2018 ANNUAL REPORT

• SOIL HEALTH • WATER QUALITY • WILDLIFE HABITAT •

SAND COUNTY FOUNDATION

• LAND ETHIC • LAND STEWARDS • WORKING LAND •

Russ Jackson, Oklahoma Leopold Conservation Award recipient.

DEAR FRIENDS

We have a remarkable opportunity before us to improve the environment by engaging more landowners in conservation-minded farming, ranching and forestry.

It may surprise you that the majority of private land in the U.S. is used for agriculture. How that land is managed impacts our nation's food supply, water quality, wildlife habitat and opportunities for outdoor recreation.

As a cattle rancher, I'm proud to be among a growing number of landowners who are part of the solution. And I'm pleased to tell you Sand County Foundation is expanding its efforts to inspire and enable more farmers, ranchers and foresters to manage their land in ways that can benefit their bottom line and the environment.

In 2018, Sand County Foundation supporters like you helped us add new talent to our small (but mighty) team and expand our innovative programs.

Your support has helped advance an overdue national assessment of agricultural practices that are the key to improving water quality.

You've helped us connect with the next generation of farmers and ranchers who will determine our conservation trajectory.

You've spurred an expansion of the Leopold Conservation Award program, inspiring new thinking among hundreds of thousands of land stewards across the U.S.

And, with your support, we've expanded the impact of the Environmental Policy Innovation Center whose passion is finding pathways to conservation that are quicker, cheaper and more enduring than current policy allows.

This growth is only possible because of your investment in our work. We're grateful for your partnership, and we look forward to telling you more about the public phase of our Campaign for Conservation in 2019. Until then, thank you for your continued support.

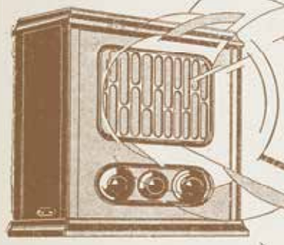
Sincerely,

LYNNE SHERROD

Chairman * Sand County Foundation
Owner * Rocking U7 Ranch

2018

BY THE NUMBERS



OUR CONSERVATION MESSAGES WERE SEEN MORE THAN

85 MILLION TIMES

THROUGH MEDIA COVERAGE.

10,000 LANDOWNERS AND INFLUENCERS

ATTENDED LEOPOLD CONSERVATION AWARD EVENTS TO LEARN MORE ABOUT

CONSERVATION-MINDED FARMING AND RANCHING

140 DIVERSE PARTNERS AND SPONSORS

MADE THE LEOPOLD CONSERVATION AWARD PROGRAM POSSIBLE

IN THIRTEEN STATES

60

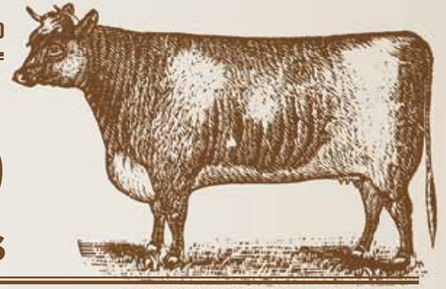
WATERSHEDS

WERE REPRESENTED AT OUR LEADERSHIP FOR MIDWESTER WATERSHEDS EVENTS.

OUR LEOPOLD CONSERVATION AWARD RECIPIENTS NOW MANAGE

2.6

MILLION ACRES



THAT'S MORE THAN

4K SQUARE MILES

AN AREA THE SIZE OF YELLOWSTONE PARK!

WE PROVIDED GRANTS TO

20 SCHOOLS

TO GIVE HUNDREDS OF KIDS HANDS-ON EXPERIENCE ESTABLISHING MONARCH BUTTERFLY AND INSECT POLLINATOR HABITAT.

LEOPOLD CONSERVATION AWARD

In 2018, Sand County Foundation recognized 13 farm and ranch families who are at the forefront of a movement by American landowners to improve soil health, water quality and wildlife habitat. Their stories of achieving both economic and environmental success inspire other landowners and feed a nation's curiosity about the people who feed us. Here are a few examples:

CALIFORNIA RICE GROWERS INVITE MILLIONS OF MIGRATING WATERFOWL TO REST, FEED AND REAR THEIR YOUNG EACH YEAR.

OKLAHOMA COTTON GROWERS IMPROVE THEIR SOIL BY GRAZING CATTLE ON COVER CROPS.

FATHER AND SON KANSAS FARMERS PROVIDE HABITAT TO THE LARGEST KNOWN POPULATION OF LESSER PRAIRIE CHICKENS.

PENNSYLVANIA BEEF FARMERS DEVELOP AN OUTDOOR CLASSROOM TO PROMOTE GRAZING AND CONSERVATION.

A WISCONSIN DAIRY FARMER PASSIONATELY MANAGES THE FRAGILE TOPOGRAPHY HIS FAMILY HAS FARMED FOR A CENTURY.

READ AND WATCH THE STORIES OF EACH 2018 LEOPOLD CONSERVATION AWARD RECIPIENT AT SANDCOUNTYFOUNDATION.ORG/LCA18

WHAT HAPPENS NEXT

The **Leopold Conservation Award** creates opportunities for award recipients to connect with other landowners interested in conservation-minded farming and ranching. After Kate and Matt Lambert won the award in Missouri, they were contacted by farmers in several states who were interested in knowing more about the family's conservation success.

Being awarded the Leopold Conservation Award has blessed us with a more elevated platform to share our conservation strategy and successes from. It has, of course, encouraged us to work even harder at conservation, but it's also given other farm families a way to access us and learn about the conservation practices we implement.

* KATE & MATT LAMBERT *
UPTOWN FARMS
MISSOURI LEOPOLD CONSERVATION AWARD 2017

Photo: Missouri Soybean Association

BETTER WATER QUALITY can be achieved with farmland conservation practices that are practical, affordable and scalable. But it's a bit like tackling a complex jigsaw puzzle. Our work focuses on overlooked pieces of that complex puzzle.

Nobody has ever taken a comprehensive look at agricultural practices that are key to improving water quality...until now. With our partners at the Noble Research Institute, Farm Foundation and USDA-NRCS, we are about to unveil the findings of a **National Water Quality Assessment.**

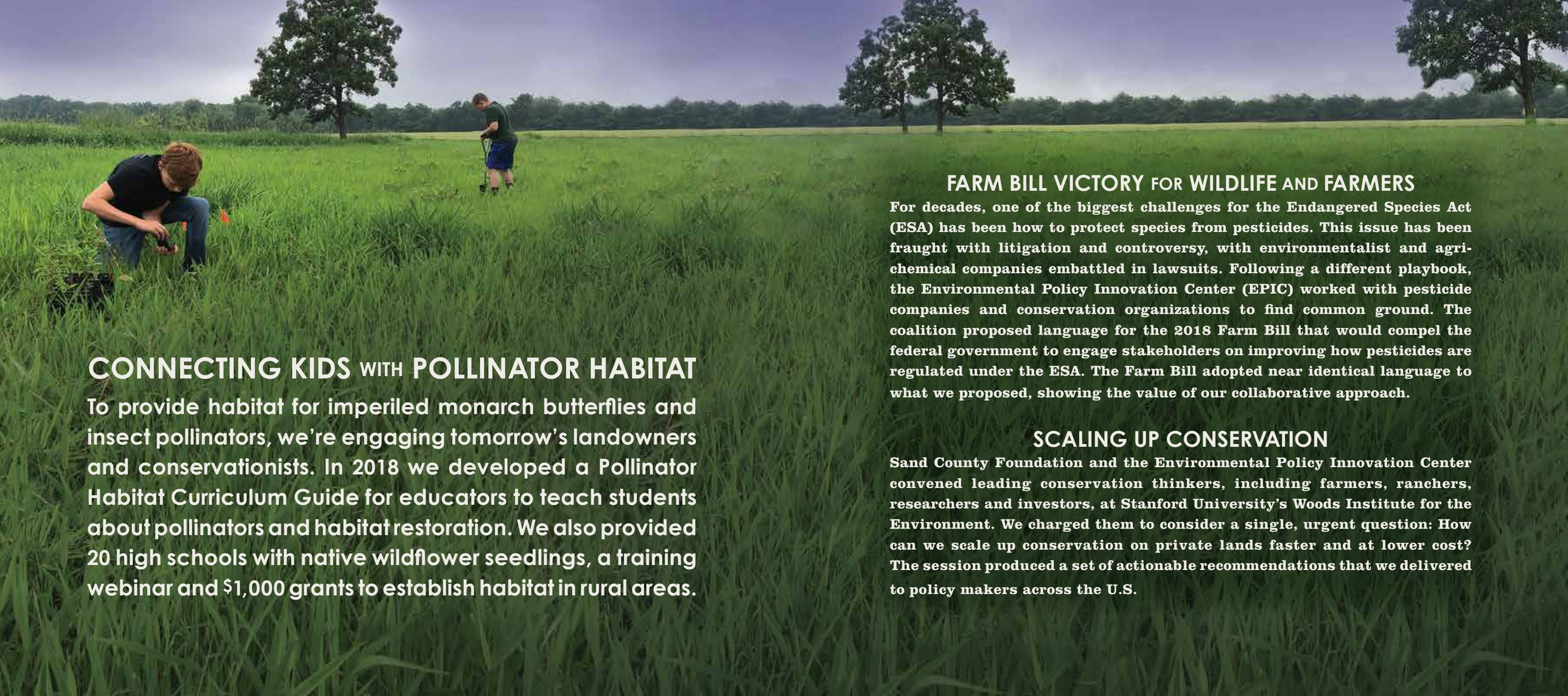
Separately, working with the Environmental Policy Innovation Center, National Wildlife Federation, and Illinois and Iowa municipalities, we pushed for legal pathways for water quality partnerships between cities and upstream farmers. Our **Municipal-Agriculture Watershed Partnerships Project Guide** will be used to promote similar collaborations across the Midwest.

Some of our work gets our hands dirty and our feet wet. In 2018, we began helping the Village of Grafton, Wisconsin engage with farmers to **reduce phosphorus levels in waterways.** This project, supported by Fund for Lake Michigan, demonstrates how we can achieve better water quality at a lower cost to municipal water treatment plants.

We're also working with a growing number of farmers to demonstrate how planting native grasses and wildflowers next to crop fields can reduce farm runoff. These **prairie filter strips** also provide habitat for insect pollinators, monarch butterflies and wildlife.

Professionals tackling agricultural runoff in Upper Mississippi River engaged with our **Leadership for Midwestern Watersheds program,** a popular forum we coordinate with American Farmland Trust, North Central Regional Water Network, and the Iowa Soybean Association. Since 2011, dozens of watersheds have benefited from these learning and sharing sessions.

Sand County Foundation's Field Projects Director, Greg Olson, checks for phosphorus levels as part of a municipal water project.



CONNECTING KIDS WITH POLLINATOR HABITAT

To provide habitat for imperiled monarch butterflies and insect pollinators, we're engaging tomorrow's landowners and conservationists. In 2018 we developed a Pollinator Habitat Curriculum Guide for educators to teach students about pollinators and habitat restoration. We also provided 20 high schools with native wildflower seedlings, a training webinar and $1,000 grants to establish habitat in rural areas.

FARM BILL VICTORY FOR WILDLIFE AND FARMERS

For decades, one of the biggest challenges for the Endangered Species Act (ESA) has been how to protect species from pesticides. This issue has been fraught with litigation and controversy, with environmentalist and agri-chemical companies embattled in lawsuits. Following a different playbook, the Environmental Policy Innovation Center (EPIC) worked with pesticide companies and conservation organizations to find common ground. The coalition proposed language for the 2018 Farm Bill that would compel the federal government to engage stakeholders on improving how pesticides are regulated under the ESA. The Farm Bill adopted near identical language to what we proposed, showing the value of our collaborative approach.

SCALING UP CONSERVATION

Sand County Foundation and the Environmental Policy Innovation Center convened leading conservation thinkers, including farmers, ranchers, researchers and investors, at Stanford University's Woods Institute for the Environment. We charged them to consider a single, urgent question: How can we scale up conservation on private lands faster and at lower cost? The session produced a set of actionable recommendations that we delivered to policy makers across the U.S.

THANK YOU TO OUR 2018 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 2018 and those who have continually supported us over the years.

Acacia Conservation Fund
AgriBusiness Association of Kentucky
Amazon Smile Foundation
American AgCredit
Bad River Ranches
Kristina & Townsend Bailey
Basin Electric
Ramona & Lee Bass
Belle Fourche River Watershed Partnership
Helen & Larry Biever
Bird Conservancy of the Rockies
Shaila & Thomas Bolger
Abby & Mike Brand
Nancy & James Bruins
Darla & Homer Buell
Tina Buford
Ingrid C. Burke
Capitol Travel
Cargill
Catena Foundation
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Jan & William Cato
Brenda Christensen & Tom Barry
Clean Line Energy
Ann Miller & Reed Coleman
Compeer Financial
CropLife America
Dairy Farmers of Wisconsin
Dakota Community Bank & Trust
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Delta Waterfowl
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Ducks Unlimited
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First Dakota National Bank
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Kentucky Cattlemen's Association
Kentucky Corn Growers Association
Kentucky Department of Agriculture
Kentucky Dept. of Fish & Wildlife Resources
Kentucky Farm Bureau Federation
Kentucky Tree Farm Committee
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McDonald's
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Milwaukee Metro Sewerage District
Missouri Farmers Care Foundation
Monarch Joint Venture
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Debra & Todd Mortenson
National Audubon Society
National Fish & Wildlife Foundation
North Dakota Natural Resources Trust
Nebraska Environmental Trust
Nebraska Extension
Nebraska Game & Parks
Nebraska Land Trust
Nelnet Foundation
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Noble Research Institute
North Dakota Chapter of the Wildlife Society
North Dakota Game & Fish Department
North Dakota Grazing Lands Coalition
Northern Great Plains, Section - SRM
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Oklahoma Cattlemen's Association
Oklahoma State University, Division of Agricultural Sciences and Natural Resources
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South Dakota Department of Game, Fish & Parks
South Dakota Discovery Center
South Dakota Farm Bureau Federation
South Dakota Grasslands Coalition
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Sustainable Agriculture Research & Education (SARE)
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Stanley Temple
The Farm Credit Associations of Kansas
The Heinz Endowments
The Nature Conservancy
The William & Flora Hewlett Foundation
Dianne Thompson
Marcus Trapp
Tri-State Generation & Transmission Association
U.S. Fish & Wildlife Service
University of Illinois
University of Kentucky, College of Agriculture, Food & Environment
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Wisconsin Corn Growers Association
Wisconsin Corn Promotional Board
Wisconsin Land and Water Conservation Association
Wisconsin Potato & Vegetable Growers Association
Wisconsin Soybean Association
World Wildlife Fund - Northern Great Plains Program
Mardelle & William Wuerger
YourCause LLC
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	
Cash	600,126
Promises to Give	537,013
Accounts Receivable	82,666
Prepaid Expenses	18,425
Long-term Investments	8,119,357
Property & Equipment - Net	8,288
TOTAL ASSETS	$9,365,875

Liabilities and Net Assets

LIABILITIES	
Accounts Payable	47,016
Grants Payable	60,000
Other Liabilities	78,590
TOTAL LIABILITIES	$185,606
NET ASSETS	
Unrestricted Net Assets	6,002,334
Temporarily Restricted Net Assets	3,177,935
TOTAL NET ASSETS	$9,180,269
TOTAL LIABILITIES AND NET ASSETS	$9,365,875

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, 2018 audited financial statements and our 2018 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.

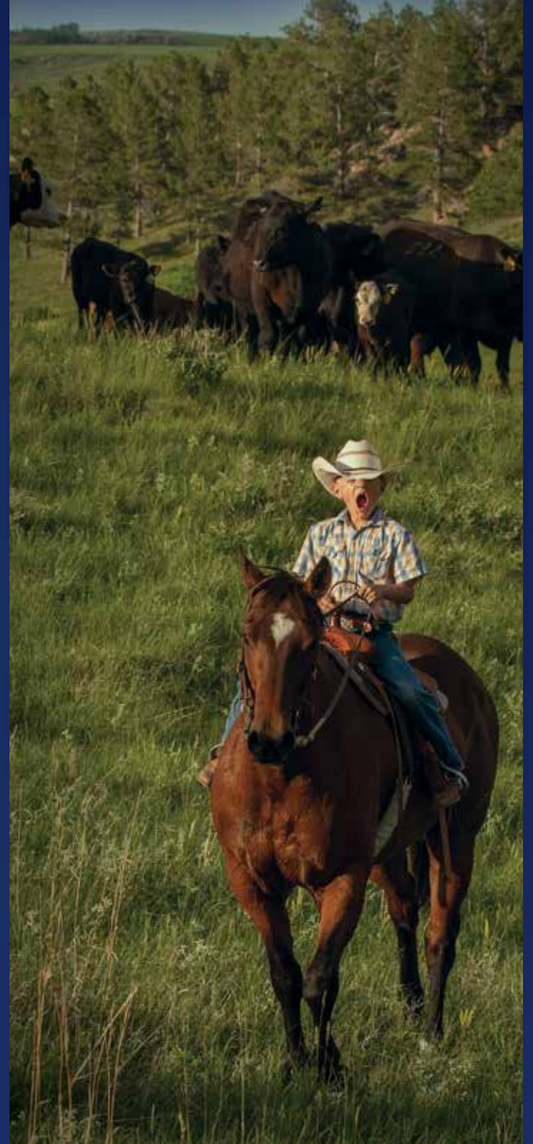

Photo: Mitch Kezar

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SAND COUNTY FOUNDATION

THE NATION'S LEADING VOICE FOR PRIVATE LAND CONSERVATION

* 131 West Wilson Street, Suite 610 * Madison, Wisconsin 53703 * sandcountyfoundation.org *

Photo: Dustin Mielke/Oklahoma Farm Bureau