

Reports of Independent Auditors
and Financial Statements
with Federal Awards Supplementary Information

Intertribal Agriculture Council

December 31, 2024 and 2023

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Report of Independent Auditors

The Board of Directors
Intertribal Agriculture Council

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Intertribal Agriculture Council, which comprise the statements of financial position as of December 31, 2024 and 2023, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Intertribal Agriculture Council as of December 31, 2024 and 2023, and the results of its changes in 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (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 Intertribal Agriculture Council 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 Intertribal Agriculture Council'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 GAAS and *Government 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 GAAS 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 Intertribal Agriculture Council'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 Intertribal Agriculture Council'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.

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 July 31, 2025, on our consideration of Intertribal Agriculture Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 Intertribal Agriculture Council'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 Intertribal Agriculture Council's internal control over financial reporting and compliance.

Baker Tilly US, LLP

Rancho Cordova, California
July 31, 2025

Financial Statements

Intertribal Agriculture Council
Statements of Financial Position
December 31, 2024 and 2023

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 924,656	\$ 1,081,909
Investments	2,938,211	293,418
Accounts receivable	326,547	260,217
Grants receivable	4,458,246	5,310,152
Total current assets	8,647,660	6,945,696
NONCURRENT ASSETS		
Prepaid expenses	96,831	99,440
Beneficial interest in investment pool	5,824,166	6,000,235
Equipment, net	6,660	11,031
Total noncurrent assets	5,927,657	6,110,706
Total assets	\$ 14,575,317	\$ 13,056,402
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable	\$ 707,776	\$ 1,143,715
Accrued payroll liabilities	871,716	579,805
Deferred grant support	892,383	1,237,259
Total current liabilities	2,471,875	2,960,779
Total liabilities	2,471,875	2,960,779
NET ASSETS		
Without donor restrictions	9,939,458	8,070,348
With donor restrictions	2,163,984	2,025,275
Total net assets	12,103,442	10,095,623
Total liabilities and net assets	\$ 14,575,317	\$ 13,056,402

See accompanying notes.

Intertribal Agriculture Council
Statements of Activities and Changes in Net Assets
Year Ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUES			
Grants and contributions			
Federal	\$ 12,664,155	\$ -	\$ 12,664,155
Foundations and other	3,733,879	145,000	3,878,879
Conference sponsorships	157,998	-	157,998
Program service revenue	653,126	-	653,126
Investment gains, net	495,749	-	495,749
	<u>17,704,907</u>	<u>145,000</u>	<u>17,849,907</u>
Net assets released from restrictions	<u>6,291</u>	<u>(6,291)</u>	<u>-</u>
Total support and revenues	<u>17,711,198</u>	<u>138,709</u>	<u>17,849,907</u>
EXPENSES			
Program services			
Legal and policy	850,942	-	850,942
Strategy	1,630,111	-	1,630,111
Stakeholder services	6,512,888	-	6,512,888
Communication	1,115,481	-	1,115,481
Advancement	1,017,935	-	1,017,935
Operation and finance	1,378,523	-	1,378,523
Support services			
Administrative	<u>3,336,208</u>	<u>-</u>	<u>3,336,208</u>
Total expenses	<u>15,842,088</u>	<u>-</u>	<u>15,842,088</u>
CHANGE IN NET ASSETS	1,869,110	138,709	2,007,819
NET ASSETS, beginning of year	<u>8,070,348</u>	<u>2,025,275</u>	<u>10,095,623</u>
NET ASSETS, end of year	<u>\$ 9,939,458</u>	<u>\$ 2,163,984</u>	<u>\$ 12,103,442</u>

See accompanying notes.

Intertribal Agriculture Council
Statements of Activities and Changes in Net Assets
Year Ended December 31, 2023

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUES			
Grants and contributions			
Federal	\$ 10,787,772	\$ -	\$ 10,787,772
Foundations and other	1,967,549	-	1,967,549
Conference sponsorships	148,630	-	148,630
Program service revenue	925,444	-	925,444
Investment losses, net	314,919	-	314,919
	<u>14,144,314</u>	<u>-</u>	<u>14,144,314</u>
Net assets released from restrictions	<u>34,937</u>	<u>(34,937)</u>	<u>-</u>
Total support and revenues	<u>14,179,251</u>	<u>(34,937)</u>	<u>14,144,314</u>
EXPENSES			
Program services			
Legal and policy	809,353	-	809,353
Stakeholder services	6,640,740	-	6,640,740
Support services			
Administrative	5,099,554	-	5,099,554
Total expenses	<u>12,549,647</u>	<u>-</u>	<u>12,549,647</u>
CHANGE IN NET ASSETS	1,629,604	(34,937)	1,594,667
NET ASSETS, beginning of year	<u>6,440,744</u>	<u>2,060,212</u>	<u>8,500,956</u>
NET ASSETS, end of year	<u>\$ 8,070,348</u>	<u>\$ 2,025,275</u>	<u>\$ 10,095,623</u>

See accompanying notes.

**Intertribal Agriculture Council
Statements of Functional Expenses
Year Ended December 31, 2024**

	Program Services					Supporting Services	Fundraising	Total
	Legal and Policy	Strategy	Stakeholder Services	Communication	Operation and Finance	Administration	Advancement	
Salaries, benefits, and payroll taxes	\$ 541,367	\$ 679,391	\$ 3,744,542	\$ 803,722	\$ 1,293,566	\$ 872,471	\$ 973,731	\$ 8,908,790
Professional fees	58,563	-	6,993	-	-	327,175	-	392,731
Travel and training	123,238	151,748	916,353	57,769	38,733	236,787	30,195	1,554,823
Supplies and materials	4,722	30,849	89,922	123,948	20,408	78,880	1,800	350,529
Occupancy	-	-	20,742	3,300	170	17,742	-	41,954
Trade shows and conferences	72,917	89,899	1,269,288	8,845	-	342,243	4,220	1,787,412
Contracted services	19,823	675,473	389,627	290	2,527	1,108,945	895	2,197,580
Program expenses	22,331	2,679	71,541	92,010	12,052	302,463	6,885	509,961
Other business expenses	7,981	72	3,880	25,597	1,592	49,502	209	88,833
Depreciation	-	-	-	-	9,475	-	-	9,475
	<u>\$ 850,942</u>	<u>\$ 1,630,111</u>	<u>\$ 6,512,888</u>	<u>\$ 1,115,481</u>	<u>\$ 1,378,523</u>	<u>\$ 3,336,208</u>	<u>\$ 1,017,935</u>	<u>\$ 15,842,088</u>

See accompanying notes.

Intertribal Agriculture Council
Statements of Functional Expenses
Year Ended December 31, 2023

	Program Services		Supporting Services	Total
	Legal and Policy	Stakeholder Services	Administration	
Salaries, benefits, and payroll taxes	\$ 499,018	\$ 2,522,245	\$ 3,083,626	\$ 6,104,889
Professional fees	7,360	300	14,950	22,610
Travel and training	258,129	1,178,845	949,325	2,386,299
Supplies and materials	14,659	138,956	96,140	249,755
Occupancy	-	19,881	14,553	34,434
Trade shows and conferences	10,132	1,162,870	171,890	1,344,892
Contracted services	8,545	1,536,593	436,156	1,981,294
Program expenses	11,248	75,698	210,077	297,023
Bank charges and fees	25	600	69,525	70,150
Other business expenses	237	4,752	36,933	41,922
Depreciation	-	-	16,379	16,379
	\$ 809,353	\$ 6,640,740	\$ 5,099,554	\$ 12,549,647

See accompanying notes.

Intertribal Agriculture Council
Statements of Cash Flows
Years Ended December 31, 2024 and 2023

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ 2,007,819	\$ 1,594,667
Adjustments to reconcile changes in net asset provided by (used in) operating activities		
Depreciation	9,475	16,379
Realized and unrealized gains on investments	(422,108)	(298,303)
Changes in operating assets and liabilities		
Accounts receivable	851,906	(2,257,335)
Grants receivable	(66,330)	(246,217)
Prepaid expenses	2,609	(35,436)
Accounts payable	(435,939)	814,652
Accrued payroll liabilities	291,911	265,887
Deferred grant support	(344,876)	(302,330)
	<u>1,894,467</u>	<u>(448,036)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(5,104)	-
Purchases of investments	(5,800,000)	(2,000,000)
Redemptions and sales on investments	3,753,384	2,047,268
	<u>(2,051,720)</u>	<u>47,268</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS	(157,253)	(400,768)
CASH AND CASH EQUIVALENTS, beginning of year	<u>1,081,909</u>	<u>1,482,677</u>
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 924,656</u>	<u>\$ 1,081,909</u>

See accompanying notes.

Intertribal Agriculture Council

Notes to Financial Statements

Note 1 – Organization

Intertribal Agriculture Council (the Organization) is a nonprofit organization that was incorporated under the laws of the state of Montana in 1987, to pursue and promote the conservation, development, and use of agricultural resources for the betterment of Indian people.

Note 2 – Summary of Significant Accounting Policies

Basis of presentation – The financial statements are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

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

Cash and cash equivalents – All highly liquid investments with an original maturity of three months or less are considered to be cash equivalents.

Investments – The Organization carries investments in marketable securities with readily determined fair values in the statements of financial position at fair value. Quoted market prices in active markets are used as the basis of measurement. Unrealized gains and losses are included in the changes in net assets in the accompanying statements of activities and changes in net assets.

Investment income or loss and unrealized gains or losses are included in the statements of activities and changes in net assets as increases or decreases in net assets without donor restrictions unless the income or loss is restricted by donor or law and if the restrictions are not met in the reporting period in which they are recognized.

Investments are generally recorded at fair value based upon quoted market prices, when available, or estimates of fair value. Donated assets are recorded at fair value at the date of donation, or if sold immediately after receipts, at the amount of sales proceeds received (which are considered a fair measure of the value at the date of donation). Those investments for which fair value is not readily determinable are carried at cost or, if donated, at fair value at the date of donation.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair value. Furthermore, while the Organization believes their valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value could result in a different fair value measurement at the reporting date.

Intertribal Agriculture Council Notes to Financial Statements

Accounts receivable – Accounts receivable consist primarily of conference registration fees and conference sponsorships, which are all expected to be collected within one year. Accounts receivable were as follows at the years ended December 31:

	<u>2024</u>	<u>2023</u>
Conference registration fees	\$ 241,749	\$ 147,748
Conference sponsorships	2,525	91,742
Other	<u>82,273</u>	<u>20,727</u>
Total accounts receivable	<u>\$ 326,547</u>	<u>\$ 260,217</u>

As of January 1, 2023, accounts receivable were \$1,496,677. The allowance for expected credit losses is management's best estimate of the probable credit losses on existing conference registration fees, sponsorships, and other receivables based on its assessment of the current status of individual accounts and taking into consideration historical collection experience. Outstanding balances are charged off against the allowance after reasonable collection efforts have been made and the balance is deemed uncollectible. Accordingly, no allowance for expected credit losses is required as of the years ended December 31, 2024 and 2023.

Grants receivable – Grants receivable represent amounts due from grantors, which are expected to be collected within one year. The Organization's experience has indicated that all grants receivable are collectible. Accordingly, no allowance for uncollectible accounts is required as of the years ended December 31, 2024 and 2023.

Prepaid expenses – Prepaid items represent payments made by the Organization for which benefits extend beyond December 31, 2024 and 2023.

Beneficial interest in investment pool – The Organization established a charitable fund, the purpose of which is to further the charitable activities and support for the Organization. The Organization transferred funds to Indian Land Tenure Foundation (ILTF), a nonprofit corporation, to administer the charitable fund (ILTF Fund). The Organization's share of the pool is recorded as beneficial interest in investment pool and is stated at fair value.

ILTF has adopted investment and spending policies for the fund that attempt to provide a predictable stream of funding for its general operations while seeking to maintain the purchasing power of the underlying assets. To satisfy this objective, ILTF targets a conservative asset allocation that is mostly comprised of stocks, U.S. Treasury obligations, and mutual funds. The Organization receives annual distributions from the fund, and the Board of Directors may dictate where the distributions are allocated.

Equipment, net – Purchased equipment is recorded at cost. The Organization has a capitalization threshold of \$5,000. When equipment is retired or otherwise disposed of, the cost and accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the statements of activities and changes in net assets for the respective period. Depreciation is provided over the estimated useful lives of the related assets using the straight-line method for financial statement purposes. The estimated useful lives for equipment are 3-15 years.

Intertribal Agriculture Council

Notes to Financial Statements

Impairment of long-lived assets – Long-lived assets consist primarily of equipment. The assessment of recoverability of carrying value is based on an analysis of operating results and consideration of other significant events or changes in the business environment. If the Organization has indicators of impairment, management evaluates whether impairment exists on the basis of undiscounted expected future cash flows from operations, over the remaining useful life of the related assets. If impairment exists, the carrying amount of the long-lived assets would be reduced to its estimated fair value. At December 31, 2024 and 2023, management determined that long-lived assets were not impaired.

Accrued payroll liabilities – Accrued payroll liabilities include accrued payroll, payroll taxes, and vacation benefits. Employees' vacation benefits are recognized in the period earned and the liability is for benefits that are payable to the employees upon termination.

Deferred grant support – Deferred grant support represents funds received in advance from conditional grants, for which expenses have not been incurred at December 31, 2024 and 2023.

Net assets – Net assets of the Organization are classified based on the presence or absence of donor-imposed restrictions. Net assets are comprised of two groups as follows:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor restrictions or for which restrictions were met in the year received. A portion of these net assets may be designated by the Board of Directors for specific purposes. There were no board-designated net assets at December 31, 2024 and 2023.

Net assets with donor restrictions – Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resources was restricted has been fulfilled, or both, and are reported in the statements of activities as net assets released from restrictions.

Endowment – Net assets with donor restrictions include a \$2,000,000 endowment from a settlement agreement, which is referred to as the IAC Endowment, to be held in perpetuity so long as the Organization continues to operate. The endowment fund assets are administered by ILTF in a charitable fund. Earnings from the endowment investment are appropriated for expenditure on an annual basis.

Intertribal Agriculture Council

Notes to Financial Statements

The Organization has interpreted the Montana version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Amounts that have been appropriated for expenditure by the Board of Directors in a manner consistent with the standard of prudence prescribed by the Montana version of UPMIFA are classified as net assets without donor restrictions. In accordance with the Montana version of UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted funds:

1. Duration and preservation of the fund
2. The purposes of the Organization and the donor-restricted endowment fund
3. General economic conditions

Revenue recognition – The Organization receives significant grant revenues from federal, state, and private sources. Support received under grants and contracts with the federal government, state governments, and private organizations is recorded as grant revenue when earned. Revenue is recognized to the extent of related expenses incurred in compliance with the grant or award conditions. The unexpended funds for conditional grants are reported as deferred grant support on the statements of financial position. As of December 31, 2024 and 2023, contributions and grants include federal, foundations and other, and conference sponsorships.

Grants, contributions, and conference sponsorships are recognized when unconditional promises to give or notification of a beneficial interest is received. Unconditional promises to give are recorded as receivables and revenue on the date of promise and require the Organization to distinguish between contributions received for each net asset category in accordance with donor-imposed restrictions. Conditional grants and conditional promises to give are not recognized until the conditions on which they depend have been met, such as when the Organization incurs expenses, or when the donor has explicitly released the conditions. Contributions are classified as changes in net assets with donor restrictions until usage restrictions are met, at which time a reclassification to net assets without donor restrictions is made.

Contributions restricted by donors received in the same period when the associated stipulated time or purpose restriction is accomplished were reported as increases in net assets without donor restrictions.

Program service revenue – Program service revenue represents primarily conference registration fees and service income. The Organization recognizes revenue from these transactions when the obligation has been met, which corresponds to conferences being held and with services being performed. Payment of conference registration fees, classified as services transferred over time, are received in advance of the event and recorded to deferred revenue at the time of receipt. As of December 31, 2024 and 2023, all deferred revenue related to conference registration fees had been earned and recorded as revenue.

Intertribal Agriculture Council

Notes to Financial Statements

Program service revenue by classification as of December 31, 2024 and 2023, is as follows:

	<u>2024</u>	<u>2023</u>
Goods transferred at point in time	\$ 51,578	\$ 35,090
Services transferred over time	<u>601,548</u>	<u>890,354</u>
Total program service revenue	<u>\$ 653,126</u>	<u>\$ 925,444</u>

Income taxes – The Organization is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. However, income from certain activities not directly related to the Organization’s tax-exempt purpose is subject to taxation as unrelated business income. In addition, the Organization has been classified as an organization other than a private foundation under Section 509(a)(1). The Organization has adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 740-10, *Income Taxes—Overall*. The Organization continually evaluates expiring statutes of limitations, audits, proposed settlements, changes in tax law, and new authoritative rulings.

Functional expenses – The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets and in the statements of functional expenses. Expenses have been recorded in program services and administrative categories based on specific identification. In the absence of specific identification, expenses have been allocated based on estimated staff time spent in each category.

Management continually reviews its expense classification and disclosure policies and may revise the presentation in future periods to enhance transparency in accordance with applicable accounting standards.

Advertising – Advertising costs are expensed as incurred. Advertising expense was \$124,707 and \$101,126 for 2024 and 2023, respectively.

Note 3 – Concentration of Risk

Federal grants and contracts – The Organization’s grant funding is subject to various risks, including changes in government policy and potential executive orders issued by the current federal administration. These recent executive orders may result in modifications, delays, or cancellations of such grant and contract funding that could adversely impact the Organization’s ability to fulfill its commitments under existing grants and contracts. The Organization has assessed these risks and believes that any potential impact from such executive orders is uncertain. The ultimate effect on the Organization’s financial position and results of operations will depend on future governmental actions and the timing of their implementation. The Organization will continue to monitor developments related to these executive orders and will take appropriate actions as necessary.

Intertribal Agriculture Council

Notes to Financial Statements

The Organization's cash accounts and investment balances are each held with one financial institution. At times the Organization's balances may exceed the following insurance limits; although, the Organization has not experienced any losses in such accounts. As of December 31, 2024 and 2023, cash deposits were in excess of the federally insured limits of the Federal Depository Insurance Corporation. The Organization maintains its investment accounts with brokerage firms that are members of the Securities Investor Protection Corporation (SIPC). SIPC provides limited protection to customers in the event of a brokerage firm's failure, covering up to \$500,000 per customer, including a maximum of \$250,000 for cash.

Note 4 – Fair Value Measurements and Investments

The framework for measuring fair value provides a fair value 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) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under ASC 820, *Fair Value Measurement*, are described as follows:

Level 1 – Unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 – Quoted prices for similar assets or liabilities in active markets; quoted prices for 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.

Level 3 – Inputs 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The Organization's beneficial interest in investment pool represents its investment in a charitable fund administered by ILTF. The pool consists of various investments including, but not limited to stocks, bonds, mutual funds, partnership investments, private notes, certificates of deposit, and money market accounts. It is valued at the fair value of the Organization's interest in the fund based on the fund's daily net asset value (NAV), which is considered by ILTF management to be the best approximation of fair value. Underlying holdings are primarily valued using independent pricing sources.

The fair value is based on the NAV of the pooled assets and the Organization's ownership interest in the pool. NAVs are evaluated by the Organization under supervision of the Chief Financial Officer to determine if the values of these investments should be adjusted on a quarterly basis. Factors considered may include, but are not limited to, estimates of liquidation value, prices of recent transactions in the same or similar funds, current performance, future expectations of the particular investment, and changes in market outlook and the financing environment.

Intertribal Agriculture Council Notes to Financial Statements

While the Organization believes its valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. Those estimated values may differ significantly from the values that would have been used had a readily available market for such investments existed, or had such investments been liquidated, and these differences could be material to the financial statements.

Investments are exposed to various risks such as interest rate, market, liquidity, and credit risks. Due to the level of risk associated with certain investments, it is reasonably possible that changes in value of investment securities will occur in the near term and such changes could materially affect the Organization's account balance and the amounts reported in the financial statements.

The categories of assets measured at fair value on a recurring basis as of December 31, 2024 and 2023, are as follows:

	Fair Value as of December 31, 2024			
	Total	Quoted Prices in Active Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Beneficial interest in investment pool	\$ 5,824,166	\$ -	\$ -	\$ 5,824,166
Exchange traded funds	143,667	143,667	-	-
Mutual funds	2,794,544	2,794,544	-	-
Total fair value measurements	\$ 8,762,377	\$ 2,938,211	\$ -	\$ 5,824,166

	Fair Value as of December 31, 2023			
	Total	Quoted Prices in Active Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Beneficial interest in investment pool	\$ 6,000,235	\$ -	\$ -	\$ 6,000,235
Exchange traded funds	106,260	106,260	-	-
Mutual funds	187,158	187,158	-	-
Total fair value measurements	\$ 6,293,653	\$ 293,418	\$ -	\$ 6,000,235

The table below presents the roll forward of Level 3 investments carried at fair value (including the change in fair value) on the statements of financial position for the years ended December 31:

	2024	2023
Balance, January 1	\$ 6,000,235	\$ 5,790,395
Withdrawals	(500,000)	(44,204)
Unrealized gains	323,931	254,044
Balance, December 31	\$ 5,824,166	\$ 6,000,235

Intertribal Agriculture Council Notes to Financial Statements

The table below presents information about significant unobservable inputs related to the categories of Level 3 financial assets at December 31, 2024:

Fair Value as of December 31, 2024			
	Fair Value	Valuation Technique	Unobservable Inputs
		Fair Value of the Pooled Assets and the Organization's Ownership Interest	Fair Value of Underlying Assets of the Investment Pool
Beneficial interest in investment pool	\$ 5,824,166		

The table below presents information about significant unobservable inputs related to the categories of Level 3 financial assets at December 31, 2023:

Fair Value as of December 31, 2023			
	Fair Value	Valuation Technique	Unobservable Inputs
		Fair Value of the Pooled Assets and the Organization's Ownership Interest	Fair Value of Underlying Assets of the Investment Pool
Beneficial interest in investment pool	\$ 6,000,235		

The Organization can withdraw funds from the investment pool at any time and currently makes irregular withdrawals only when approved by the Board of Directors. As of December 31, 2024 and 2023, the application of valuation techniques applied to similar assets has been consistent. The Organization assesses levels of the investments at each measurement date, and transfers between levels are recognized on the actual date of the event or change in circumstances that caused the transfer. There were no transfers of assets between levels in 2024 and 2023.

Note 5 – Net Assets with Donor Restrictions

Net assets with donor restrictions are as follows as of December 31:

	2024	2023
Net assets with donor restrictions		
Subject to expenditure for specified purpose		
Newmans Own	\$ 19,166	\$ 25,275
Tortuga Chartable Foundation	74,818	-
Oregon Community Foundation Grant	20,000	-
The Collins Foundation	50,000	-
	163,984	25,275
Endowments		
Subject to restriction in perpetuity		
IAC Endowment	2,000,000	2,000,000
Total net assets with donor restrictions	\$ 2,163,984	\$ 2,025,275

Intertribal Agriculture Council

Notes to Financial Statements

Other than net assets subject to restriction in perpetuity, net assets with donor restriction are expected to be released from donor restriction in one year.

Net assets released from restriction in fiscal years December 31 were as follows:

	2024	2023
Nonfederal grant expenses		
Mazon	\$ 6,109	\$ 25,000
Food4Families Farm Aid	-	9,937
Tortuga Charitable Foundation	182	-
	\$ 6,291	\$ 34,937

Note 6 – Endowment Funds

In 2018, the Organization was awarded funds for the support of critical programmatic staff and personnel expenses to expand organizational capacity. A total of \$2,000,000 was awarded to establish an endowment with the purpose of supporting the Organization’s work for Native American farmers and ranchers. The Organization setup the IAC Endowment, for which funds are held in a charitable fund administered by the ILTF for the purpose of furthering the charitable activities and support for the Organization (see Note 4). The Organization shall hold the balance of the endowment fund in perpetuity. At no time may distributions cause the fund to have a total value less than \$2,000,000, except as provided for through dissolution of the fund. The carrying value is determined by adjusting the original cost of the investment for gains or losses and deducting expenses and investment fees.

The Organization has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding for its general operations while seeking to maintain the purchasing power of the underlying endowment assets. To satisfy this objective, the Organization’s interest in the investment pool consists of various investments including, but not limited to stocks, bonds, mutual funds, partnership investments, private notes, certificates of deposit, and money market accounts.

The Organization has a policy of seeking distributions as operational needs dictate. The Board of Directors may, from time to time, make a special disbursement of earnings in excess of the operational disbursements to the extent the Board of Directors deems it appropriate under the circumstances existing at the time. This policy is subject to periodic review and revision by the Board of Directors.

The endowment gains are appropriated for expenditure on an annual basis; the Organization’s Board has the authority to determine how the gains can be best spent to support the Organization’s work with native farmers and ranchers. The Organization’s Board has designated the endowment gains to be reinvested and preserved for future spending on the Organization’s administrative functions, including Board expenses, membership meetings, and main office operations. For the years ended December 31, 2024 and 2023, all endowment gains have been appropriated in this manner.

The Organization’s Board of Directors may request that a distribution be made either directly to the Organization’s general account or to another party, so long as any such distribution meets the charitable standard, is communicated in writing, and co-signed by the Organization Board chair and Board secretary.

Intertribal Agriculture Council Notes to Financial Statements

A reconciliation of the endowment funds by asset class for the years ended December 31, 2024 and 2023, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance, January 1, 2023	\$ 638,000	\$ 2,000,000	\$ 2,638,000
Unrealized gains, net	85,928	-	85,928
Balance, December 31, 2023	723,928	2,000,000	2,723,928
Unrealized gains, net	111,587	-	111,587
Balance, December 31, 2024	\$ 835,515	\$ 2,000,000	\$ 2,835,515

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or Montana version of UPMIFA requires the Organization to retain as a fund of duration. These deficiencies would generally result from unfavorable fluctuations in the underlying value of the funds held for these accounts. In accordance with U.S. GAAP, the deficiencies of this nature are reported in net assets without donor restrictions. As of December 31, 2024 and 2023, there are no deficiencies in the donor-restricted endowment fund.

Note 7 – Equipment, Net

As of December 31, 2024 and 2023, equipment, net consisted of the following:

	2024	2023
Equipment	\$ 57,342	\$ 52,237
Less: accumulated depreciation	(50,682)	(41,207)
Equipment, net	\$ 6,660	\$ 11,030

Depreciation expense was \$9,475 and \$16,379 for the years ended December 31, 2024 and 2023, respectively.

Note 8 – Liquidity and Availability of Resources

The Organization is substantially supported by contributions without donor restrictions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Organization must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Intertribal Agriculture Council Notes to Financial Statements

The Organization's financial assets available to meet cash needs for general expenditures within one year of the financial position date are as follows:

	2024	2023
Financial assets		
Cash	\$ 924,656	\$ 1,081,909
Investments	2,938,211	293,418
Accounts receivable	326,547	260,217
Grants receivable	4,458,246	5,310,152
Financial assets at December 31	8,647,660	6,945,696
Less those unavailable for general expenditures within one year, due to		
IAC Endowment	2,000,000	2,000,000
Board-designated endowment gains (see Note 6)	835,515	723,928
Donor-imposed restrictions (purpose or time)	163,984	25,275
Total unavailable for general expenditures within one year	2,999,499	2,749,203
Financial assets available to meet cash needs for general expenditures within one year	\$ 5,648,161	\$ 4,196,493

Note 9 – Defined Contribution Plan

The Organization sponsors a defined contribution Section 403(b) benefit plan for its employees. All employees become eligible to participate in the plan after they attain 18 years of age and have completed six months of service. The Organization contributes 6% of each employee's salary to a self-directed annuity. Employees are fully vested upon being eligible to participate in the plan. The Organization's contributions to the plan for the years ended December 31, 2024 and 2023, were \$384,356 and \$244,279, respectively.

Note 10 – Commitments and Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Organization expects such amounts, if any, to be insignificant.

Intertribal Agriculture Council

Notes to Financial Statements

Note 11 – Risk Management

The Organization faces a considerable number of risks of loss, including a) employee torts; b) professional liability (errors and omissions); c) workers compensation; d) medical insurance costs of employees; and e) damage to and loss of property and contents. A variety of methods are used to provide insurance for these risks. A commercial policy that transfers all risks of loss except for relatively small deductible amounts was purchased for property and content damage, employee torts, and professional liabilities. The Organization used the Montana State Funds Insurance for workers compensation claims.

Note 12 – Subsequent Events

Subsequent events are events or transactions that occur after the statement of financial position date, but before financial statements are available to be issued. The Organization recognizes, in the financial statements, the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing the financial statements. The Organization's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the statement of financial position, but arose after the statement of financial position date and before financial statements are available to be issued.

In preparing the financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through July 31, 2025, the date the financial statements were available to be issued.

Supplementary Information

**Intertribal Agriculture Council
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Award Number/Pass-Through Entity Number	Passed Through to Subrecipients	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
Foreign Agricultural Service				
Direct Funding				
Market Access Program: 2024 Activities	10.601	MAP-2024-IAC	\$ -	\$ 627,472
Subtotal	10.601		-	627,472
Agriculture Trade Program	10.618	ATP-2019-IAC	-	100,285
Subtotal	10.618		-	100,285
Foreign Agricultural Service Total			-	<u>727,757</u>
Natural Resources Conservation Service (NRCS)				
Direct Funding				
Soil and Water Conservation	10.902	NR243A750018C043	-	196,752
Tribal Outreach and Training related to working with Tribes	10.902	NR18-9104XXXXC004	-	119,904
California Internship	10.902	NR209104XXXXC015	-	17,649
Building Sustainable and Collaborative Conservation on Indian Lands	10.902	NR206633XXXXG003	-	111,003
Tribal Outreach through multiple projects	10.902	NR200150XXXXC007	-	36,438
NRCS Equity Cooperative Agreement Culturally Relevant Outreach and Assistance	10.902	NR223A7500003C080	-	183,948
Montana Tribal Support	10.902	NR230325XXXXC005	-	7,731
NRCS Tribal Advisory Committee 2025	10.902	NR249104XXXXC051	-	8,447
NRCS National Native Conservation Network	10.902	NR243A750012C007	122,348	220,794
NRCS National	10.902	NR243A750018C038	-	<u>268,032</u>
Passed through Board of Regents of the University of Nebraska Climate Smart Indigenous Agriculture Project	10.902	NR223A750003C039	-	14,876
Subtotal	10.902		122,348	1,185,574
Direct Funding				
California Tribal Food Sovereignty	10.912	NR229104XXXXC011	-	9,218
Subtotal	10.912		122,348	9,218
Passed through Farm Journal Foundation				
Partnerships for Climate-Smart Commodities	10.937	NR243A750004G021	-	91,432
Passed through Field to Market				
Climate Smart Agriculture Innovative Finance Initiative	10.937	NR243A750004G023	-	377,315
Passed through Winrock International				
Growing Value for Producers Through Increased Access to Markets for Climate Smart Commodities	10.937	NR233A750004G060	-	158,500
Partnerships for Climate-Smart Commodities	10.937	NR233A750004G091	-	19,470
Subtotal	10.937		-	<u>646,717</u>
Natural Resources Conservation Service Total			<u>122,348</u>	<u>1,841,509</u>

See notes to schedule of expenditures of federal awards.

**Intertribal Agriculture Council
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Award Number/Pass-Through Entity Number	Passed Through to Subrecipients	Federal Expenditures
Risk Management Agency				
Direct Funding				
Building Resiliency	10.460	RMA22CPT0012772	\$ 277,219	\$ 444,897
Subtotal	10.460		<u>277,219</u>	<u>444,897</u>
Risk Management Agency Total			<u>277,219</u>	<u>444,897</u>
Office of Tribal Relations (OTR)				
Direct Funding				
Intertribal Technical Assistance Network 2024	10.048	IAC-OTR-24-002	-	1,600,230
Intertribal Technical Assistance Network 2025	10.048	IAC-ITAN-OTR-25-01	-	316,440
Subtotal	10.048		-	1,916,670
Intertribal Agriculture Council American Indian Foods Program Domestic Market FFY 2023	10.U01	AIF IAC-OTR-22-07	-	110,698
Subtotal	10.U01		-	110,698
OTR Native Youth (NYTA 23-24)	10.U02	ITAN-2023-NYTA	-	60,338
Subtotal	10.U02		-	60,338
Office of Tribal Relations Total			-	<u>2,087,706</u>
Agriculture Marketing Service (AMS)				
Direct Funding				
National Intertribal Food Business Center - Cooperative Agreement	10.186	23-TMLRF-MT-0004	513,770	1,610,906
Subtotal	10.186		513,770	1,610,906
AMS Meat and Poultry Processing Capacity - Technical Assistance	10.184	22-MPPTA-MT-0001	-	914,651
Subtotal	10.184		-	914,651
AMS Total			<u>513,770</u>	<u>2,525,557</u>

See notes to schedule of expenditures of federal awards.

**Intertribal Agriculture Council
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024**

Federal Grantor/Program or Cluster Title	Federal Assistance Listing Number	Award Number/Pass-Through Entity Number	Passed Through to Subrecipients	Federal Expenditures
Farm Service Agency				
Direct Funding				
Tribal Conservation Reserve Enhancement Program	10.069	FSA22CPT0012790	\$ 264,652	\$ 382,563
Subtotal	10.069		264,652	382,563
Disaster Assistance	10.147	FSA24CPT001444	-	40,584
Subtotal	10.147		-	40,584
Increasing Land, Capital and Market Access	10.968	FSA24GRA011581	-	392,555
Subtotal	10.968		-	392,555
Emergency Relief Program Outreach	10.975	FSA23CPT0012939	-	104,649
Subtotal	10.975		-	104,649
Farm Service Agency Total			<u>264,652</u>	<u>920,351</u>
National Institute of Food and Agriculture				
Direct Funding				
COVID-19 American Rescue Plan Technical Assistance Investment Program	10.234	2022-70416-37109	-	1,521,549
American Rescue Plan Technical Assistance Investment Program	10.234	2023-70505-41116	-	2,426,800
Subtotal	10.234		-	3,948,349
National Institute of Food and Agriculture Total			<u>-</u>	<u>3,948,349</u>
Food and Drug Administration				
Direct Funding				
Tribal Food Safety Alliance - Native American Tribes Outreach, Education, and Training to Enhance Food Safety	93.103	2U01FD006923-04	-	44,866
Subtotal	93.103		-	44,866
Food and Drug Administration Total			<u>-</u>	<u>44,866</u>
Food and Nutrition Service				
Direct Funding				
Farm to School Technical Assistance Cooperative	10.531	USDA-FNS-F2S-Ctech-24-MT1	-	76,345
Subtotal	10.531		-	76,345
Food and Nutrition Service Total			<u>-</u>	<u>76,345</u>
TOTAL FOR U.S. DEPARTMENT OF AGRICULTURE			<u>1,177,989</u>	<u>12,617,337</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,177,989</u>	<u>\$ 12,617,337</u>

See notes to schedule of expenditures of federal awards.

Intertribal Agriculture Council
Notes to Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024

Note 1 – Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Intertribal Agriculture Council under programs of the federal government for the year ended December 31, 2024. The information in this 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 Intertribal Agriculture Council, it is not intended to and does not present the financial position, changes in net assets, functional expenses, or cash flows of Intertribal Agriculture Council.

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

The Organization has elected to use the 10% de minimis reimbursement rate.

Note 4 – Subrecipients

The Organization provided \$1,177,989 in federal awards to subrecipients during the year ended December 31, 2024.

Report of Independent Auditors 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*

The Board of Directors
Intertribal Agriculture Council

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 Intertribal Agriculture Council, which comprise the statement of financial position as of December 31, 2024, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated July 31, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Intertribal Agriculture Council's internal control over financial reporting (internal control) as a basis for designing 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 Intertribal Agriculture Council's internal control. Accordingly, we do not express an opinion on the effectiveness of Intertribal Agriculture Council'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 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Intertribal Agriculture Council'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 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Baker Tilly US, LLP

Rancho Cordova, California
July 31, 2025

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

The Board of Directors
Intertribal Agriculture Council

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Intertribal Agriculture Council'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 Intertribal Agriculture Council's major federal programs for the year ended December 31, 2024. Intertribal Agriculture Council'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, Intertribal Agriculture Council complied, in all material respects, with the 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, 2024.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Intertribal Agriculture Council 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 Intertribal Agriculture Council's compliance with the compliance requirements referred to above.

Responsibilities 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 Intertribal Agriculture Council'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 Intertribal Agriculture Council'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 GAAS, *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 judgment made by a reasonable user of the report on compliance about Intertribal Agriculture Council's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- Exercise professional judgment 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 Intertribal Agriculture Council'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 Intertribal Agriculture Council'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 Intertribal Agriculture Council's internal control over compliance. Accordingly, no such opinion is expressed.

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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002, to be significant deficiencies.

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.

Government Auditing Standards requires the auditor to perform limited procedures on Intertribal Agriculture Council's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. Intertribal Agriculture Council's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Baker Tilly US, LLP

Rancho Cordova, California
July 31, 2025

**Intertribal Agriculture Council
Schedule of Findings and Questioned Costs
Year Ended December 31, 2024**

Section I – Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? Yes No
- Significant deficiency(ies) identified? Yes None reported

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? Yes No

Identification of major federal programs and type of auditor’s report issued on compliance for each major federal program:

<i>Federal Assistance Listing Number</i>	<i>Name of Major Federal Program</i>	<i>Type of Auditor’s Report Issued on Compliance for Each Major Federal Program</i>
10.186	Regional Food Business Centers	<i>Unmodified</i>
10.234	American Rescue Plan Technical Assistance Investment Program	<i>Unmodified</i>
10.937	Partnerships for Climate-Smart Commodities	<i>Unmodified</i>

Dollar threshold used to distinguish between type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee? Yes No

**Intertribal Agriculture Council
Schedule of Findings and Questioned Costs
Year Ended December 31, 2024**

Section II – Financial Statement Findings

None reported.

Section III – Findings and Questioned Costs of Federal Awards

Reference Number	Finding
2024-001	Cash Management – Advances (<i>Significant Deficiency over Internal Controls over Compliance</i>)

Federal Assistance Listing Number	Name of Federal Program of Cluster	Federal Agency/Pass-through Entity	Federal Award Number	Award Year
10.234	American Rescue Plan Technical Assistance Investment Program	U.S. Department of Agriculture	2023-70505-41116	2024

Criteria: According to 2 CFR §200.305(b), when a non-federal entity receives advance payments of federal funds, it must deposit those funds in interest-bearing accounts, unless certain exceptions apply, and must remit any interest earned on advances in excess of \$500 per year to the federal agency. Furthermore, advance payments should be segregated to ensure proper tracking and safeguarding of federal funds.

Condition: During our audit of the Organization's federal awards, we identified deficiencies in the grantee's cash management procedures related to advance payments received from federal awarding agencies. Specifically, the grantee did not segregate advance payments into separate insured interest-bearing accounts as required by the Uniform Guidance.

Cause: The Organization did not have adequate policies and procedures or internal controls in place to ensure compliance with the cash management requirements related to advance payments.

Effect: The federal awarding agency did not receive interest that could have been earned on the advances. All advances received during 2024 were expended by December 31, 2024. There was no loss from uninsured funds or from lack of segregating funds into separate accounts.

Recommendation: We recommend that the Organization implement policies and procedures to ensure that all advance payments are deposited into separate, insured, interest-bearing accounts as required. The Organization should also establish controls to track interest earned on these accounts and remit amounts due to the federal awarding agencies in a timely manner. Training should be provided to staff responsible for cash management to ensure ongoing compliance with federal requirements.

Views of Responsible Officials: Management agrees with the finding and procedures have been implemented to address the related issues.

Intertribal Agriculture Council
Schedule of Findings and Questioned Costs
Year Ended December 31, 2024

Reference Number	Finding
2024-002	Procurement, Suspension, and Debarment (<i>Significant Deficiency over Internal Controls over Compliance</i>)

Federal Assistance Listing Number	Name of Federal Program of Cluster	Federal Agency/Pass-through Entity	Federal Award Number	Award Year
10.234	American Rescue Plan Technical Assistance Investment Program	U.S. Department of Agriculture	2022-70416-37109 2023-70505-41116	2023 - 2024

Criteria: According to 2 CFR §200.214, nonfederal entities other than states must follow the suspension and debarment standards set out at 2 CFR Part 180, which restrict making Federal awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from receiving or participating in Federal awards.

Condition: During our audit of the Organization's federal awards, we identified a deficiency in the grantee's procurement, suspension, and debarment procedures related to suspension and debarment for 4 of 4 subcontractors we reviewed. Specifically, the grantee did not verify that subcontractors were not excluded or disqualified before entering into transactions expected to exceed \$25,000 in accordance with the Uniform Guidance.

Cause: The Organization did not have adequate policies and procedures or internal controls in place to ensure compliance with the procurement, suspension, and debarment requirements.

Effect: The Organization may be paying subcontractors that are suspended or debarred, which would be unallowable costs. However, none of the 4 subcontractors were suspended or debarred as of the date audit procedures were performed.

Recommendation: We recommend that the Organization implement policies and procedures to ensure that all subcontractors and subrecipients of covered transactions are properly verified before entering into transactions, and that this be documented as a control each time it is performed.

Views of Responsible Officials: Management agrees with the finding and procedures have been implemented to address the related issues.



Summary Schedule of Prior Audit Findings

Intertribal Agriculture Council respectfully submits the following summary schedule of prior audit findings for the year ended December 31, 2024. The findings from the December 31, 2023 schedule of findings and questioned costs are discussed below.

2023-001: Revenue Recognition ASC 606 (Significant Deficiency)

Summary of prior audit finding: During the audit and assessment of internal control, it was determined that the Organization did not have a well-established financial close process in place that was properly designed to prevent and detect errors in a timely fashion. As a result, several revenue transactions were identified that were not recorded in the years to be consistent with the proper accounting standards.

Status: The Organization has implemented procedures to ensure that a consistent month-end close account reconciliation process with segregated preparer and reviewers with appropriate expertise to perform the review and documentation of the process completion is followed. Remediation of the control deficiency has been completed as of December 31, 2024.

2023-002: Revenue Recognition ASC 958 (Significant Deficiency)

Summary of prior audit finding: During the audit and assessment of internal control, it was determined that the Organization did not have a well-established financial close process in place that was properly designed to prevent and detect errors in a timely fashion. As a result, several revenue transactions were identified that were not recorded in the years to be consistent with the proper accounting standards.

Status: The Organization has implemented procedures to ensure that a consistent month-end close account reconciliation process with segregated preparer and reviewers with appropriate expertise to perform the review and documentation of the process completion is followed. Remediation of the control deficiency has been completed as of December 31, 2024.



RE: Corrective Action Plan for Financial Audit Findings
Name of Auditee: Intertribal Agriculture Council
Period Covered by the Audit: January 1, 2024 to December 31, 2024

Name of Audit Firm: Baker Tilly US, LLP

Intertribal Agriculture Council (IAC) respectfully submits the following corrective action plan for the year ended December 31, 2024. The findings from the December 31, 2024 schedule of findings and questioned costs are discussed below. The findings are numbered consistent with the numbers assigned in the schedule.

2024-001: Cash Management – Advances (*Significant Deficiency over Internal Controls over Compliance*)

Effect: The federal awarding agency did not receive interest that could have been earned on the advances. All advances received during 2024 were expended by December 31, 2024. There was no loss from uninsured funds or from lack of segregating funds into separate accounts.

Recommendation: The auditor recommends that the Organization implement policies and procedures to ensure that all advance payments are deposited into separate, insured, interest-bearing accounts as required. The grantee should also establish controls to track interest earned on these accounts and remit amounts due to the federal awarding agencies in a timely manner. Training should be provided to staff responsible for cash management to ensure ongoing compliance with federal requirements.

1. Explanation of Disagreement with Audit Findings: There is no disagreement with the audit findings.
2. Action Planned in Response to Finding: The Organization has implemented procedures to deposit the advance funds into separate, insured, interest-bearing accounts as required. The Organization has also established controls to track interest earned on the accounts and credit the interest back to the grant.
3. Official Responsible for Ensuring CAP: Kari Jo Lawrence, Chief Executive Officer and Jernon Kelly, Chief Financial Officer are responsible for ensuring corrective action of this deficiency.
4. Planned Completion Date for CAP: December 31, 2025.

2024-002: Procurement, Suspension, and Debarment (*Significant Deficiency over Internal Controls over Compliance*)

Effect: The Organization may be paying subcontractors that are suspended or debarred, which would be unallowable costs. However, none of the 4 subcontractors were suspended or debarred as of the date audit procedures were performed.

Recommendation: The auditor recommends that the Organization implement policies and procedures to ensure that all subcontractors and subrecipients of covered transactions are properly verified before entering into transactions, and that this be documented as a control each time it is performed.

1. Explanation of Disagreement with Audit Findings: There is no disagreement with the audit findings.
2. Action Planned in Response to Finding: The Organization has implemented procedures to verify that subcontractors with goods or services transactions expected to exceed \$25,000 are verified before entering into transactions, which will be documented each time.
3. Official Responsible for Ensuring CAP: Kari Jo Lawrence, Chief Executive Officer and Jernon Kelly, Chief Financial Officer are responsible for ensuring corrective action of this deficiency.
4. Planned Completion Date for CAP: December 31, 2025.

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