

**NATIONAL DEER ASSOCIATION**

**FINANCIAL REPORT**

**DECEMBER 31, 2023**



**MAULDIN & JENKINS**

**CPAs & ADVISORS**

**NATIONAL DEER ASSOCIATION**

**FINANCIAL REPORT**

**DECEMBER 31, 2023**

# NATIONAL DEER ASSOCIATION

## FINANCIAL REPORT DECEMBER 31, 2023

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## INDEPENDENT AUDITOR'S REPORT

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**To the Board of Directors  
National Deer Association  
Bogart, Georgia**

### **Opinion**

We have audited the accompanying financial statements of **National Deer Association** (the "Association") (a nonprofit organization), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, 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 National Deer Association as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of National Deer Association 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 these 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 National Deer Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of National Deer Association'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 National Deer Association'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.

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**Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 12, 2024, on our consideration of the Association's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Association's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Association's internal control over financial reporting and compliance.

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
September 12, 2024

**NATIONAL DEER ASSOCIATION  
STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2023 AND 2022**

<b>ASSETS</b>	<b>2023</b>	<b>2022</b>
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 3,013,921	\$ 1,780,912
Accounts and grants receivable, net of allowance for doubtful account of \$12,000 as of December 31, 2023 and 2022	629,316	509,727
Inventory, net of allowance for obsolescence of \$12,766 and \$6,102, respectively	162,152	136,026
Prepaid expenses	32,926	43,966
Total current assets	<u>3,838,315</u>	<u>2,470,631</u>
<b>PROPERTY AND EQUIPMENT</b>		
Land	152,500	152,500
Equipment	3,881	3,881
Software	5,268	5,268
Less: accumulated depreciation	(9,048)	(7,833)
Total property and equipment	<u>152,601</u>	<u>153,816</u>
<b>ASSETS HELD FOR SALE</b>	-	<u>1,300,000</u>
<b>OTHER ASSETS</b>		
Accounts and grants receivable, noncurrent	-	10,714
Investments - Board-designated quasi endowment	106,714	94,287
Total other assets	<u>106,714</u>	<u>105,001</u>
Total assets	<u>\$ 4,097,630</u>	<u>\$ 4,029,448</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 392,188	\$ 181,253
Accrued expenses	103,539	145,901
Deferred revenues	60,000	91,560
Total liabilities	<u>555,727</u>	<u>418,714</u>
<b>NET ASSETS</b>		
Net assets without donor restrictions		
Undesignated	3,108,472	2,997,203
Board designated	106,714	94,287
Net assets with donor restrictions	326,717	519,244
	<u>3,541,903</u>	<u>3,610,734</u>
Total net assets	<u>3,541,903</u>	<u>3,610,734</u>
Total liabilities and net assets	<u>\$ 4,097,630</u>	<u>\$ 4,029,448</u>

**See Notes to Financial Statements.**

**NATIONAL DEER ASSOCIATION**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Membership dues and sponsor revenues	\$ 1,129,656	\$ -	\$ 1,129,656
Program services	1,062,809	-	1,062,809
Contribution and grant income	562,475	1,446,719	2,009,194
In-kind contributions	164,660	-	164,660
Fundraising revenues, net	30,219	-	30,219
Other revenue	43,751	-	43,751
Investment gain	22,131	-	22,131
Loss on sale of land	(78,000)	-	(78,000)
Total revenues and gains	<u>2,937,701</u>	<u>1,446,719</u>	<u>4,384,420</u>
Net assets released from restrictions:			
Satisfaction of program and time restrictions	<u>1,639,246</u>	<u>(1,639,246)</u>	<u>-</u>
Total revenues, gains, and other support	<u>4,576,947</u>	<u>(192,527)</u>	<u>4,384,420</u>
<b>EXPENSES</b>			
Program services:			
Chapter, member, and volunteer services	1,485,069	-	1,485,069
Conservation	1,827,580	-	1,827,580
Education	692,763	-	692,763
Supporting services:			
Fundraising	285,798	-	285,798
Administrative	162,041	-	162,041
Total expenses	<u>4,453,251</u>	<u>-</u>	<u>4,453,251</u>
Change in net assets	123,696	(192,527)	(68,831)
Net assets, beginning of year	<u>3,091,490</u>	<u>519,244</u>	<u>3,610,734</u>
Net assets, end of year	<u>\$ 3,215,186</u>	<u>\$ 326,717</u>	<u>\$ 3,541,903</u>

**See Notes to Financial Statements.**



**NATIONAL DEER ASSOCIATION**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
<b>REVENUES, GAINS, AND OTHER SUPPORT</b>			
Membership dues and sponsor revenues	\$ 840,808	\$ -	\$ 840,808
Program services	1,294,462	-	1,294,462
Contribution and grant income	552,318	523,424	1,075,742
In-kind contributions	132,747	-	132,747
Fundraising revenues, net	80,447	-	80,447
Other revenue	3,335	-	3,335
Investment loss	(13,786)	-	(13,786)
Total revenues and gains	<u>2,890,331</u>	<u>523,424</u>	<u>3,413,755</u>
Net assets released from restrictions:			
Satisfaction of program and time restrictions	<u>616,303</u>	<u>(616,303)</u>	<u>-</u>
Total revenues, gains, and other support	<u>3,506,634</u>	<u>(92,879)</u>	<u>3,413,755</u>
<b>EXPENSES</b>			
Program services:			
Chapter, member, and volunteer services	1,189,462	-	1,189,462
Conservation	1,033,743	-	1,033,743
Education	602,163	-	602,163
Supporting services:			
Fundraising	255,508	-	255,508
Administrative	<u>193,207</u>	<u>-</u>	<u>193,207</u>
Total expenses	<u>3,274,083</u>	<u>-</u>	<u>3,274,083</u>
Impairment of land held for sale	<u>357,370</u>	<u>-</u>	<u>357,370</u>
Change in net assets	(124,819)	(92,879)	(217,698)
Net assets, beginning of year	<u>3,216,309</u>	<u>612,123</u>	<u>3,828,432</u>
Net assets, end of year	<u>\$ 3,091,490</u>	<u>\$ 519,244</u>	<u>\$ 3,610,734</u>

**See Notes to Financial Statements.**

**NATIONAL DEER ASSOCIATION  
SCHEDULE OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2023**

EXPENSES	Program Services			Supporting Services			Totals	
	Chapter, Member, and Volunteer Services	Conservation	Education	Total Program Services	Fundraising	Administrative		Total Supporting Services
Accounting and legal fees	\$ -	\$ 284	\$ -	\$ 284	\$ -	\$ 42,090	\$ 42,090	\$ 42,374
Advertising	12,134	8,302	7,664	28,100	2,874	958	3,832	31,932
Bad debt	28,000	-	-	28,000	-	-	-	28,000
Bank charges	3,395	-	-	3,395	1,132	2,322	3,454	6,849
Cost of merchandise	43,967	30,083	27,769	101,819	10,413	3,471	13,884	115,703
Depreciation	-	-	-	-	-	1,215	1,215	1,215
Dues and subscriptions	34,524	7,251	-	41,775	-	11,794	11,794	53,569
Habitat expense	-	4,763	-	4,763	-	-	-	4,763
Hunting trips	139,669	5,436	-	145,105	-	-	-	145,105
Insurance	11,781	933	2,843	15,557	933	934	1,867	17,424
Interest expense	-	-	-	-	-	-	-	-
Investment fees	-	-	-	-	-	-	-	-
Leased equipment	53,630	36,899	34,061	124,590	12,773	4,258	17,031	141,621
Magazine publication expense	60,890	41,661	38,457	141,008	14,421	4,807	19,228	160,236
Mail processing	19,248	2,083	-	21,331	30,764	476	31,240	52,571
Merchant account charges	85,672	18	-	85,690	-	13,787	13,787	99,477
Office and shipping supplies	17,675	12,094	11,163	40,932	4,186	1,396	5,582	46,514
Payroll and employee benefit	785,541	537,475	496,131	1,819,147	186,049	62,017	248,066	2,067,213
Printing	6,480	4,815	-	11,295	-	-	-	11,295
Promotion	21,267	14,552	13,432	49,251	5,037	1,679	6,716	55,967
Professional and outside service	83,909	1,071,918	16,000	1,171,827	250	550	800	1,172,627
Software	-	-	-	-	-	-	-	-
Taxes	2,890	-	-	2,890	-	4,631	4,631	7,521
Travel expense	54,402	35,333	32,615	122,350	12,231	4,077	16,308	138,658
Utilities	12,694	8,685	8,017	29,396	3,006	1,002	4,008	33,404
Website and IT expense	7,301	4,995	4,611	16,907	1,729	577	2,306	19,213
<b>Total expenses</b>	<b>\$ 1,485,069</b>	<b>\$ 1,827,580</b>	<b>\$ 692,763</b>	<b>\$ 4,005,412</b>	<b>\$ 285,798</b>	<b>\$ 162,041</b>	<b>\$ 447,839</b>	<b>\$ 4,453,251</b>

See Notes to Financial Statements.

**NATIONAL DEER ASSOCIATION**  
**SCHEDULE OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	Program Services				Supporting Services			Totals
	Chapter, Member, and Volunteer Services	Conservation	Education	Total Program Services	Fundraising	Administrative	Total Supporting Services	
<b>EXPENSES</b>								
Accounting and legal fees	\$ 80	\$ 2,448	\$ -	\$ 2,528	\$ -	\$ 61,225	\$ 61,225	\$ 63,753
Advertising	1,494	1,051	970	3,515	364	162	526	4,041
Bad debt	186	-	-	186	-	-	-	186
Bank charges	3,421	-	-	3,421	1,082	4,266	5,348	8,769
Cost of merchandise	11,077	7,784	7,185	26,046	2,694	1,197	3,891	29,937
Depreciation	-	-	-	-	-	2,532	2,532	2,532
Dues and subscriptions	9,728	8,621	-	18,349	225	6,688	6,913	25,262
Habitat expense	-	1,815	-	1,815	-	-	-	1,815
Hunting trips	65,806	4,840	-	70,646	-	177	177	70,823
Insurance	13,249	1,207	1,207	15,663	1,207	1,208	2,415	18,078
Interest expense	-	-	-	-	-	122	122	122
Investment fees	935	657	607	2,199	228	101	329	2,528
Leased equipment	6,536	4,593	4,240	15,369	1,590	707	2,297	17,666
Magazine publication expense	63,840	44,861	41,410	150,111	15,529	6,902	22,431	172,542
Mail processing	21,597	2,941	-	24,538	33,241	223	33,464	58,002
Merchant account charges	94,944	149	-	95,093	18	9,359	9,377	104,470
Office and shipping supplies	6,814	4,789	4,421	16,024	1,658	737	2,395	18,419
Payroll and employee benefit	708,571	497,916	459,615	1,666,102	172,355	76,602	248,957	1,915,059
Printing	6,879	6,936	-	13,815	-	17	17	13,832
Promotion	4,085	2,870	2,650	9,605	994	442	1,436	11,041
Professional and outside service	69,871	370,001	15,000	454,872	-	6,708	6,708	461,580
Software	45,594	32,040	29,575	107,209	11,091	4,929	16,020	123,229
Taxes	361	-	-	361	-	3,023	3,023	3,384
Travel expense	34,495	24,240	22,375	81,110	8,391	3,729	12,120	93,230
Utilities	11,390	8,004	7,388	26,782	2,771	1,231	4,002	30,784
Website and IT expense	8,509	5,980	5,520	20,009	2,070	920	2,990	22,999
Total expenses	<u>\$ 1,189,462</u>	<u>\$ 1,033,743</u>	<u>\$ 602,163</u>	<u>\$ 2,825,368</u>	<u>\$ 255,508</u>	<u>\$ 193,207</u>	<u>\$ 448,715</u>	<u>\$ 3,274,083</u>

**See Notes to Financial Statements.**

**NATIONAL DEER ASSOCIATION**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (68,831)	\$ (217,698)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	1,215	2,532
Investment (gain) loss	(22,131)	13,786
Loss on sale of land	78,000	-
Impairment of land held for sale	-	357,370
Change in allowance for doubtful accounts	-	40,000
Change in assets and liabilities:		
Accounts and grants receivable	(108,875)	(53,944)
Inventory	(26,126)	(102,896)
Prepaid expenses	11,040	(2,555)
Accounts payable	210,935	34,902
Accrued expenses	(42,362)	26,831
Deferred revenues	(31,560)	(47,688)
Net cash provided by operating activities	<u>1,305</u>	<u>50,640</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	9,704	1,824
Proceeds from sale of land	1,222,000	-
Net cash provided by investing activities	<u>1,231,704</u>	<u>1,824</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payments on line of credit	-	(64,588)
Net cash (used in) financing activities	<u>-</u>	<u>(64,588)</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>1,233,009</b>	<b>(12,124)</b>
<b>CASH AND CASH EQUIVALENTS, beginning of year</b>	<b>1,780,912</b>	<b>1,793,036</b>
<b>CASH AND CASH EQUIVALENTS, end of year</b>	<b><u>\$ 3,013,921</u></b>	<b><u>\$ 1,780,912</u></b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Interest paid	<u>\$ -</u>	<u>\$ 122</u>

See Notes to Financial Statements.

# NATIONAL DEER ASSOCIATION

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Organization and Nature of Business

National Deer Association (the "Association") is a not-for-profit wildlife conservation organization dedicated to ensuring the future of wild deer, wildlife habitat, and hunting. The Association is a non-profit corporation and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Founded in 1988, the Association was established in South Carolina and moved to Georgia in 1997. The Association encourages the protection of most or all yearling (1 ½ year old) bucks combined with an appropriate harvest of does, when necessary, to maintain a healthy population in balance with habitat conditions and hunter desires.

The following programs and supporting services are included in the accompanying statements of activities:

**Chapter, Member, and Volunteer Services:** Volunteer operations is the department responsible for coordinating the activities of chapter operations; provide leadership training and guidance to the state councils; and identifying, assessing, and responding to the needs of the various states' volunteer conservation efforts. Membership support manages the campaigns that solicit for prospective members and the retention of current members. Membership support takes the form of member/chapter database maintenance, responding to member queries, providing rosters, and fulfilling premiums.

**Conservation:** Conservation operations include the Association's network of all hunters who share a passion for wild deer. This department blends the art of hunting with the science of management to create better deer hunting. This program covers all areas of wild deer research included ecology, management, hunting, diseases, and human dimensions. This department coordinates, and funds practical research projects that increase knowledge and management of wild deer.

**Education:** The Association provides education and informational resources to its members, volunteers, and the public on the importance of wild deer and their importance to conservation. Through various education programs, the Association conducts thousands of hands-on education programs for adults and youth interested in habitat conservation and hunting. The Association also produces a quarterly publication, Quality Whitetails, as well as provides various information content to the public through its website, podcast, social media channels, and newsletters.

**Administrative:** This supporting service category includes the functions necessary to secure the proper administrative functioning of the Association's governing board, maintain an appropriate working environment, provide information technology tools, and support, and manage the financial responsibilities of the Association.

**Fundraising:** This supporting service category includes expenditures that provide the structure necessary to encourage and secure private financial support.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Basis of Accounting and Basis of Presentation**

The financial statements have been prepared on the accrual basis of accounting, and accordingly, reflect all significant receivables, payables, and other liabilities.

The accompanying financial statements have been prepared in conformity with the disclosure and display requirements of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 958, *Not-for-Profit Entities*. Accordingly, net assets are reported in each of the following two classes:

**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. These net assets also may be designated for specific purposes by action of the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Association or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, or its requirement is met, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the accompanying statements of activities.

#### **Estimates**

The preparation of financials statements in conformity with accounting principles generally accepted in the United States of America requires the Association’s management to make estimates and assumptions that affect certain reported amounts in the statement of financial position and the accompanying notes. Accordingly, actual results could differ from those estimates. Estimates are used primarily in the recording of the allowance for doubtful accounts and the allowance for inventory obsolescence, depreciating property and equipment, allocating functional expenses, and valuing assets held for sale.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Cash and Cash Equivalents

For purposes of the statement of cash flows, the Association considers all unrestricted highly liquid investments with initial maturity of three months or less to be cash equivalents. In addition, cash designated by the Board of Directors for long-term purposes are included for the purposes of the statement of cash flows. However, money market funds which are a part of the Association's investment pools are not included in cash and cash equivalents for purposes of the statement of cash flows.

#### Investments

The Association carries investments in marketable securities with readily determinable fair values at their fair values in the statements of financial position as of December 31, 2023 and 2022. Interest, dividends, realized and unrealized gains and losses of \$22,131 and (\$13,786), respectively, net of management fees, are included on the statements of activities.

The Association invests in a professionally managed portfolio that contains various securities that are exposed to risks such as interest, market and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term could materially affect investment balances and the amounts reported in the financial statements.

#### Accounts and Grants Receivables

Accounts and grants receivable are stated at the amount management expects to collect from outstanding balances. Allowances for amounts deemed uncollectible by management are calculated based on historical collection rates and specific identification of uncollectible accounts. The Association has recognized an allowance for credit losses in the amount of \$12,000 at both December 31, 2023 and 2022.

#### Inventory

Inventory consists of fundraising event merchandise as well as merchandise sold through the Association's website. Inventory is stated at the lower of cost or net realizable value on the first-in/first-out basis. When evidence exists that the net realizable value of inventory is lower than its cost, the difference is recognized as a loss in the statement of activities in the period in which it occurs.

#### Prepaid Expenses

Prepaid expenses consist primarily of software prepayments and postage prepayments.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Property and Equipment

Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. The Association follows the practice of capitalizing all expenditures for land, buildings, and equipment in excess of \$5,000.

Depreciation is provided using the straight-line method over the estimated useful lives of the assets.

	<u>Years</u>
Equipment	5 – 7
Furniture and fixtures	7
Vehicles	5
Software	3
Buildings and improvements	7 - 31

Maintenance and repairs of property and equipment are charged to operations and major improvements are capitalized.

#### Revenue Recognition

Revenues consist primarily of dues paid by membership dues, sponsor revenue, program services, grants, and fundraising. The Association recognizes membership dues when the member pays its membership dues. Sponsor revenue includes a contribution component as well as an exchange component associated with the benefit that the sponsor receives for advertising. The association recognizes the contribution component when received. The exchange component is recognized upon issuance of the related publication or broadcast. Program services primarily include proceeds from banquets that are held by chapters and other program specific activities. The Association's policy is to recognize banquet proceeds as revenue when earned and collectability is reasonably assured. Program specific activities are recognized upon the occurrence of the related program event or activity. Grants are recorded as revenue in the year notification is received from the donor. Fundraising includes specific events such as raffles. Revenue from these events is recognized upon occurrence of the event. Contributions and grants with donor restrictions are recognized as without donor restrictions 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 net assets with donor restrictions in the accompanying financial statements. Grants funding received in advance of incurring the related expenses is recorded as net assets with donor restrictions.



## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Revenue Recognition (Continued)

The Association recognizes revenues in accordance with the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 606, *Revenue from Contracts with Customers*, which is recognized at the time the transaction is executed, as that is the point in time the Association fulfills the performance obligation.

The Association records deferred revenue related to grant and sponsorship unearned contract revenue.

#### Advertising

The Association expenses advertising costs as they are incurred. Advertising expense was \$31,932 and \$4,041 for the years ended December 31, 2023 and 2022, respectively.

#### Functional Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefitted. These costs include professional and outside service, magazine publication expense, and software. Expenses directly attributed to a specific functional area of the Association are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of estimated time and effort.

#### Income Taxes

The Association qualifies as a tax-exempt organization as described in Internal Revenue Code Section 501(c)(3) and has been classified by the Internal Revenue Service as a publicly supported organization and not as a private foundation. However, income from certain activities not directly related to the Association’s tax-exempt purpose is subject to taxation as unrelated business income. The Association follows the statutory requirements for its income tax accounting and generally avoids risks associated with potentially problematic tax positions that may be challenged upon examination.

Management believes any liability resulting from taxing authorities imposing additional income taxes from activities deemed to be unrelated to the Association’s tax-exempt status would not have a material effect on the Association’s financial statements.

The Association files Form 990 in the U.S. federal jurisdiction and the state of Georgia.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Donated Inventory, Land, and Services**

Donations of inventory, land, and services from sponsors are recorded as contributions at fair value at the date of donation. Such donations are reported as increases in net assets without donor restrictions since the donors have not restricted the donated assets to a specific purpose.

#### **Fair Value of Financial Instruments**

The Association follows FASB's fair value measurements and disclosure guidance, which provides a framework for measuring fair value under generally accepted accounting principles. This guidance applies to all financial instruments that are being measured and reported on a fair value basis.

As defined in the FASB-issued guidance, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Association uses various methods including market, income, and cost approaches.

Based on these approaches, the Association often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Association utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

Based on the observability of the inputs used in the valuation techniques, the Association is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values.

Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

Level 1 – Valuations for assets and liabilities traded in active markets, such as the New York Stock Exchange. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuations for assets and liabilities traded in less active dealer or broker markets. Valuations are obtained from third-party pricing services for identical or similar assets or liabilities.

Level 3 – Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker-traded transactions.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### **Fair Value of Financial Instruments (Continued)**

Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets and liabilities.

If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of these instruments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

For the years ended December 31, 2023 and 2022, the application of valuation techniques applied to similar assets and liabilities has been consistent. The fair value of investment securities is the market value based on quoted market prices, when available, or market prices provided by recognized broker-dealers.

If listed prices or quotes are not available, fair value is based upon externally developed models that use unobservable inputs due to the limited market activity of these instruments.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values.

Furthermore, although the Association believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

#### **Board-Designated Quasi Endowment**

As of December 31, 2023 and 2022, the Board of Directors had designated \$106,714 and \$94,287, respectively, of net assets without restriction as a quasi-endowment fund to support youth education and outreach to further the mission of the Association. This amount is classified as "Investments" on the accompanying statements of financial position.

Since that amount resulted from an internal designation and is not donor-restricted, it is classified and reported as a net asset without donor restriction.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Board-Designated Quasi Endowment (Continued)

To achieve that objective, the Association has adopted an investment policy that attempts to maximize total return consistent with an acceptable level of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity and fixed income securities that is intended to result in a consistent inflation-protected rate of return that has sufficient liquidity to make an annual distribution of 5%. Accordingly, the Association expects its endowment assets, over time, to produce an average rate of return of approximately 6% annually. Actual returns in any given year may vary from this amount.

Investment risk is measured in terms of the total endowment fund; investment assets; and allocation between asset classes and strategies are managed to not expose the fund to unacceptable levels of risk.

#### Concentration of Credit Risk

The Association maintains its cash in bank deposits, which at times may exceed federally insured limits. The Association has not experienced any losses in such accounts.

#### Recent Issued Accounting Pronouncements

At the beginning of 2023, the Association adopted FASB ASU 2016-13, *Financial Instruments – Credit Losses* (Topic 326): *Measurement of Credit Losses on Financial Instruments*, as amended which modifies the measurement of expected credit losses on certain financial instruments. The Association adopted this new guidance utilizing the modified retrospective transition method. The adoption of this standard did not have a material impact on the Association's financial statements.

### NOTE 2. LIQUIDITY AND AVAILABILITY

The Association's working capital and cash flows have seasonal variations during the year attributable to the annual cash receipts for fundraising, events, and contributions. The Association manages liquidity during the year by utilizing the following strategies: operating with a balanced budget which assumes collection of sufficient revenue via contributions, events, fundraising, and other sources to cover operating expenditures not covered by donor-restricted resources and regular analysis of actual operating results versus budget.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 2. LIQUIDITY AND AVAILABILITY (CONTINUED)

The following table reflects financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date.

	2023	2022
Cash and cash equivalents	\$ 3,013,921	\$ 1,780,912
Accounts and grants to be received within one year	629,316	509,727
Total financial assets	3,643,237	2,290,639
Less amounts with restrictions at year end	(326,717)	(519,244)
Liquidity resources – available funds on line of credit	100,000	100,000
Financial assets available to meet general expenditures over the next twelve months	\$ 3,416,520	\$ 1,871,395

### NOTE 3. INVESTMENTS

At December 31, 2023 and 2022, the Association's investments consisted of publicly traded equity mutual funds with fair values totaling \$106,714 and \$94,287, respectively. The cost basis of the investments was \$46,686 and \$46,694 at December 31, 2023 and 2022, respectively. Investments are reported at fair value using a Level 1 measurement.

### NOTE 4. ACCOUNTS RECEIVABLE

Accounts receivable balances consisted of the following at December 31, 2023 and 2022:

	2023	2022
Grants and contributions	\$ 343,523	\$ 304,294
Banquets	22,012	30,518
Timber Program	237,723	143,737
Other	38,058	53,892
Allowance	(12,000)	(12,000)
Total receivables	\$ 629,316	\$ 520,441
Amounts due in:		
Less than one year	\$ 629,316	\$ 509,727
One to five years	-	10,714
	\$ 629,316	\$ 520,441

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 5. PROPERTY AND EQUIPMENT

As of December 31, 2023 and 2022, a summary of the Association's property and equipment accounts and the related accumulated depreciation is as follows:

	<u>2023</u>	<u>2022</u>
Land	\$ 152,500	\$ 152,500
Equipment	3,881	3,881
Software	5,268	5,268
	<u>161,649</u>	<u>161,649</u>
Accumulated depreciation	<u>(9,048)</u>	<u>(7,833)</u>
Net property and equipment	<u>\$ 152,601</u>	<u>\$ 153,816</u>

Long-lived assets to be held and used are tested for recoverability whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset. Long-lived assets to be disposed of by sale are reported at the lower of carrying amount or fair value less cost to sell. There were no such adjustments during the years ended December 31, 2023 and 2022.

For the years ended December 31, 2023 and 2022, depreciation expense was \$1,215 and \$2,532, respectively.

### NOTE 6. ASSETS HELD FOR SALE

During 2020, the Association also determined that it would sell its remaining land. The fair value of the land listed for sale was deemed to be \$1,657,370 at December 31, 2020. During 2022, the Association signed a letter of intent to sell the land in 2023. This sale fell through and the land was once again being marketed for sale. During 2023, the Association sold the land for \$1,300,000. Due to the timing of the agreement, there was an impairment to the land of \$357,370 recognized in the statement of activities for the year ended December 31, 2022. A loss of \$78,000 was recognized in the statement of activities for the year ended December 31, 2023 due to the payment of \$78,000 for commissions.

Property held for sale consisted of land at a cost of \$- and \$1,300,000 as of December 31, 2023 and 2022, respectively.

## NOTES TO FINANCIAL STATEMENTS

### NOTE 7. LINES OF CREDIT

The Association had a \$400,000 revolving line of credit with a balance of \$- at December 31, 2023 and 2022. Interest is payable at prime plus 0.25%. The line of credit is secured by the land owned by the Association and expired in July 2023.

The Association also has a \$100,000 revolving line of credit with a balance of \$- at December 31, 2023 and 2022. Payments of 2% of the balance outstanding on the line of credit are due monthly. Interest is charged monthly at 7%. The line of credit is secured by the Association's inventory and cash accounts and has no expiration date. The line of credit may be terminated at any time at the lender's sole discretion.

### NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following purposes at December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Conservation Management	\$ 228,334	\$ 378,651
Habitat Improvement	7,383	52,593
Field to Fork Program	16,000	88,000
Chronic Waste Disease Prevention	75,000	-
Net assets with donor restrictions	<u>\$ 326,717</u>	<u>\$ 519,244</u>

All net assets with donor restrictions are held in cash as of December 31, 2023 and 2022.

### NOTE 9. RELATED-PARTY TRANSACTIONS

The Association has 232 affiliates that serve as local chapters of the Association which carry out fundraising events in communities throughout the United States. During 2023 and 2022, local chapters hosted approximately 35 and 52 grassroots fundraising events, respectively. Local chapters are chartered by the Association and operate as unincorporated associations to support the Association in the local community. The Association provides technical and fundraising assistance to the local chapters and in return receives a percentage of net income from required banquets to use toward membership programs, mission, and operations. Because the financial transactions of local committees are controlled by the volunteers, they are not consolidated with the Association and net amounts to be remitted to the Association are recorded as receivables in the statements of financial position.

During 2023 and 2022, the Association recorded revenue of \$301,779 and \$314,270, respectively, from fundraising events hosted by local chapters.

## NOTES TO FINANCIAL STATEMENTS

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### NOTE 9. RELATED-PARTY TRANSACTIONS (Continued)

Amounts due from certain chapters at December 31, 2023 and 2022 were \$25,643 and \$31,643, respectively, for the excess amounts collected yet not remitted. These amounts are included in accounts receivable in the accompanying statements of financial position. Alternatively, on occasion the chapters remit amounts in excess of the total ultimately owned and the Association will refund the excess. Amounts due to certain chapters at December 31, 2023 and 2022 were \$3,630 and \$1,125, respectively, for the excess remitted from chapters to the Association. These amounts are included as reductions to accounts receivable in the accompanying statements of financial position.

### NOTE 10. IN-KIND CONTRIBUTIONS

For the years ended December 31, 2023 and 2022, contributed nonfinancial assets recognized within in-kind contribution revenue on the statements of activities included:

	<u>2023</u>	<u>2022</u>	<u>Usage</u>
Merchandise	\$ 101,160	\$ 87,447	Fundraising
Guns	21,750	31,500	Fundraising
Hunting safety	41,750	13,800	Program
	<u>\$ 164,660</u>	<u>\$ 132,747</u>	

Unless otherwise noted, contributed nonfinancial assets did not have donor-imposed restrictions. Nonfinancial assets were valued using estimated average prices of identical or similar products or services using pricing data of similar products or services under a “like-kind” methodology, considering the utility of the goods at the time of the contribution.

### NOTE 11. SUBSEQUENT EVENTS

The Association has evaluated subsequent events occurring through September 12, 2024, the date on which the financial statements were available to be issued and determined that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.



## **SINGLE AUDIT SECTION**

# NATIONAL DEER ASSOCIATION

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2023

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<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Total Federal Expenditures</u>
<u>U.S. Department of Agriculture</u>		
Stewardship Agreements	10.701	\$ 769,936
Habitat Improvement	10.716	<u>6,500</u>
Total U.S. Department of the Agriculture		<u>776,436</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS		<u>\$ 776,436</u>

**See Notes to Schedule of Expenditures of Federal Awards**

**NATIONAL DEER ASSOCIATION**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

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**NOTE 1. BASIS OF PRESENTATION**

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of National Deer Association under programs of the federal government for the year ended December 31, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Association, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Association.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3. INDIRECT COST RATE**

National Deer Association has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL  
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

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**To the Board of Directors  
National Deer Association**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of National Deer Association (the "Association"), which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 12, 2024.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Association's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Association's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Association's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, with which noncompliance could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Association's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Association's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
September 12, 2024



## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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### **To the Board of Directors National Deer Association**

#### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each major Federal Program***

We have audited National Deer Association's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the Association's major federal programs for the year ended December 31, 2023. The Association's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, National Deer Association complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

#### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

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### ***Responsibility of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Association's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Association's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the Association's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Association's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Association's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control over compliance. Accordingly, no such opinion is expressed.

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We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Mauldin & Jenkins, LLC*

Atlanta, Georgia  
September 12, 2024



**NATIONAL DEER ASSOCIATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS:**

**Financial Statements:**

Type of auditor's report issued	<u>Unmodified</u>	
	<u>Yes</u>	<u>No</u>
Internal control over financial reporting:		
Material weaknesses identified?	_____	<u>X</u>
Significant deficiencies identified not considered to be material weaknesses?	_____	<u>None Reported</u>
Noncompliance material to the financial statements noted?	_____	<u>X</u>

**Federal Awards:**

Internal controls over major programs:		
Material weaknesses identified?	_____	<u>X</u>
Significant deficiencies identified not considered to be material weaknesses?	_____	<u>None Reported</u>
Type of auditor's report issued on compliance for major programs	<u>Unmodified</u>	
Audit findings required to be reported in accordance with 2 CFR Section 200.516(a)	<u>None</u>	

**Identification of major programs:**

10.701      U.S. Department of Agriculture – Habitat Improvement

Dollar threshold used to distinguish between Type A and Type B programs	\$    750,000	
	<u>Yes</u>	<u>No</u>
Auditee qualified as low-risk auditee?	_____	<u>X</u>
Financial Statement Findings?	_____	<u>X</u>
Federal Award Findings Questioned Costs?	_____	<u>X</u>

**NATIONAL DEER ASSOCIATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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**II. FINANCIAL STATEMENT FINDINGS:**

None

**III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:**

None

**NATIONAL DEER ASSOCIATION  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

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**II. FINANCIAL STATEMENT FINDINGS:**

None

**III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS:**

None