

Return of Organization Exempt From Income Tax

2017

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Department of the Treasury
Internal Revenue Service

A For the 2017 calendar year, or tax year beginning **July 1**, 2017, and ending **June 30**, 2018

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C Name of organization **Ducks Unlimited, Inc and Affiliates Proforma**
 Doing business as
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
1 Waterfowl Way
 City or town, state or province, country, and ZIP or foreign postal code
Memphis, TN 38120

D Employer identification number
13 - 5643799

E Telephone number
901 - 758-3825

F Name and address of principal officer: **Earl Grochau**
1 Waterfowl Way, Memphis, TN 38120

G Gross receipts \$ **295,503,658**

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If "No," attach a list. (see instructions)
H(c) Group exemption number ▶

I Tax-exempt status: 501(c)(3) 501(c) () ◀ (insert no.) 4947(a)(1) or 527

J Website: ▶ **ducks.org**

K Form of organization: Corporation Trust Association Other ▶

L Year of formation: **1937** **M** State of legal domicile: **DC**

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: Ducks Unlimited, Inc. conserves, restores, and manages wetlands and associated habitats for North America's waterfowl. These habitats also benefit other wildlife and people.		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	0
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	0
	5	Total number of individuals employed in calendar year 2017 (Part V, line 2a)	5	642
	6	Total number of volunteers (estimate if necessary)	6	56,000
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	2,425,839
b	Net unrelated business taxable income from Form 990-T, line 34	7b	(72,579)	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 195,045,921	Current Year 180,299,558
	9	Program service revenue (Part VIII, line 2g)	4,426,034	5,777,409
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,417,150	2,781,004
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	23,384,750	22,965,723
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	225,273,855	211,823,694
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	14,300,060	12,879,745
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	59,788,063	63,316,413
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	464,735	376,012
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 31,239,740		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	125,104,419	126,915,736
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	199,657,277	203,487,906
19	Revenue less expenses. Subtract line 18 from line 12	25,616,578	8,335,788	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year 274,393,465	End of Year 287,627,837
	21	Total liabilities (Part X, line 26)	49,167,918	48,396,964
	22	Net assets or fund balances. Subtract line 21 from line 20	225,225,547	239,230,873

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer: **Earl H. Grochau CFO/CAO** Date: _____
 Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name: _____ Preparer's signature: _____ Date: _____ Check if self-employed PTIN: _____
 Firm's name ▶: _____ Firm's EIN ▶: **-**
 Firm's address ▶: _____ Phone no.: **-**

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a 178,209					
	b	Membership dues	1b 21,589,015					
	c	Fundraising events	1c 26,989,326					
	d	Related organizations	1d 706,733					
	e	Government grants (contributions)	1e 82,650,377					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 48,185,898					
	g	Noncash contributions included in lines 1a-1f: \$	24,535,164					
	h	Total. Add lines 1a-1f ▶		180,299,558				
Program Service Revenue			Business Code					
	2a	<u>Contract fees</u>	541900	5,777,409	5,777,409			
	b	-----						
	c	-----						
	d	-----						
	e	-----						
	f	All other program service revenue .						
g	Total. Add lines 2a-2f ▶		5,777,409					
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶		1,508,629		(74,662)	1,583,291	
	4	Income from investment of tax-exempt bond proceeds ▶						
	5	Royalties ▶		2,037,730			2,037,730	
	6a	Gross rents	(i) Real	(ii) Personal				
			b	Less: rental expenses				
			c	Rental income or (loss)				
			d	Net rental income or (loss) ▶				
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			b	Less: cost or other basis and sales expenses	18,566,119	4,991,786		
			c	Gain or (loss)	3,102,890	(1,830,515)		
			d	Net gain or (loss) ▶		1,272,375	(1,895,459)	3,167,834
	8a	Gross income from fundraising events (not including \$ 26,989,326 of contributions reported on line 1c). See Part IV, line 18	a 33,536,115					
	b	Less: direct expenses	b 32,961,177					
	c	Net income or (loss) from fundraising events . ▶		574,938			574,938	
	9a	Gross income from gaming activities. See Part IV, line 19	a 45,012,695					
			b 27,160,882					
			c 17,851,813				17,851,813	
10a	Gross sales of inventory, less returns and allowances	a						
		b	Less: cost of goods sold	b				
		c	Net income or (loss) from sales of inventory . . ▶					
Miscellaneous Revenue		Business Code						
11a	<u>Advertising</u>	511120	2,500,501		2,500,501			
b	<u>Miscellaneous Revenue</u>	451211	741			741		
c	-----							
d	All other revenue							
e	Total. Add lines 11a-11d ▶		2,501,242					
12	Total revenue. See instructions. ▶		211,823,694	3,881,950	2,425,839	25,216,347		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16	12,879,745	12,879,745		
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	3,512,901	1,366,536	1,830,968	315,397
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	44,053,122	30,479,198	1,770,996	11,802,928
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	5,377,377	3,618,741	328,288	1,430,348
9 Other employee benefits	6,898,317	4,815,593	245,134	1,837,590
10 Payroll taxes	3,474,696	2,373,502	198,629	902,565
11 Fees for services (non-employees):				
a Management				
b Legal	91,905	44,929	41,752	5,224
c Accounting	238,771		238,771	
d Lobbying				
e Professional fundraising services. See Part IV, line 17	376,012			376,012
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	3,659,160	1,727,643	132,327	1,799,190
12 Advertising and promotion	938,442	265,187	2,840	670,415
13 Office expenses	3,467,213	1,917,817	286,002	1,263,394
14 Information technology	2,958,651	1,961,552	329,809	667,290
15 Royalties				
16 Occupancy	2,769,160	2,033,252	269,161	466,747
17 Travel	4,475,615	1,900,840	275,699	2,299,076
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	525,489	512,454	13,035	
20 Interest	230,503	217,044	13,459	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,862,002	2,540,151	258,605	63,246
23 Insurance	737,152	453,649	85,499	198,004
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Habitat Development	73,704,663	73,704,663		
b Postage and Shipping	4,702,150	2,441,559	21,675	2,238,916
c Premiums	3,176,570			3,176,570
d Conservation Easements	18,953,776	18,953,776		
e All other expenses Printing and Other	3,424,514	1,686,558	11,128	1,726,828
25 Total functional expenses. Add lines 1 through 24e	203,487,906	165,894,389	6,353,777	31,239,740
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)	21,405,000	9,632,000		11,773,000

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A)		(B)	
		Beginning of year		End of year	
Assets	1 Cash—non-interest-bearing	12,678,307	1	13,254,936	
	2 Savings and temporary cash investments	35,738,945	2	36,943,587	
	3 Pledges and grants receivable, net	67,461,434	3	72,257,037	
	4 Accounts receivable, net	1,182,603	4	1,240,649	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5		
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6		
	7 Notes and loans receivable, net		7		
	8 Inventories for sale or use	3,477,598	8	3,203,947	
	9 Prepaid expenses and deferred charges	2,720,205	9	2,696,438	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 106,950,308			
	b Less: accumulated depreciation	10b 28,993,069	79,728,731	10c	77,957,239
	11 Investments—publicly traded securities	70,161,284	11	74,074,676	
	12 Investments—other securities. See Part IV, line 11		12		
	13 Investments—program-related. See Part IV, line 11		13		
	14 Intangible assets		14		
	15 Other assets. See Part IV, line 11	1,244,358	15	5,999,328	
16 Total assets. Add lines 1 through 15 (must equal line 34)	274,393,465	16	287,627,837		
Liabilities	17 Accounts payable and accrued expenses	13,545,372	17	15,847,837	
	18 Grants payable		18		
	19 Deferred revenue	8,413,233	19	9,535,085	
	20 Tax-exempt bond liabilities		20		
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21		
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22		
	23 Secured mortgages and notes payable to unrelated third parties	6,600,000	23	7,670,528	
	24 Unsecured notes and loans payable to unrelated third parties		24		
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	20,609,313	25	15,343,514	
	26 Total liabilities. Add lines 17 through 25	49,167,918	26	48,396,964	
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27 Unrestricted net assets	76,919,324	27	81,581,931	
	28 Temporarily restricted net assets	119,051,565	28	123,025,527	
	29 Permanently restricted net assets	29,254,658	29	34,623,415	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.				
	30 Capital stock or trust principal, or current funds		30		
	31 Paid-in or capital surplus, or land, building, or equipment fund		31		
	32 Retained earnings, endowment, accumulated income, or other funds		32		
33 Total net assets or fund balances	225,225,547	33	239,230,873		
34 Total liabilities and net assets/fund balances	274,393,465	34	287,627,837		