

THE PALMETTO CONSERVATION FOUNDATION
Columbia, South Carolina
FINANCIAL STATEMENTS
June 30, 2021

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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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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Palmetto Conservation Foundation
Columbia, South Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the Palmetto Conservation Foundation (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Palmetto Conservation Foundation as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 3, 2022, on our consideration of the Palmetto Conservation Foundation'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 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 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 Palmetto Conservation Foundation's internal control over financial reporting and compliance.

Cantey, Tiller, Pierce & Green, LLP

Cantey, Tiller, Pierce and Green, LLP
Camden, South Carolina

January 3, 2022

THE PALMETTO CONSERVATION FOUNDATION
Columbia, South Carolina

STATEMENT of FINANCIAL POSITION
June 30, 2021

ASSETS

Cash and Cash Equivalents	\$ 246,391
Investments	82,280
Receivables	92,459
Inventory	2,655
Conservation Easements	4,385,000
Land, Property and Equipment, Net of Depreciation	3,821,591
Other Assets	3,725
Total Assets	<u>\$ 8,634,101</u>

LIABILITIES

Accounts Payable	\$ 33,890
Accrued Salaries and Benefits	13,480
Payment Protection Program Loan	64,500
Line of Credit	49,823
Notes Payable	216,479
Total Liabilities	<u>378,172</u>

NET ASSETS

Without Donor Restrictions	3,870,929
With Donor Restrictions	4,385,000
Total Net Assets	<u>8,255,929</u>
Total Liabilities and Net Assets	<u>\$ 8,634,101</u>

THE PALMETTO CONSERVATION FOUNDATION
Columbia, South Carolina

STATEMENT of ACTIVITIES
Year Ended June 30, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
REVENUE and SUPPORT			
Grants	\$ 300,000	\$ 307,800	\$ 607,800
Contributions	239,418	72,846	312,264
Program/Event	23,807	-	23,807
Interest Income	2,647	-	2,647
Unrealized Investment Loss	(4,330)	-	(4,330)
Contractual Income	155,744	-	155,744
Miscellaneous Income	7,319	-	7,319
In-Kind Revenue	49,446	-	49,446
Total	<u>774,051</u>	<u>380,646</u>	<u>1,154,697</u>
NET ASSETS RELEASED from RESTRICTIONS			
Satisfaction of Program Restrictions	<u>380,646</u>	<u>(380,646)</u>	<u>-</u>
EXPENSES			
Program Services			
Preservation	1,815	-	1,815
Conservation	29	-	29
Recreation	783,633	-	783,633
Total Program Services	<u>785,477</u>	<u>-</u>	<u>785,477</u>
Supporting Services			
Management and General	<u>148,498</u>	<u>-</u>	<u>148,498</u>
Total Supporting Services	<u>148,498</u>	<u>-</u>	<u>148,498</u>
Total Expenses	<u>933,975</u>	<u>-</u>	<u>933,975</u>
INCREASE(DECREASE) IN NET ASSETS BEFORE NON-OPERATING REVENUES	220,722	-	220,722
NON-OPERATING REVENUES			
Paycheck Protection Loan Forgiveness	<u>68,000</u>	<u>-</u>	<u>68,000</u>
INCREASE(DECREASE) IN NET ASSETS	288,722	-	288,722
NET ASSETS, Beginning of Year	<u>3,582,207</u>	<u>4,385,000</u>	<u>7,967,207</u>
NET ASSETS, End of Year	<u>\$ 3,870,929</u>	<u>\$ 4,385,000</u>	<u>\$ 8,255,929</u>

THE PALMETTO CONSERVATION FOUNDATION
Columbia, South Carolina

STATEMENT of FUNCTIONAL EXPENSES
Year Ended June 30, 2021

	Program Services			Management and General	Total
	Recreation	Preservation	Conservation		
Salaries	\$ 357,530	\$ -	\$ -	\$ 53,199	\$ 410,729
Payroll Taxes	26,857	-	-	3,988	30,845
Employee Benefits	17,427	-	-	3,910	21,337
Continuing Education	9,692	-	-	-	9,692
Travel	35,866	-	-	1,479	37,345
Contract Services	93,553	-	29	12,970	106,552
Office Expenses	37,441	-	-	33,775	71,216
Event Expenses	11,696	-	-	5	11,701
Supplies	59,083	-	-	1,356	60,439
Insurance	17,545	-	-	9,504	27,049
Interest Expense	-	-	-	11,969	11,969
Miscellaneous	1,223	-	-	23	1,246
Inkind	37,446	-	-	-	37,446
Total Expenses before Depreciation	705,359	-	29	132,178	837,566
Depreciation	78,274	1,815	-	16,320	96,409
Total Expenses	<u>\$ 783,633</u>	<u>\$ 1,815</u>	<u>\$ 29</u>	<u>\$ 148,498</u>	<u>\$ 933,975</u>

The Accompanying Notes are an Integral Part of these Financial Statements

THE PALMETTO CONSERVATION FOUNDATION
Columbia, South Carolina

STATEMENT of CASH FLOWS
Year Ended June 30, 2021

CASH FLOWS from OPERATING ACTIVITIES	
Increase in Net Assets	\$ 220,722
Adjustments to Reconcile Increase in Net Assets to Net	
Cash Provided by Operating Activities	
Depreciation	96,409
In-Kind Contributions	(12,000)
Sale of Fixed Assets	327
Unrealized Loss on Investments	4,330
(Increase) Decrease in Operating Assets	
Accounts Receivable	36,453
Inventory	3,872
Increase (Decrease) in Operating Liabilities	
Accounts Payable	28,049
Accrued Salaries and Benefits	<u>3,518</u>
Net Cash Provided by Operating Activities	<u>381,680</u>
CASH FLOWS from INVESTING ACTIVITIES	
Payments for Property, Equipment and Easements	(236,193)
Purchase of Investments	(61,145)
Sale of Investments	<u>56,566</u>
Net Cash Used in Investing Activities	<u>(240,772)</u>
CASH FLOWS from FINANCING ACTIVITIES	
Line of Credit	(486)
Proceeds from PPP Loan	64,500
Principal Payments on Loan	<u>(15,653)</u>
Net Cash Provided by Financing Activities	<u>48,361</u>
Net Increase in Cash and Cash Equivalents	189,269
BEGINNING CASH and CASH EQUIVALENTS	<u>57,122</u>
ENDING CASH and CASH EQUIVALENTS	<u><u>\$ 246,391</u></u>
SUPPLEMENTAL DISCLOSURE of CASH FLOW INFORMATION	
Cash Paid During the Year for:	
Interest	<u>\$ 11,969</u>
Non-Cash Transactions:	
Paycheck Protection Loan Forgiveness	<u><u>\$ 68,000</u></u>

The Accompanying Notes are an Integral Part of these Financial Statements

NOTE 1 SUMMARY of SIGNIFICANT ACCOUNTING POLICIES

Organizational Activities

The Palmetto Conservation Foundation (the Foundation) was incorporated in the State of South Carolina in 1989. The Foundation was established as a not-for-profit organization with the purposes of conserving South Carolina's natural and cultural resources, preserving historical buildings and landmarks and to create and promote outdoor activities throughout the State.

Basis of Accounting

The financial statements are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Under the accrual basis, revenue is recognized when earned and expenses are recognized when incurred.

Use of Estimates

These financial statements include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from these estimates and it is possible that these estimates could change in the future.

Property and Equipment

Fixed assets are recorded and capitalized at cost if purchased and fair market value if contributed. The Foundation has adopted a policy to capitalize all fixed assets with an acquisition cost of \$500 or more. Estimated useful lives range from five to forty years. Depreciation is provided on the straight-line method.

Income Taxes

The Foundation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, and therefore, there is no provision for income taxes in these statements. The Foundation has no unrelated business income for the year ended June 30, 2021.

The Foundation's Forms 990, Return of Organization Exempt from Income Tax, are subject to examination by the Internal Revenue Service generally for three years after they were filed.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments available for current use with an initial maturity of three months or less to be cash equivalents.

Investments

Not-for-profit organizations report investments in marketable securities and debt securities at their fair market value in the statement of financial position. The Foundation's investments had a fair market value of \$82,280 and a cost of \$81,694 at June 30, 2021. Unrealized gains and losses are included in the statement of activities.

Contributed Services

Amounts have been reflected in the financial statements for donated services. The Foundation generally pays for services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Foundation.

Inventory

Inventory for the Foundation is stated at cost and valued using the first-in first-out method. Inventory consists of books available for sale from the Foundation. Inventory was valued at \$2,655 at June 30, 2021.

NOTE 1 SUMMARY of SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 requires significant changes to the financial reporting model of agencies who follow the not-for-profit reporting model. The changes include reducing the classes of net assets from three classes to two – net assets with donor restrictions and net assets without donor restrictions. The ASU also requires changes in the way certain information is aggregated and reported by the Foundation, including required disclosures.

Net assets are recorded without donor restrictions and with donor restrictions depending on donor-imposed restrictions or legal requirements involving the funds held by or contributed to the Foundation.

Without Donor Restrictions - The Foundation reports that part of net assets that are not restricted by legal or donor-imposed restrictions as “net assets without donor restrictions”. These net assets, including any board designated net assets, are legally unrestricted and can be used by the Foundation however deemed necessary.

With Donor Restrictions - The Foundation report gifts and other assets as restricted support if they are received with donor stipulations or legal requirements that limit the use of the donated assets. When a donor or legal restriction expires, these net assets can be reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Contributions and other inflows of assets whose use is limited by donor-imposed stipulations or legal requirements that neither expires by the passage of time nor can they be fulfilled or otherwise removed by the Foundation’s actions are also reported as net assets with donor restrictions.

NOTE 2 CASH on DEPOSIT

At June 30, 2021, the Foundation maintained two checking accounts and one Money Market account. Cash and cash equivalents totaled \$246,391 in these accounts. The Foundation maintains all of its cash on deposit with financial institutions that maintain insurance with the Federal Deposit Insurance Corporation. The Foundation's bank account balances of \$249,869 did not exceed the \$250,000 FDIC insurance coverage at June 30, 2021.

NOTE 3 INVESTMENTS

Market values of investments are summarized as follows at June 30, 2021:

	Cost	Fair Market Value	Unrealized Gain (Loss)
Government Securities	\$ 81,694	\$ 82,280	\$ 586
Total	\$ 81,694	\$ 82,280	\$ 586

Investments are stated at fair market value. Cash and securities held in an investment account are pledged as collateral for the line of credit at June 30, 2021. (See Note 8)

NOTE 3 INVESTMENTS (CONTINUED)

The following schedule summarizes the investment return and the classification in the statement of activities for the year ended June 30, 2021:

	Without Donor Restrictions
Interest and Dividends	\$ 2,647
Unrealized Losses	(4,330)
Total Investment Return	<u>\$ (1,683)</u>

NOTE 4 FAIR VALUE MEASUREMENTS

Fair Value Measurements establishes a framework for measuring fair value. That framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

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

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2021.

Government Securities: Government securities are stated at the market price quotations as of the last business day of the reporting period.

NOTE 4 FAIR VALUE MEASUREMENTS (Continued)

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 Foundation 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.

The following table sets forth by level, within the fair value hierarchy, the Foundation's assets at fair value as of June 30, 2021:

	Assets at Fair Value as of 6/30/21			
	Level 1	Level 2	Level 3	Total
Government Securities	\$ 82,280	\$ -	\$ -	\$ 82,280
Total Assets at Fair Value	<u>\$ 82,280</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,280</u>

NOTE 5 LAND, PROPERTY and EQUIPMENT

A summary of property and equipment at June 30, 2021, follows:

Equipment, Furniture and Fixtures	\$ 123,540
Trail Improvements	3,410,920
Land and Buildings	<u>1,304,757</u>
Total Property and Equipment	4,839,217
Less: Accumulated Depreciation	<u>(1,017,626)</u>
Net Property and Equipment	<u>\$ 3,821,591</u>

Depreciation expense for the year ended June 30, 2021 was \$96,409.

NOTE 6 RECEIVABLES

Accounts receivable and grants receivable were all deemed to be fully collectible by management. Receivables consisted of the following at June 30, 2021:

Americorps-United Way	\$ 82,775
SCPRT	7,562
Other	<u>2,122</u>
Total Receivables	<u>\$ 92,459</u>

NOTE 7 CONSERVATION EASEMENTS

Conservation easements are restrictions on development of land in various sites in South Carolina. An independent real estate agent is used to value easements at the date of contribution. During the year ended June 30, 2021, the Foundation received no new land easements and did not transfer any easements. Conservation easements held by the foundation were \$4,385,000 at June 30, 2021.

NOTE 8 LINE of CREDIT

The Foundation has a \$50,000 line of credit established with Merrill Lynch. The balance was \$49,823 at June 30, 2021. The credit line is secured by assets held in the Foundation's investment account. The loan bears interest at a floating rate based on the London International Bank Rate. The interest rate at June 30, 2021 was 4.0%.

NOTE 9 NOTES PAYABLE

The Foundation's notes payable debt consists of the following:

Mortgage payable to Bank of America, due in monthly installments of \$2,153 at 4.33% interest	<u>\$ 216,479</u>
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Future scheduled maturities of notes payable debt are as follows:

Years Ending	
2022	\$ 16,834
2023	17,577
2024	18,354
2025	19,164
2026	20,011
2027-2032	<u>124,539</u>
Totals	<u>\$ 216,479</u>

NOTE 10 PAYMENT PROTECTION PROGRAM LOAN

On May 4, 2020, the Foundation received loan proceeds in the amount of \$68,000 under the Paycheck Protection Program ("PPP"). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the twenty-four-week period. As of June 30, 2021, the Foundation received notice from SBA that the PPP funds were used appropriately, and all amounts were fully forgiven. This amount is reported as non-operating revenue on the Statement of Activities.

The Foundation also received a second round PPP Loan during the year for \$64,500. The second round PPP Loan is reported as a liability on the Statement of Financial Position. The Foundation believes the loan proceeds will meet the established guidelines for forgiveness.

NOTE 11 COMMITMENTS and CONTINGENCIES

The Foundation must apply for annual renewals of contracts and grants. Funding is subject to both increases and reductions as contracted with grantors. Some agreements call for termination by either party contingent upon certain conditions. Expenditures recorded under various contracts and grants are also subject to further examination by the contractors and grantors, and reimbursements can be requested by them for questioned costs. No provisions have been made in the financial statements for liabilities, if any, that would result from the disallowance of costs, either in whole or in part, by such contractors and grantors. Management of the Foundation believes it has substantially complied with the contract and grant provisions and that any subsequent adjustment would not be material to the financial statements. Questioned costs could still be identified during audits to be conducted in the future.

NOTE 12 RETIREMENT PLAN

The Foundation offers staff employees, after a probationary period, the opportunity for participation in a simple retirement salary deferral arrangement. For the year ended June 30, 2021, the Foundation had matching expense of \$1,739.

NOTE 13 IN-KIND REVENUE

In-kind revenue consists of the following:

In-Kind Maintenance and Upkeep Provided for Palmetto Trails, and Other	\$ 37,446
In-Kind Capital	12,000
Total In-Kind Revenue Received	<u>\$ 49,446</u>

NOTE 14 MANAGEMENT OF LIQUID RESOURCES

The Foundation presents a statement of assets, liabilities and net assets in a columnar format that displays its financial resources in order of liquidity from those that are current (cash and other assets expected to liquidate liabilities due within one year or to be consumed within one year) to those that are noncurrent (other assets not expected to liquidate liabilities due within one year or to be consumed within one year). As part of the Foundation's liquidity management, it structures financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Foundation's current liquid resources available within one year of the statement of assets, liabilities and net assets date for general expenditures are as follows:

Cash and cash equivalents - unrestricted	\$ 246,391
Investments - unrestricted	82,280
Receivables	92,459
Total available within one year	<u>\$ 421,130</u>

NOTE 15 SUBSEQUENT EVENTS

The Foundation has evaluated subsequent events through January 3, 2022 the date which the financial statements were available to be issued. During this period, the Foundation did not have any material subsequent events that required recognition in the Foundation's disclosures to the June 30, 2021 financial statements.

CANTEY, TILLER, PIERCE & GREEN, LLP

Certified Public Accountants

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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

To the Board of Directors of
The Palmetto Conservation Foundation
Columbia, South Carolina

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 the Palmetto Conservation Foundation (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 3, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Palmetto Conservation Foundation's internal control over financial reporting (internal control) to determine 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 Palmetto Conservation Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Palmetto Conservation Foundation'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 entity'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 the 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described below that we consider to be significant deficiencies.

Financial Statement Preparation

Condition – Based on the experience level of the accounting staff at the Palmetto Conservation Foundation, we drafted the financial statement and note disclosures.

Criteria – The financial statements are the responsibility of the Palmetto Conservation Foundation.

Cause – The accounting staff of the accounting firm drafts the financial statements and note disclosures.

Effect – The accounting staff firm drafting the financial statements requires additional procedures to be completed by management to ensure that management takes responsibility for the financial statements.

Recommendation – Management is provided with a preliminary draft and asked that they review the financial statements to determine the completeness and accuracy of the financial information. Management has reviewed the financial statements and approved them. Subsequent to approval, a final report was issued.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Palmetto Conservation Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*.

The Palmetto Conservation Foundation's Response to Findings

The Palmetto Conservation Foundation's response to the findings identified in our audit is described above. The Palmetto Conservation Foundation's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 organization'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 organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cantey, Tiller, Pierce & Green, LLP

Cantey, Tiller, Pierce and Green, LLP
Camden, South Carolina

January 3, 2022