

"Nobody Reads the Introduction Letter in an Annual Report"



Dear Friends:

I've always believed nobody reads these introductory letters. But as long as I have you, thank you for your past and future support and partnership. Now, keep reading a little longer because 2017 was a big one.

In 2017, Sand County Foundation celebrated 50 years of addressing unmet conservation challenges. That's 50 years of convening and collaborating with farmers, ranchers, other private landowners and partners from all sectors to improve soil health, water quality and wildlife habitat. That's a lot of cooperative, leading-edge work. But that's what it takes to make a difference.

We simply can't make meaningful environmental improvements without the help of private landowners like farmers, ranchers and businesses who own and manage most of the land in the contiguous United States. But these landowners need trusted information, new methods and incentives to make it happen.

That's where Sand County Foundation comes in.

We test and demonstrate new conservation practices, we seek policy improvements to make it easier for landowners to do the right thing, and we identify and tell the stories of outstanding land stewards who engage in conservation and remain profitable.

Thank you for considering how you can help us expand this necessary work for another 50 years.

Reed Coleman

Founder and Chairman Emeritus Sand County Foundation



100 Reasons to Believe Private Landowners Are Making a Difference:

Our Leopold Conservation Award reached a major milestone in 2017 by recognizing the 100th recipient since 2003. Missouri and Oklahoma joined our family of states where the prestigious award is bestowed on farmers, ranchers and foresters. Read more about the remarkable conservation leadership of the Leopold Conservation Award class of 2017 at www.leopoldconservationaward.org.

Improvements: To speed the adoption of conservation on private land, we sponsored the formation of a significant policy improvement project led by environmental policy experts, Dr. Tim Male and Ya-Wei (Jake) Li. The Environmental Policy Innovation Center's goals are to expand environmental markets, build innovative state and federal programs that encourage pay-for-success contracting, and create predictable opportunities for large-scale conservation finance investments and incentives for proactive conservation.

Paying for Results: What if farmers were rewarded for keeping fertilizer out of lakes and streams instead of getting payments upfront to implement conservation practices on the farm? That's what we did in partnership with Winrock International and Delta Institute. We completed the three-year Pay-for-Performance project by rewarding 13 farmers in the Milwaukee River basin for the phosphorus they kept out of the river. The Great Lakes Protection Fund supported this work, which may lead to more efforts to compensate farmers for environmental Improvement.



Making Gains in Water Quality: In late 2017, we prepared to launch The National Water Quality Practice Assessment in partnership with the Noble Research Institute, Farm Foundation and USDA-NRCS. Advised by a blue-ribbon panel of experts, the assessment seeks to get sound, practical answers of what works when it comes to agricultural practices aimed at improving water quality.

Planting Natural Water Filters: Sand County Foundation began a partnership with farmers, researchers and service providers to demonstrate how planting native grasses and wildflowers next to crop fields can reduce farm runoff and provide habitat for wildlife. As we plant more of these prairie filter strips this year, we'll evaluate the environmental and economic impacts. Funding for this project is provided by the North Central Region Sustainable Agriculture Research & Education (SARE) program.



Energized and Educated by Pollinator Plantings

Rural electric cooperatives often own land that could be managed as habitat for pollinators. To pilot this idea with funding from the National Fish and Wilidlife Foundation, we helped electric cooperatives establish prairie vegetation around their equipment and substations, which has spurred great interest in pollinator projects across the Midwest's energy sector. High school students are also getting in on the pollinator push. Our new grant program allows high school students to grow native prairie plants in green-houses before transplanting them in rural areas.

Thanks to Monarch Joint Venture, Enel Green Power North America, We Energies Foundation and Dairyland Power Cooperative, we awarded grants to 14 high schools. These hands-on habitat restoration activities help pollinators while sowing seeds for future conservation leaders.



Landowner Spotlight: Jimmy Emmons, Emmons Farm

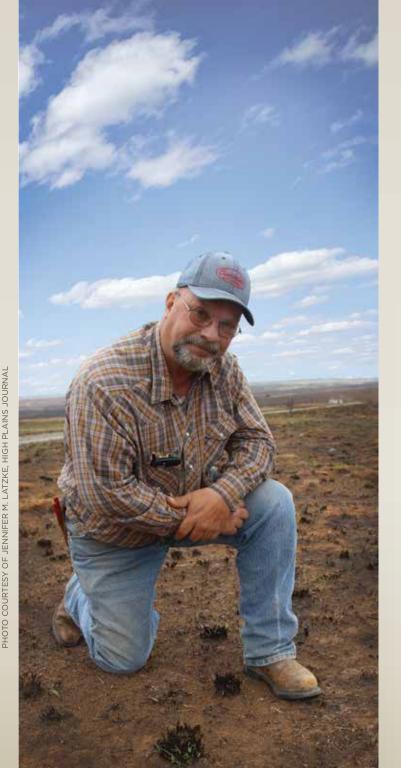
It was an exceptionally warm and windy April 12, even for Oklahoma.

Jimmy Emmons had just received Oklahoma's first Leopold Conservation Award when he received a text that strong winds and arcing power lines had started a fire on his farm in bone-dry western Oklahoma. Emmons was being celebrated for rejuvenating soils with cover crops on a farm that had received less than a quarter-inch of rain in the past six months. More than half of Dewey County's landscape would burn, including 3,000 acres where Emmons grazes beef cattle.

In the aftermath, as local high school students helped clear some of the 18 miles of burned fences on his land, Emmons took time to do a radio interview with farm broadcaster Pam Jahnke to share his conservation story with other farmers and ranchers:

Pam: There was something that inspired you to take a closer look at soil health that in turn got you that Leopold Conservation Award. Tell me when you started down this path of soil discovery.

Jimmy: It was about seven years ago when we started to really talk about it. I reached out to some local partners like the Natural Resources Conservation Service and the conservation districts here in Oklahoma. I asked if I offered up my farm as a demo site would you help me out? So everybody jumps on board... and wow, since the beginning it's been awesome to see the soil come back alive. Everybody kept saying in our arid part of the world that cover crops wouldn't work, but they actually will. We just have to be more cognizant of what's going on with weather and what we plant. It's been a really awesome project.



Pam: Describe the soil conditions you're working with.

Jimmy: We're in a sandy loam type soil here in Oklahoma. People around the country say some of our uphill land is red, and it is, but that's because we degraded it with heavy tillage. We're seeing that start to turn around as we put more organic matter into the soil. It's helping with our water infiltration, so when it does rain we can store that in the ground... instead of it running off. It helps our water quality and quantity as we work with this soil health project.

Pam: Have any neighbors caught on to this cover crop idea and adopted some of it?

Jimmy: I do have about two or three different local neighbors who have, and also my father-in-law who turned 78 this year. Last year he sold all of his tillage equipment and bought a no-till drill and is practicing cover crops and soil health, so it's catching on. We have a lot of work to do. I do enjoy traveling around the country and talking about it and sharing my experiences, failures and successes too.

Pam: Well, you know you're doing something right when you can convince the in-laws to adopt the practice! Way to go!

Jimmy: laughs, Yeah, that's a good milestone!



A Lay of the Land

Sand County Foundation was built on a singular idea advanced by Aldo Leopold, the leading voice of the modern conservation movement. In his book, *A Sand County Almanac* (1949), Leopold introduced the concept of *a land ethic* – a deeply held conviction of individuals' responsibility for the health of the land.

In our first 50 years, since stopping careless development around Leopold's shack property in central Wisconsin, Sand County Foundation's impact on conservation on private land has been felt on farms, ranches, forests and other working lands across the U.S. and abroad.

Our story is one of identifying unmet environmental challenges, and responding with early investment, coalition building and ingenuity. Our successes are rooted in seeking practical, scientifically -sound options for landowners to replicate as they adopt a land ethic of their own.



We proudly launched the prestigious Leopold Conservation Award in 2003 in Colorado. Since then, we have honored more than 100 outstanding private landowners who manage more than two million acres in 14 states.





Our early work with Mississippi Basin farmers helped reduce farm runoff to improve fisheries in the Gulf of Mexico and clean up streams and lakes in the Midwest. From 1999 to 2009, we brought community-based conservation to eastern and southern Africa to benefit villagers and give them greater control of wildlife resources.

By working collaboratively with commercial fishermen, we improved the Magnuson-Stevens Act, to achieve more secure fishing rights, safer and more profitable fishing, reduced waste and better-quality fish.





We pioneered safe, efficient dam removal efforts in a partnership that became the gold standard. Our work compensated private dam owners while improving fisheries on the 115 mile Baraboo River.

In the early 1990s, we dug into ecological issues for landowners related to carbon sequestration.



We kept the Greater Sage-Grouse off the endangered list through voluntary conservation and collaboration in Western states.

We partnered with the Blackfeet Nation to lead a quick, cost-effective, non-controversial recovery of the Swift Fox, a small predator on the High Plains.









By working with private landowners and U.S. Fish & Wildlife Service, we revived habitats of the endangered Karner Blue Butterfly.



Our Quality Hunting Ecology Program advanced landowner-hunter relationships for more effective deer management and healthier forests.







With an early investment, we helped ranchers make river improvements to benefit the Arctic grayling and prevent an endangered species listing.

Thank you to our 2017 donors!

Donors support Sand County Foundation's work to advance voluntary conservation on private land and find solutions to some of the most pressing environmental issues we face. We gratefully acknowledge those who generously donated in 2017 and those who have continually supported us over the years.

Acacia Conservation Fund Alliance for the Future of Agriculture in Nebraska Amazon Smile Foundation APEX Clean Energy Association of Missouri Electric Cooperatives

Bad River Ranches Basin Electric

Ramona & Lee Bass Belle Fourche River Watershed Partnership

Bird Conservancy of the Rockies Debra Jackson-Bliss & Tom Bliss

Shaila & Thomas Bolger Brenda & Donald Boydston

Abby & Mike Brand

Brenda Christensen & Tom Barry

Nancy & James Bruins Darla & Homer Buell

Tina Buford Indy Burke Capitol Travel

Cargill

Kim & Dick Cates
City of Oconomowoc
Ann Miller & Reed Coleman

Leta Collord

Compeer Financial
Dairy Farmers of Wisconsin
Dairyland Power Cooperative
Dakota Community Bank & Trust

Robyn & Tom Davison

Nancy & Marc DeLong

Diane Derouen & Glenn Chambliss

Ducks Unlimited Andrew M. Duda John Duncan Alex Echols Enel Green Power

Delta Waterfowl

Environmental Defense Fund

EPRI

Farm Credit

Farm Credit Mid-America Carol & Jim Faulstich

Tom Fenger

First Dakota National Bank

Paul Francis

Judy & Thomas Fritsch

Full Belly Farm
Bob Giacomini
Eric Graber
Green Cover Seed

Janet & John Green

Dayle Keitel-Haglund & Brent Haglund

Gayle & Kurt Haglund Joan & George Hall

Alan Haney

Linda Bochert & Dave Hanson Harvey L. & Maud S. Sorensen

Foundation
Mark Hoegh
Jim Holte
William Hutchins
Ann & David Ingram

ITC

Wesley Jackson

John J. Frautschi Family Foundation

Jean & Scott Johnson
Jane & George Kaiser
Kansas Dept. of Agriculture,
Division of Conservation
Kansas Dept. of Wildlife,
Parks & Tourism
Kansas Forest Service

Mike L. Keiser

Bill Keitel

Kentucky Association of Conservation Districts

Kentucky Corn Grower's Association

Kentucky Dept. of Agriculture

Kentucky Dept. of Fish & Wildlife Resources

Kentucky Farm Bureau Federation Kentucky Tree Farm Committee

Julie & Bruce Knight

Mike Kollath Erin Krier Mimi Levitt M.F.A. Inc

Norma & John Magnuson

Tim Male

Toni & Dave Mathis
Kevin McAleese
McKnight Foundation
Mike McNerney
Mildred Michalski
Millborn Seeds, Inc.

Matt Miller

Missouri Assocation of Soil &
Water Conservation Districts
Missouri Cattlemen's Association

Missouri Department of Conservation
Missouri Farmers Care

Missouri Soil & Water Conservation Program

Missouri Soybean Association

Monarch Joint Venture
Monsanto Corporation
Debra & Todd Mortensen

Terry Mulcahy

National Audubon Society

National Fish & Wildlife Foundation

North Dakota Natural Resources Trust

Nebraska Environmental Trust

Nebraska Game & Parks

Chad Njos

Noble Research Institute

North Dakota Chapter of the

Wildlife Society

North Dakota Chapter, Society for Range Management North Dakota Game &

Fish Department

Oklahoma Farming & Ranching Foundation

Oklahoma State University,
Division of Agricultural Sciences

& Natural Resources
Diane & Dave Olenchek

Barb & Norm Pape

Renee Perna Holly Perrotti

Carolyn & Rolf Peterson
Pheasants Forever

Producers Livestock
Marketing Association

Professional Alliance

Rainwater Basin Joint Venture

Mary & Dennis Ray
Camille Rogers

Sandhills Task Force

Chris Schellpfeffer

Lynne Sherrod Dale Sievert

Alice Sittler

Slope Electric David B. Smith

Social Finance

South Dakota Association of Conservation Districts

South Dakota Department

of Agriculture

South Dakota Department of Game,

Fish & Parks

South Dakota Discovery Center

South Dakota Farm Bureau Federation South Dakota Grasslands Coalition

South Dakota State University

Foundation

Georgina Spiegel Peggy & Bill Sproul

Starion Financial

Sustainable Agriculture Research

& Education
Buck Sweeney
Sweetwater Trust
Stanley Temple

The Fertilizer Institute

The Ida & Robert Gordon
Family Foundation
The Nature Conservancy

The William & Flora Hewlett

Foundation

The William H. Donner Foundation

Dianne Thompson

Peggy & Jon Traver
Tri-State Generation &

Transmission Association U.S. Fish & Wildlife Service

USDA NRCS

Walton Family Foundation

Jackie Erickson & Ed Warner
We Energies Foundation

Westar Energy Western AgCredit

Bill White

Winrock International Wisconsin Land+Water

Wisconsin Soybean Association

Tom Zale



Sand County Foundation is a Gold Level GuideStar participant. This means we are committed to demonstrating transparency and accountability to our donors. View Sand County Foundation's profile on GuideStar's website to find details about our financials, program activities and impact.

Financial Responsibility

Assets

ASSETS	2017
Cash	162,998
Promises to Give	435,511
Accounts Receivable	23,097
Prepaid Expenses	8,039
Long-term Investments	9,149,556
Property & Equipment - Net	12,425
TOTAL ASSETS	\$9,791,626

Liabilities and Net Assets

LIABILITIES	2017
Accounts Payable	61,437
Grants Payable	50,000
Other Liabilities	103,398
TOTAL LIABILITIES	\$214,835
NET ASSETS	
Unrestricted Net Assets	6,333,050
Temporarily Restricted Net Assets	3,243,741
TOTAL NET ASSETS	\$9,576,791
TOTAL LIABILITIES AND NET ASSETS	\$9,791,626

Sand County Foundation has always been committed to full financial transparency. The foundation is classified as a 501(c) (3) Public Charity under IRS code. The report of an independent auditor, 2017 audited financial statements and our 2017 tax return are available at sandcountyfoundation.org

In addition, Sand County Foundation conducts organizational and programmatic reviews of its work every three to four years. This interdisciplinary review process is conducted by prominent independent experts and helps guide our priorities and strategies.



Board of Directors

CHAIRMAN

Lynne Sherrod

Owner

Rocking U7 Ranch

CHAIRMAN EMERITUS

Reed Coleman

CEO. Retired

Madison Kipp Corporation

VICE-CHAIR/SECRETARY

David Hanson

Attorney

Michael Best & Friedrich

TREASURER

Homer Buell

Owner

Shovel Dot Ranch

Tina Buford

Owner

H. Yturria Ranch

Indy Burke, Ph.D.

Dean

Yale University School of Forestry & Environment

Kevin Conrad

Entrepreneur and Conservationist

Nancy DeLong

Agriculture Sustainability Consultant

Brent Haglund, Ph.D.

Chief Scientific Officer

Sand County Foundation

Bruce Knight

Founder and Conservation Consultant

Strategic Conservation Solutions

Stanley Temple, Ph.D.

Beers-Bascom Professor Emeritus in Conservation University of Wisconsin - Madison

Ed Warner

Geologist and Philanthropist

Foundation Staff

Kevin McAleese

Chief Executive Officer and President

Brent Haglund, Ph.D.

Chief Scientific Officer

Christina Schellpfeffer

Vice President External Relations

Craig Ficenec

Program Director

Lance Irving

National Program Director

Leopold Conservation Award Program

Jamie Konopacky

Senior Attorney and Watershed Policy

Specialist

Casey Langan

Communications Director

Ya-Wei (Jake) Li

Director of Biodiversity

Environmental Policy Innovation Center

Timothy Male, Ph.D.

Executive Director

Environmental Policy Innovation Center

Greg Olson

Field Projects Director

Holly Perrotti

Director of Operations

Alex Echols

Consultant, Special Projects

Karen Sweet

Consultant, California and Utah

Leopold Conservation Awards

Craig Utter

Consultant, Nebraska Leopold Conservation Award



The nation's leading voice for private land conservation