

**FOREST SERVICE EMPLOYEES FOR
ENVIRONMENTAL ETHICS, INC.**

FINANCIAL STATEMENTS

For the Years Ended December 31, 2021 and 2020

Jones & Roth

CPAs & Business Advisors

FOREST SERVICE EMPLOYEES FOR ENVIRONMENTAL ETHICS, INC.
FINANCIAL STATEMENTS
For the Years Ended December 31, 2021 and 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Forest Service Employees for Environmental Ethics, Inc.
Eugene, Oregon

Opinion

We have audited the accompanying financial statements of Forest Service Employees for Environmental Ethics, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years 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 Forest Service Employees for Environmental Ethics, Inc. as of December 31, 2021 and 2020, 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 audits in accordance with auditing standards generally accepted in the United States of America. 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 Forest Service Employees for Environmental Ethics, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 Forest Service Employees for Environmental Ethics, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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, including omissions, 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 Forest Service Employees for Environmental Ethics, Inc.'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 Forest Service Employees for Environmental Ethics, Inc.'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.



Jones & Roth, P.C.
Eugene, Oregon
May 3, 2022

FINANCIAL STATEMENTS

FOREST SERVICE EMPLOYEES FOR ENVIRONMENTAL ETHICS, INC.
 STATEMENTS OF FINANCIAL POSITION
 December 31, 2021 and 2020

	2021	2020
Assets		
Current assets		
Cash and cash equivalents	\$ 535,112	\$ 464,295
Accounts receivable, net of allowance of \$-0- for 2021 and 2020	17,979	21,387
Prepaid expenses	13,647	15,520
Total current assets	566,738	501,202
Property and equipment		
Equipment and furnishings	10,536	13,972
Accumulated depreciation	(10,536)	(13,972)
Property and equipment, net	-	-
Other assets		
Restricted cash equivalents - litigation fund	139,604	139,604
Deposits	1,000	1,903
Endowment fund investment	1,199	1,196
Total other assets	141,803	142,703
Total assets	\$ 708,541	\$ 643,905

	<u>2021</u>	<u>2020</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	\$ 8,261	\$ 7,240
Accrued payroll taxes and withholdings	2,043	7,703
Accrued vacation payable	<u>24,213</u>	<u>19,056</u>
Total current liabilities	34,517	33,999
Long-term liabilities		
Paycheck Protection Program loans	<u>132,243</u>	<u>66,100</u>
Total liabilities	<u>166,760</u>	<u>100,099</u>
Net assets		
Without donor restrictions	<u>382,496</u>	<u>362,049</u>
With donor restrictions:		
Restricted by purpose or time	158,285	180,757
Restricted in perpetuity	<u>1,000</u>	<u>1,000</u>
Total net assets with donor restrictions	<u>159,285</u>	<u>181,757</u>
Total net assets	<u>541,781</u>	<u>543,806</u>
Total liabilities and net assets	<u><u>\$ 708,541</u></u>	<u><u>\$ 643,905</u></u>

The accompanying notes are an integral part of these statements.

FOREST SERVICE EMPLOYEES FOR ENVIRONMENTAL ETHICS, INC.
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support			
Donations	\$ 354,078	\$ 54,286	\$ 408,364
Grants	-	-	-
Bequests	-	-	-
	<u>354,078</u>	<u>54,286</u>	<u>408,364</u>
Total support			
Other revenue			
Investment revenue	161	7	168
Miscellaneous	4,455	-	4,455
Gain on asset disposal	-	-	-
	<u>4,616</u>	<u>7</u>	<u>4,623</u>
Total other revenue			
Total support and other revenue	358,694	54,293	412,987
Net assets released from restrictions			
Satisfaction of program restrictions	<u>76,765</u>	<u>(76,765)</u>	<u>-</u>
Total support and revenue	<u>435,459</u>	<u>(22,472)</u>	<u>412,987</u>
Expenses			
Program services:			
Forest protection and whistleblowing	159,208	-	159,208
Membership services	86,465	-	86,465
Education	<u>52,725</u>	<u>-</u>	<u>52,725</u>
Total program services	<u>298,398</u>	<u>-</u>	<u>298,398</u>
Support services:			
General and administrative	98,740	-	98,740
Fundraising	<u>17,874</u>	<u>-</u>	<u>17,874</u>
Total support services	<u>116,614</u>	<u>-</u>	<u>116,614</u>
Total expenses	<u>415,012</u>	<u>-</u>	<u>415,012</u>
Change in net assets	20,447	(22,472)	(2,025)
Net assets, beginning of year	<u>362,049</u>	<u>181,757</u>	<u>543,806</u>
Net assets, end of year	<u>\$ 382,496</u>	<u>\$ 159,285</u>	<u>\$ 541,781</u>

The accompanying notes are an integral part of these statements.

FOREST SERVICE EMPLOYEES FOR ENVIRONMENTAL ETHICS, INC.
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
Support			
Donations	\$ 347,261	\$ 77,682	\$ 424,943
Grants	3,067	-	3,067
Bequests	52,704	-	52,704
Total support	403,032	77,682	480,714
Other revenue			
Investment revenue	503	710	1,213
Miscellaneous	85	-	85
Gain on asset disposal	193	-	193
Total other revenue	781	710	1,491
Total support and other revenue	403,813	78,392	482,205
Net assets released from restrictions			
Satisfaction of program restrictions	99,281	(99,281)	-
Total support and revenue	503,094	(20,889)	482,205
Expenses			
Program services:			
Forest protection and whistleblowing	180,412	-	180,412
Membership services	67,959	-	67,959
Education	41,151	-	41,151
Total program services	289,522	-	289,522
Support services:			
General and administrative	95,713	-	95,713
Fundraising	47,575	-	47,575
Total support services	143,288	-	143,288
Total expenses	432,810	-	432,810
Change in net assets	70,284	(20,889)	49,395
Net assets, beginning of year	291,765	202,646	494,411
Net assets, end of year	\$ 362,049	\$ 181,757	\$ 543,806

The accompanying notes are an integral part of these statements.

FOREST SERVICE EMPLOYEES FOR ENVIRONMENTAL ETHICS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2021

	Forest Protection and Whistleblowing	Membership Services	Education	Total Program Services	General and Administrative	Fundraising	Total
Wages	\$ 105,907	\$ 34,564	\$ 10,125	\$ 150,596	\$ 56,183	\$ 7,513	\$ 214,292
Payroll taxes	9,643	4,109	982	14,734	7,007	609	22,350
Employee benefits	23,043	17,891	2,911	43,845	12,471	1,504	57,820
Professional services	4,206	283	15,860	20,349	10,597	-	30,946
Fees and licenses	353	9,233	-	9,586	3,061	-	12,647
Insurance	1,035	562	343	1,940	642	116	2,698
Mailing	1	8,004	9,447	17,452	472	3,319	21,243
Maintenance	1,366	742	452	2,560	847	153	3,560
Meetings	163	-	-	163	-	-	163
Printing and production	-	5,108	8,768	13,876	5	3,673	17,554
Rent and utilities	6,448	3,502	2,135	12,085	3,999	724	16,808
Supplies	4,696	1,193	-	5,889	2,000	-	7,889
Telephone	2,347	1,274	777	4,398	1,456	263	6,117
Travel	-	-	925	925	-	-	925
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total functional expenses	<u>\$ 159,208</u>	<u>\$ 86,465</u>	<u>\$ 52,725</u>	<u>\$ 298,398</u>	<u>\$ 98,740</u>	<u>\$ 17,874</u>	<u>\$ 415,012</u>

The accompanying notes are an integral part of these statements.

FOREST SERVICE EMPLOYEES FOR ENVIRONMENTAL ETHICS, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended December 31, 2020

	Forest Protection and Whistleblowing	Membership Services	Education	Total Program Services	General and Administrative	Fundraising	Total
Wages	\$ 109,515	\$ 26,144	\$ 6,603	\$ 142,262	\$ 53,244	\$ 21,705	\$ 217,211
Payroll taxes	10,090	2,859	642	13,591	4,963	2,037	20,591
Employee benefits	24,545	10,482	1,826	36,853	14,009	6,532	57,394
Professional services	7,600	297	11,958	19,855	9,735	-	29,590
Depreciation	103	39	23	165	54	27	246
Fees and licenses	436	2,742	-	3,178	3,703	-	6,881
Insurance	1,083	408	247	1,738	574	285	2,597
Mailing	3,152	10,743	6,248	20,143	1,011	5,593	26,747
Maintenance	440	166	100	706	234	116	1,056
Meetings	75	-	-	75	-	-	75
Printing and production	3,581	8,224	8,720	20,525	-	7,603	28,128
Rent and utilities	12,637	4,760	2,882	20,279	6,704	3,333	30,316
Supplies	4,650	116	-	4,766	949	79	5,794
Telephone	2,505	979	1,902	5,386	533	265	6,184
Total functional expenses	<u>\$ 180,412</u>	<u>\$ 67,959</u>	<u>\$ 41,151</u>	<u>\$ 289,522</u>	<u>\$ 95,713</u>	<u>\$ 47,575</u>	<u>\$ 432,810</u>

The accompanying notes are an integral part of these statements.

FOREST SERVICE EMPLOYEES FOR ENVIRONMENTAL ETHICS, INC.
 STATEMENTS OF CASH FLOWS
 For the Years Ended December 31, 2021 and 2020

	2021	2020
Cash flows from operating activities		
Change in net assets	\$ (2,025)	\$ 49,395
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	-	246
Gain on asset disposal	-	(193)
(Increase) decrease in operating assets:		
Accounts receivable	3,408	(3,365)
Prepaid expenses	1,873	(5,674)
Deposits	903	576
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	1,021	6,585
Accrued payroll taxes and withholdings	(5,660)	6,828
Accrued vacation payable	5,157	(621)
	4,677	53,777
Net cash provided by operating activities	4,677	53,777
Cash flows from investing activities		
Proceeds from sale equipment	-	1,196
Deposit to endowment fund investment	(3)	(9)
	(3)	1,187
Net cash provided (used) by investing activities	(3)	1,187
Cash flows from financing activities		
Proceeds from Paycheck Protection Program loan	66,143	66,100
	66,143	66,100
Increase in cash and cash equivalents, and restricted cash equivalents	70,817	121,064
Cash and cash equivalents, and restricted cash equivalents, beginning of year	603,899	482,835
Cash and cash equivalents, and restricted cash equivalents, end of year	\$ 674,716	\$ 603,899
Supplemental disclosure of noncash transactions		
Donation of stock	\$ 6,174	\$ 6,355

The accompanying notes are an integral part of these statements.

FOREST SERVICE EMPLOYEES FOR ENVIRONMENTAL ETHICS, INC.
NOTES TO FINANCIAL STATEMENTS

1. Nature of Activities

The mission of Forest Service Employees for Environmental Ethics, Inc. (FSEEE) is to protect national forests and to reform the U.S. Forest Service by advocating environmental ethics, educating citizens, and defending whistleblowers.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. Net assets, revenue, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of FSEEE and changes therein are classified as net assets without donor restrictions and net assets with donor restrictions.

Revenues are reported as an increase in net assets without donor restriction unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restriction. Gains and losses on investments and other assets are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor restrictions on the net assets (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Income Tax Status

FSEEE is an exempt organization under Section 501(c)(3) of the Internal Revenue Code (IRC). In addition, FSEEE qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2). FSEEE files required informational returns with both the U.S. federal jurisdiction and the state of Oregon.

Cash and Cash Equivalents

For the purpose of the statements of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less. Cash and cash equivalents include savings and checking accounts and money market funds.

FOREST SERVICE EMPLOYEES FOR ENVIRONMENTAL ETHICS, INC.
NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

Restricted Cash Equivalents - Litigation Fund

During the year ended December 31, 2013, FSEEE received a donation with the restricted purpose of establishing a reserve fund that is to be used to reimburse FSEEE for litigation costs incurred when proceeding with environmental litigation projects. Earnings on the fund are also considered net assets with donor restrictions for the same purpose. The fund is owned by FSEEE; however, the fund is to be held by a designated third party for investment. The fund is invested in a brokerage money market account which is considered a cash equivalent. FSEEE may request distributions from the fund for eligible costs related to project litigation.

The following table provides a reconciliation of cash and cash equivalents, and restricted cash equivalents reported within the statements of financial position that sum to the total of the same such amounts shown in the statements of cash flows.

	2021	2020
Cash and cash equivalents	\$ 535,112	\$ 464,295
Restricted cash equivalents – litigation fund	139,604	139,604
 Total cash and cash equivalents, and restricted cash equivalents	 \$ 674,716	 \$ 603,899

Accounts Receivable

At December 31, 2021 and 2020, accounts receivable consisted of unpaid amounts due to FSEEE of \$17,979 and \$21,387, respectively. The accounts receivable is presented net of an allowance for doubtful accounts of \$-0- at December 31, 2021 and 2020.

Property and Equipment

Depreciation of property and equipment is provided over the estimated useful lives of the respective assets using the straight-line method. Donated equipment is recorded at its fair market value at the date of the donation. Purchased equipment is recorded at cost. FSEEE does not use a dollar threshold as a capitalization policy, but rather looks at the useful life to determine capitalization.

Revenue Recognition

Support revenue including donations, grants and bequests, is recognized as revenue when the support is promised or payment made and is recorded as support that is either with or without donor restrictions. Classification is based on the existence and nature of any donor restrictions imposed on the contribution. Support that is restricted by the donor is reported as restricted revenues and is released to net assets without donor restrictions when the restriction is met.

FOREST SERVICE EMPLOYEES FOR ENVIRONMENTAL ETHICS, INC.
NOTES TO FINANCIAL STATEMENTS

2. Summary of Significant Accounting Policies, continued

Non-Cash Donations

Donated Goods

Donated marketable securities and other non-cash donations are recorded as contributions at their estimated fair values at the date of donation. Equities with a value of \$6,174 and \$6,355 were recorded as unrestricted contributions during the years ended December 31, 2021 and 2020, respectively. It is the policy of FSEEE to convert donated equities to cash as soon as practicable after acquisition.

Donated Services

No amounts have been reflected in the financial statements for donated services, other than services requiring specific expertise or which create or enhance non-financial assets.

Donations of services requiring specific expertise or that create or enhance non-financial assets are recorded as in-kind contributions at their estimated fair value at the date of donation. Such donations are reported as unrestricted contributions. There were no donated services that met the criteria for recognition for the years ended December 31, 2021 and 2020.

Expense Allocation

FSEEE allocates its expenses on a functional basis among its various programs and support services. Expenses that can be identified with a specific program and support service are allocated directly according to their natural expenditure classification. Other expenses that are common to several functions are allocated based on actual direct expenses as a percentage of total expenses.

Liquidity and Availability of Resources

FSEEE receives the majority of its support from individual donors. The majority of support received is without donor restriction, with the remaining support earmarked by donors for specific programs. The policy set by the Board of Directors is to have all of FSEEE's cash assets available at all times.

At December 31, 2021 and 2020, FSEEE's financial assets available for general expenditures within one year, are comprised of the following:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 535,112	\$ 464,295
Accounts receivable, net	<u>17,979</u>	<u>21,387</u>
Current financial assets	553,091	485,682
Less: amounts with donor restrictions	<u>(18,681)</u>	<u>(41,453)</u>
Current financial assets available for general expenditure	<u>\$ 534,410</u>	<u>\$ 444,229</u>

FOREST SERVICE EMPLOYEES FOR ENVIRONMENTAL ETHICS, INC.
NOTES TO FINANCIAL STATEMENTS

3. Lease Commitment

In June 2011, FSEE entered into an operating lease for a space located in Eugene, Oregon. The lease was last renewed in July 2017 and expired June 30, 2020 at which time the lease was month to month through February 2021 and required monthly lease payments of \$1,869. FSEEE moved into a new space and entered into a new lease agreement commencing October 1, 2020. The last renewal extended the lease term to February 28, 2023. The new lease calls for monthly payments of \$1,000, increasing to \$1,050 in March 2022, and is subject to annual increases thereafter. Rental expense for operating leases for the years ended December 31, 2021 and 2020, was \$15,738 and \$24,428 respectively.

Minimum payments over the term of the agreement are as follows:

<u>For the Year Ending December 31,</u>	
2022	\$ 12,500
2023	<u>2,100</u>
	<u>\$ 14,600</u>

4. Concentration of Deposit Risk

FSEEE maintains its cash and cash equivalent balances in three financial institutions. A portion of these deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each institution. Balances may periodically exceed FDIC insured limits. At December 31, 2021 and 2020, there were deposits in excess of FDIC insurance limits of \$258 and \$23,062, respectively.

5. Accrued Vacation Payable

Vacation pay is charged to expense when earned. At December 31, 2021 and 2020, accrued vacation payable was \$24,213 and \$19,056, respectively.

6. Paycheck Protection Program Loan

In April 2020, FSEEE applied for and was awarded a Paycheck Protection Program (PPP) loan under the Coronavirus Aid, Relief and Economic Security Act (the CARES Act) through Umpqua Bank. FSEEE was approved for a loan in the amount of \$66,100. The loan accrues interest at a rate of 1.00 percent (simple interest). The loan is unsecured.

In February 2021, FSEEE applied for and was awarded a second round PPP loan under the CARES Act through Umpqua Bank. FSEEE was approved for a loan in the amount of \$66,143. The loan accrues interest at a rate of 1.00 percent (simple interest). The loan is unsecured.

The provisions of the agreements state that FSEEE may apply to the lender and the U.S. Small Business Administration (SBA) for forgiveness of the loans in the amount equal to the sum of eligible costs incurred by FSEEE as defined in the CARES Act and the loan agreements.

FOREST SERVICE EMPLOYEES FOR ENVIRONMENTAL ETHICS, INC.
NOTES TO FINANCIAL STATEMENTS

6. Paycheck Protection Program Loan, continued

As of December 31, 2021, FSEEE had applied for but not yet received forgiveness of the loans. Upon forgiveness of the loans, FSEEE will recognize income for the amount forgiven in accordance with FASB ASC 470-20, *Liabilities: Extinguishment of Liabilities*.

Subsequent to year end, FSEEE received notification the lender and SBA approved the forgiveness of the PPP loans and related interest in full and the SBA tendered payment to the lender, at which time the forgiveness was recognized as income.

7. Net Assets With Donor Restrictions

At December 31, net assets with donor restrictions were available for the following purposes or periods:

	2021	2020
Appeal donations available for subsequent years	\$ 34,341	\$ 56,820
Restricted litigation fund	123,944	123,937
Perpetual endowment	1,000	1,000
Total net assets with donor restrictions	\$ 159,285	\$ 181,757

At December 31, 2021 and 2020, net assets with donor restrictions includes an endowment fund that was established December 24, 2004 in the amount of \$1,000. The income from the endowment fund assets can be used to support FSEEE's general activities.

8. 403(b) Retirement Plan

FSEEE has a 403(b) retirement plan covering all employees on the first month of employment. Employees may elect to contribute an amount determined by the plan's contribution formula. In July 2002, FSEEE began providing a matching contribution to the employee's contributions up to a maximum FSEEE contribution of 5 percent of the employee's salary. The contribution amount was increased to 6 percent of the employee's salary effective September 2019. For the years ended December 31, 2021 and 2020, it was determined FSEEE would provide a matching contribution to employees. The total contribution for the years ended December 31, 2021 and 2020, was \$12,517 and \$13,070, respectively, and is included in employee benefits.

Under the 403(b) plan, contributions are made directly to participants' individual accounts. After the funds have been distributed to these accounts, FSEEE has no fiduciary responsibility or control over the accounts.

9. Economic Uncertainties

As a result of the continuing COVID-19 coronavirus pandemic, economic uncertainties exists which could negatively impact FSEEE's financial condition and operating results. However, the related financial impact and duration cannot be reasonably estimated at this time.

FOREST SERVICE EMPLOYEES FOR ENVIRONMENTAL ETHICS, INC.
NOTES TO FINANCIAL STATEMENTS

10. Subsequent Events

Management evaluates events and transactions that occur after the statement of financial position date as potential subsequent events. Management has performed this evaluation through the date of the independent auditor's report.