A message from the Chairman

Private landowners across the U.S. seek to enhance the natural resources in their care not only for their own economic interests but for the interests of the community that benefits from clean water, healthy soil and habitat. To advance private, voluntary land stewardship, Sand County Foundation collaborates with leading landowners and partners to address challenges and identify opportunities to better manage our natural resources for today and for generations to come.

Our work was born from a need to protect the private lands around Aldo Leopold's family farm and "Shack." Sand County Foundation was started with a commitment to keep Leopold's land ethic alive.

As the nation's leading voice for private landowner conservation, we're proud to use science, ethics and incentives as we work with farmers, ranchers and foresters on environmental improvements that benefit us all.

Sincerely,

Reed Coleman

"The average citizen, especially the landowner, has an obligation to manage his land in the interest of the community, as well as in his own interest."

Aldo Leopold
Conservation In
Whole or In Part?

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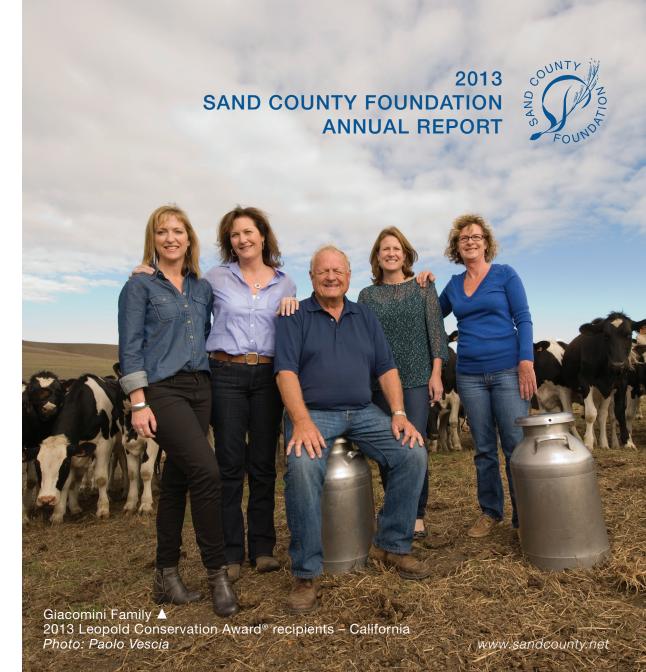
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Sand County Foundation's mission is to advance the use of ethical and scientifically sound land management practices and partnerships for the benefit of people and the ecological landscape. Sand County Foundation is a 501(c)(3) public charity supported entirely by tax-deductible contributions from corporations, government agencies, foundations, and individuals who want to help us further our mission.





Agricultural Incentives

Sand County Foundation's Agricultural Incentives program finds creative ways to address one of America's most serious environmental problems: pollution of surface waters, particularly by runoff of phosphorus from agricultural lands. This year, in partnership with farmers, Delta Institute and Winrock International, we launched an innovative Great Lakes Protection Fund-supported program called Pay-for-Performance. It places a value on the cost of clean water, monitors improvements in water quality, and pays farmers for achieving pollution reduction targets in the Milwaukee River. Sand County Foundation also supervises monitored trials of FGD gypsum application as a phosphorus runoff reduction practice. The trials are generating data on the effectiveness of field-applied gypsum.

Water As A Crop®

To address water scarcity issues across the U.S., Sand County Foundation's Water As A Crop® program encourages landowners to consider water not only as an agricultural input, but as an outcome of improved land management with value to the land and to communities downstream. We promote conservation practices that slow run-off, reduce erosion, and allow precipitation to soak into the ground, enhancing water supplies and quality. Sand County Foundation has initiated projects in the Chambers Creek watershed of central Texas, and the Skunk Creek watershed component of the Big Sioux River in southeastern South Dakota while exploring potential new projects in Nebraska and Iowa.

Inspiring Voluntary Conservation on Working Lands

Leopold Conservation Award® Program

The Leopold Conservation Award® (LCA) program celebrates extraordinary achievement in voluntary conservation by honoring outstanding land stewards and through public education efforts and special events like our 2013 national LCA symposium in Lincoln, Neb. With expansion this year, the award is now presented in nine states and provides a platform for agricultural families to share their message of conservation with other agricultural producers and the public which relies on these private landowners for safe, healthy food, clean water and wildlife habitat. The \$10,000 award continues to gain meaningful support and attention from influential partners, sponsors and media.

Bradley Fund for the Environment

A partnership between Sand County Foundation and The Lynde and Harry Bradley Foundation, the Bradley Fund for the Environment invests in voluntary, private landowners efforts that lead to environmental benefits. The program provides important seed funding for the Leopold Conservation Award program and supported important conservation programs this year including Partners for Conservation, the Nebraska Wind Energy Symposium, and Sand County Foundation outreach programs.

Leopold Memorial Reserve

Sand County Foundation's first project brought together farmers to conserve private land near the Aldo Leopold "Shack" property. For nearly 50 years, private land in the area, now known as the Leopold Memorial Reserve, has been dedicated to conservation improvement, landowner enjoyment, quality research, long-term monitoring of habitats and floodplain function, and support of a pioneering incentive-based effort to engage hunters in improving both the deer population and habitat.



LIABILITIES

Sand County Foundation, Inc. & Subsidiaries
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION, 31 December 2013

Assets

ASSETS	2013
Cash	1,524,266
Unconditional promises to give	518,732
Grants receivable	78,384
Prepaid expenses	14,984
Long-term investments	5,927,573
Property & Equipment - Net	690,390
TOTAL ASSETS	\$8,754,329

Liabilities & Net Assets

Accounts payable	149,676
Grants payable	78,030
Other liabilities	281,040
TOTAL LIABILITIES 2012	\$508,746
NET ASSETS	
Unrestricted net assets	4,716,642
Temporarily restricted net assets	3,528,941
TOTAL NET ASSETS 2012	\$8,245,583
TOTAL LIABILITIES & NET ASSETS	\$8,754,329