCHELL
& Associates
CERTIFIED PUBLIC ACCOUNTANTS
Connecting with the Community

The companies and organizations we serve
make communities thrive!

loceymitchell.com
4760 Red Bank Expressway, Suite 222
Cincinnati, OH 45227
(513) 281-3333