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**COALITION TO RESTORE COASTAL LOUISIANA**

**FINANCIAL STATEMENTS**

**JUNE 30, 2024**

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# COALITION TO RESTORE COASTAL LOUISIANA

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## Independent Auditors' Report

The Board of Directors  
Coalition to Restore Coastal Louisiana  
New Orleans, Louisiana

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of Coalition to Restore Coastal Louisiana (the Organization), which comprise the statements of financial position as of June 30, 2024, and 2023, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Coalition to Restore Coastal Louisiana as of June 30, 2024, and 2023, and the changes in its 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 audit in accordance with 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. 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 Coalition to Restore Coastal Louisiana and to meet our other ethical responsibilities, in accordance with the 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 audit opinions.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these 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 the Coalition to Restore Coastal Louisiana'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 generally accepted auditing standards 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgement 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 the Coalition to Restore Coastal Louisiana'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Coalition to Restore Coastal Louisiana'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 supplementary information, on page 17, Schedule of Compensation, Benefits, and Other Payments to the Agency Head, is presented for 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 information 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 December 20, 2024, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and 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 internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

*Richard CPAS*

Metairie, Louisiana  
December 20, 2024

**COALITION TO RESTORE COASTAL LOUISIANA**  
**STATEMENTS OF FINANCIAL POSITION**  
**JUNE 30, 2024 AND 2023**

|  | <b><u>ASSETS</u></b>       |                            |
|--|----------------------------|----------------------------|
|  | <u>2024</u>                | <u>2023</u>                |
| <b><u>ASSETS</u></b>                           |                            |                            |
| Cash and cash equivalents                      | \$ 260,628                 | \$ 607,848                 |
| Grants and accounts receivable                 | 380,426                    | 331,619                    |
| Prepaid expenses                               | 50,873                     | 9,914                      |
| Investments                                    | 770,843                    | 615,180                    |
| Equipment, net                                 | <u>62,239</u>              | <u>55,397</u>              |
| <b><u>TOTAL ASSETS</u></b>                     | <b><u>\$ 1,525,009</u></b> | <b><u>\$ 1,619,958</u></b> |
| <br><b><u>LIABILITIES AND NET ASSETS</u></b>   |                            |                            |
| <b><u>LIABILITIES</u></b>                      |                            |                            |
| Accounts payable                               | \$ 94,042                  | \$ 207,283                 |
| Payroll taxes and other related payables       | 8,372                      | 5,079                      |
| Accrued compensated absences                   | <u>14,824</u>              | <u>15,981</u>              |
| Total liabilities                              | <u>117,238</u>             | <u>228,343</u>             |
| <b><u>NET ASSETS</u></b>                       |                            |                            |
| Without donor restrictions                     | 1,037,991                  | 1,012,192                  |
| With donor restrictions                        | <u>369,780</u>             | <u>379,423</u>             |
| Total net assets                               | <u>1,407,771</u>           | <u>1,391,615</u>           |
| <b><u>TOTAL LIABILITIES AND NET ASSETS</u></b> | <b><u>\$ 1,525,009</u></b> | <b><u>\$ 1,619,958</u></b> |

The accompanying notes are an integral part of these financial statements.

**COALITION TO RESTORE COASTAL LOUISIANA**  
**STATEMENTS OF ACTIVITIES**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

|   | 2024                          |                            |                     | 2023                          |                            |                     |
|---|-------------------------------|----------------------------|---------------------|-------------------------------|----------------------------|---------------------|
|   | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total               | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total               |
| <b><u>SUPPORT AND REVENUES</u></b>              |                               |                            |                     |                               |                            |                     |
| Grant revenue                                   | \$ -                          | \$ 1,865,301               | \$ 1,865,301        | \$ -                          | \$ 1,377,869               | \$ 1,377,869        |
| Contributions                                   | 416,009                       | 128,076                    | 544,085             | 264,949                       | 81,653                     | 346,602             |
| Sponsorships                                    | 45,314                        | -                          | 45,314              | 309,550                       | -                          | 309,550             |
| Registration and fees                           | 21,451                        | -                          | 21,451              | 480,904                       | -                          | 480,904             |
| In-kind contributions                           | 21,310                        | -                          | 21,310              | 55,000                        | -                          | 55,000              |
| Investment return, net                          | 46,386                        | -                          | 46,386              | 28,338                        | -                          | 28,338              |
| Other income                                    | 15,359                        | -                          | 15,359              | 6,211                         | -                          | 6,211               |
| Net assets released from restrictions           | 2,003,020                     | (2,003,020)                | -                   | 1,720,175                     | (1,720,175)                | -                   |
| Total support and revenues                      | <u>2,568,849</u>              | <u>(9,643)</u>             | <u>2,559,206</u>    | <u>2,865,127</u>              | <u>(260,653)</u>           | <u>2,604,474</u>    |
| <b><u>EXPENSES</u></b>                          |                               |                            |                     |                               |                            |                     |
| Program services                                | 1,865,185                     | -                          | 1,865,185           | 2,160,226                     | -                          | 2,160,226           |
| Fundraising                                     | 307,556                       | -                          | 307,556             | 254,058                       | -                          | 254,058             |
| Management and general                          | 370,309                       | -                          | 370,309             | 195,592                       | -                          | 195,592             |
| Total expenses                                  | <u>2,543,050</u>              | <u>-</u>                   | <u>2,543,050</u>    | <u>2,609,876</u>              | <u>-</u>                   | <u>2,609,876</u>    |
| <b><u>CHANGE IN NET ASSETS</u></b>              | 25,799                        | (9,643)                    | 16,156              | 255,251                       | (260,653)                  | (5,402)             |
| <b><u>NET ASSETS, BEGINNING OF THE YEAR</u></b> | <u>1,012,192</u>              | <u>379,423</u>             | <u>1,391,615</u>    | <u>756,941</u>                | <u>640,076</u>             | <u>1,397,017</u>    |
| <b><u>NET ASSETS, END OF THE YEAR</u></b>       | <u>\$ 1,037,991</u>           | <u>\$ 369,780</u>          | <u>\$ 1,407,771</u> | <u>\$ 1,012,192</u>           | <u>\$ 379,423</u>          | <u>\$ 1,391,615</u> |

The accompanying notes are an integral part of these financial statements.

**COALITION TO RESTORE COASTAL LOUISIANA**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

|                              | 2024                |                   |                        |                     | 2023                |                   |                        |                     |
|------------------------------|---------------------|-------------------|------------------------|---------------------|---------------------|-------------------|------------------------|---------------------|
|                              | Program Services    | Fundraising       | Management and General | Total               | Program Services    | Fundraising       | Management and General | Total               |
| Salaries                     | \$ 751,469          | \$ 142,226        | \$ 174,702             | \$ 1,068,397        | \$ 660,158          | \$ 105,422        | \$ 79,948              | \$ 845,528          |
| Payroll taxes                | 57,279              | 10,841            | 13,316                 | 81,436              | 50,749              | 8,104             | 6,146                  | 64,999              |
| Employee benefits            | 103,312             | 19,553            | 24,018                 | 146,883             | 93,444              | 14,922            | 11,317                 | 119,683             |
| Total compensation           | <u>912,060</u>      | <u>172,620</u>    | <u>212,036</u>         | <u>1,296,716</u>    | <u>804,351</u>      | <u>128,448</u>    | <u>97,411</u>          | <u>1,030,210</u>    |
| Advertising and sponsorship  | 19,528              | 5,232             | 6,000                  | 30,760              | 19,838              | 2,154             | 314                    | 22,306              |
| Community partnerships       | 25,000              | -                 | -                      | 25,000              | 56,673              | -                 | -                      | 56,673              |
| Conferences                  | 2,569               | -                 | 551                    | 3,120               | 3,216               | -                 | 130                    | 3,346               |
| Continuing education         | 5,220               | -                 | 15,855                 | 21,075              | 393                 | -                 | 10,123                 | 10,516              |
| Contractors                  | 344,989             | 15,050            | 76,562                 | 436,601             | 787,337             | 41,438            | 13,019                 | 841,794             |
| Depreciation                 | 9,467               | -                 | -                      | 9,467               | -                   | -                 | 1,698                  | 1,698               |
| Dues, fees, and registration | 25,742              | 5,174             | 5,917                  | 36,833              | 52,443              | 6,449             | 4,180                  | 63,072              |
| Equipment rental and storage | 2,937               | -                 | -                      | 2,937               | 4,268               | -                 | -                      | 4,268               |
| Event rentals                | 1,358               | 44,141            | -                      | 45,499              | 28,000              | 23,835            | -                      | 51,835              |
| Gifts and miscellaneous      | 4,761               | 4,378             | 1,370                  | 10,509              | 2,402               | 2,247             | 223                    | 4,872               |
| Insurance                    | 33,575              | 7,816             | 6,688                  | 48,079              | 25,623              | 4,105             | 10,323                 | 40,051              |
| Interest and bank charges    | -                   | 2,956             | 64                     | 3,020               | 13,900              | 3,741             | 1,070                  | 18,711              |
| Legal and accounting         | 63,512              | 10,473            | 7,875                  | 81,860              | 65,692              | 7,187             | 18,401                 | 91,280              |
| Meals and entertainment      | 5,629               | 1,246             | 21,683                 | 28,558              | 1,624               | 312               | 18,976                 | 20,912              |
| Printing and postage         | 3,753               | 14,070            | 25                     | 17,848              | 14,397              | 11,932            | 110                    | 26,439              |
| Rent                         | 35,102              | 7,052             | 4,701                  | 46,855              | 36,077              | 5,725             | 4,089                  | 45,891              |
| Subgrant                     | 134,539             | -                 | -                      | 134,539             | 40,000              | -                 | -                      | 40,000              |
| Supplies                     | 168,570             | 11,648            | 4,011                  | 184,229             | 144,989             | 12,006            | 5,889                  | 162,884             |
| Travel                       | 63,354              | 4,993             | 6,500                  | 74,847              | 53,929              | 3,544             | 8,968                  | 66,441              |
| Utilities and telephone      | 3,520               | 707               | 471                    | 4,698               | 5,074               | 935               | 668                    | 6,677               |
| Total expenses               | <u>\$ 1,865,185</u> | <u>\$ 307,556</u> | <u>\$ 370,309</u>      | <u>\$ 2,543,050</u> | <u>\$ 2,160,226</u> | <u>\$ 254,058</u> | <u>\$ 195,592</u>      | <u>\$ 2,609,876</u> |

The accompanying notes are an integral part of these financial statements.

**COALITION TO RESTORE COASTAL LOUISIANA**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

|   | <u>2024</u>       | <u>2023</u>       |
|---|-------------------|-------------------|
| <b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>  |                   |                   |
| Change in net assets  | \$ 16,156         | \$ (5,402)        |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: |                   |                   |
| Depreciation  | 9,467             | 1,698             |
| Unrealized gain on investments  | (19,120)          | (31,049)          |
| In-kind contribution of vehicle   | (16,309)          | (50,000)          |
| Changes in operating assets and liabilities:  |                   |                   |
| Grants and accounts receivable  | (48,807)          | (111,474)         |
| Prepaid expenses  | (40,959)          | 14,787            |
| Accounts payable  | (113,241)         | 154,203           |
| Payroll taxes and other related payables  | 3,293             | 285               |
| Accrued compensated absences  | (1,157)           | (6,372)           |
| Deferred revenues   | -                 | (41,083)          |
| Net cash used in operating activities   | <u>(210,677)</u>  | <u>(74,407)</u>   |
| <b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>  |                   |                   |
| Purchases of equipment  | -                 | (5,397)           |
| Purchases of investments  | (136,543)         | (106,125)         |
| Net cash used in investing activities   | <u>(136,543)</u>  | <u>(111,522)</u>  |
| Net change in cash and cash equivalents   | (347,220)         | (185,929)         |
| Cash and cash equivalents, beginning of year  | <u>607,848</u>    | <u>793,777</u>    |
| Cash and cash equivalents, end of year  | <u>\$ 260,628</u> | <u>\$ 607,848</u> |

The accompanying notes are an integral part of these financial statements.

# COALITION TO RESTORE COASTAL LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### 1. Significant Accounting Policies

#### Organization

The Coalition to Restore Coastal Louisiana (the Organization) is a nonprofit organization dedicated to the preservation and restoration of Louisiana's coast. The Organization's main office is in New Orleans, Louisiana, and the Organization works throughout the State of Louisiana to educate the public about coastal restoration and to shape policy to focus on science-based strategies and projects. The Organization has expertise in science, outreach, and on the ground restoration. The Organization connects with key stakeholders, donors, and the general public through volunteer opportunities, memberships, conferences, newsletters, and partner organizations.

#### Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America and accordingly reflect all significant receivables, payables, and other liabilities.

#### Financial Statement Presentation

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions. The governing board may designate, from net assets without donor restrictions net assets for an operating reserve or board-designated endowment.

Net assets with donor restrictions – Net assets subject to donor- (or certain grantor) 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 the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that 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 resource was restricted has been fulfilled, or both.

#### Cash and Cash Equivalents

Cash equivalents are all highly liquid investments with maturities of three months or less at date of acquisition.

# COALITION TO RESTORE COASTAL LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### 1. Significant Accounting Policies (continued)

#### Allowance for Credit Losses

An allowance for credit losses is an estimate based upon historical account write-off trends, facts about the current financial condition of the debtor, forecasts of future operating results based upon current trends and macroeconomic factors. Credit quality is monitored through the timing of payments compared to payment terms and known facts regarding the financial condition of debtors. Grants receivable balances are charged off against the allowance for credit losses after recovery efforts have ceased. At June 30, 2024, and 2023, the allowance for credit losses amounts were zero.

#### Investments

The Organization reports investments in equity securities with readily determinable fair values and investments in debt securities at fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Interest and dividend income are recorded on an accrual basis.

#### Equipment

Equipment is carried at cost when purchased and at fair market value when received as a donation. The Organization's policy is to capitalize equipment over \$500. Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets. When assets are retired or otherwise disposed of, the cost and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in income for the period.

The cost of maintenance and repairs is charged to expense as incurred. Additions, improvements, and betterments to property and equipment are capitalized. The major classes of equipment include office and computer equipment, furniture and fixtures, and a vehicle are depreciated over an estimated useful life between 3-7 years.

Depreciation expenses for the years ended June 30, 2024, and 2023 totaled \$9,467 and \$1,698, respectively.

#### Contributions and Revenue Recognition

Contributions received are recorded as without donor-restricted support or donor-restricted support, depending on the existence or nature of any donor restrictions. Support that is restricted by the donor is reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the Statements of Activities as net assets released from restrictions.

# COALITION TO RESTORE COASTAL LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### **1. Significant Accounting Policies (continued)**

#### Contributions and Revenue Recognition (continued)

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. At June 30, 2024 and 2023, the Organization is not aware of any conditional contributions.

Special event fees, including registration and related fees for the State of the Coast event, are recorded as revenue in the year the event is held. Special event fees collected in advance for an event scheduled in a future year is recorded as deferred revenue.

#### Donated Services and In-Kind Contributions

Contributed nonfinancial assets include donated vehicles, rent, and other in-kind contributions which are recorded at the respective fair values of the goods or services received. The Organization does not sell donated gifts-in-kind. In addition to contributed nonfinancial assets, volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. During the year ended June 30, 2024, the Organization received in-kind contributions of \$16,310 for a vehicle and \$5,000 for rent. During the year ended June 30, 2023, the Organization received in-kind contributions of \$50,000 for a vehicle and \$5,000 for rent.

#### Advertising Costs

The Organization expenses advertising costs as incurred. Advertising expense for the years ended June 30, 2024, and 2023 totaled \$30,760 and \$22,306, respectively.

#### Income Taxes

Coalition to Restore Coastal Louisiana is a nonprofit corporation exempt from federal income taxes under provisions of the Internal Revenue Service Code Sections 501(c) (3), respectively, and therefore, no provision has been made for federal and state income taxes. It qualifies as an organization that is not a private foundation as defined in Section 509 (a) of the code. The Organization is exempt from Louisiana income tax under the authority of R.S.47:121(5).

Coalition to Restore Coastal Louisiana applies a “more-likely-than-not” recognition threshold for all tax uncertainties. This approach only allows the recognition of those tax benefits that have a greater than 50% likelihood of being sustained upon examination by the taxing authorities. As a result of implementing this approach, the Organization has reviewed its tax positions and determined there were no outstanding, or retroactive tax positions with less than a 50% likelihood of being sustained upon examination by the taxing authorities, therefore the implementation of this standard has not had a material effect of the Organization.

# COALITION TO RESTORE COASTAL LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### **1. Significant Accounting Policies (continued)**

#### Functional Expenses

The costs of programming and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of functional expenses present the natural classification detail of expenses by function. Accordingly, certain costs, primarily salaries, employee benefits, rent, insurance, and legal and accounting fees have been allocated among the programs and supporting services benefited. The allocation between functions is based on time spent by specific employees for the various projects throughout the year. All other costs are charged directly to the appropriate functional category.

#### Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of additions to and reduction of net assets during the reported period. Accordingly, actual results may differ from those estimates and those differences may be material.

#### New Accounting Pronouncements – Adopted

In February 2016, the FASB issued ASU 2016-02, Leases, which requires lessees to recognize assets and liabilities related to lease arrangements longer than 12 months on the balance sheet as well as additional disclosures. In July 2018, the FASB issued ASU 2018-11, Leases (Topic 842): Targeted Improvements, to simplify the lease standard's implementation. The amended guidance relieves businesses and other organizations of the requirement to present prior comparative years' results when they adopt the new lease standard. On June 3, 2020, the FASB deferred the effective date of this standard for certain entities. This standard is effective for the Organization's year ending June 30, 2023. The adoption of this standard did not have a material impact on the Organization's financial statements.

In June 2016, the Financial Accounting Standards Board (FASB) issued guidance in Accounting Standards Codification 326 (FASB ASC 326) which significantly changed how entities will measure credit losses. Prior to the adoption of ASC 326, the Organization's allowance was based upon an analysis of past credit history, as well as the consideration of expected trends based upon characteristics of the accounts and general economic conditions. Under the application of ASC 326, the Organization's historical credit loss experience provides the basis for the estimation of expected credit losses. The most significant change in this standard is a shift from the incurred loss model to the expected loss model. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. The Organization adopted the standard effective July 1, 2023. The adoption of this standard had no material impact on the financial statements of the Organization.

**COALITION TO RESTORE COASTAL LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024**

**2. Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

|   | <u>2024</u>         | <u>2023</u>         |
|---|---------------------|---------------------|
| Cash and cash equivalents                         | \$ 260,628          | \$ 607,848          |
| Grants and accounts receivable                    | 380,426             | 331,619             |
| Investments                                       | <u>770,843</u>      | <u>615,180</u>      |
| Total financial assets                            | 1,411,897           | 1,554,647           |
| Less: funds subject to donor-imposed restrictions | <u>(369,780)</u>    | <u>(379,423)</u>    |
| Total available financial assets                  | <u>\$ 1,042,117</u> | <u>\$ 1,175,224</u> |

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a near balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

**3. Grants and Accounts Receivable**

The grants and accounts receivable balances as of June 30, 2024, and 2023 and consist of the following:

|  | <u>2024</u>       | <u>2023</u>       |
|--|-------------------|-------------------|
| Restore America's Estuaries - NOAA           | \$ 118,720        | \$ -              |
| Coastal Protection and Restoration Authority | 59,782            | 32,469            |
| John R McCune Charitable Trust               | 60,000            | -                 |
| Restore America's Estuaries - EPA            | 35,249            | -                 |
| NOAA Climate Resilience Regional Challenge   | 23,630            | -                 |
| Other grants                                 | 29,265            | 36,520            |
| TC Energy Foundation                         | 16,500            | -                 |
| Environmental Defense Fund                   | 15,000            | -                 |
| Chef's Brigade                               | 14,280            | -                 |
| Tegna Foundation                             | 8,000             | -                 |
| State of the Coast                           | -                 | 192,630           |
| Wells Fargo Foundation                       | -                 | 20,000            |
| Restore the Mississippi River Delta          | -                 | 15,000            |
| Clarke Environmental                         | -                 | 15,000            |
| Stolthaven Terminals                         | -                 | 10,000            |
| Gulf Research Program                        | -                 | 10,000            |
|  | <u>\$ 380,426</u> | <u>\$ 331,619</u> |

**COALITION TO RESTORE COASTAL LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024**

**4. Investments**

Investments consisted of mutual funds totaling \$770,843 and \$615,180 as of June 30, 2024, and 2023, respectively.

The Organization has the following investment return for the years ended June 30, 2024, and 2023:

|                                     | <u>2024</u>      | <u>2023</u>      |
|-------------------------------------|------------------|------------------|
| Interest and dividend income        | \$ 33,384        | \$ 25,630        |
| Realized and unrealized gain (loss) | 19,360           | 8,555            |
| Investment fees                     | <u>(6,358)</u>   | <u>(5,847)</u>   |
| Investment return, net              | <u>\$ 46,386</u> | <u>\$ 28,338</u> |

**5. Net Assets with Donor Restrictions**

Net assets with donor restrictions at June 30, 2024, and 2023, consist of:

|                     | <u>2024</u>       | <u>2023</u>       |
|---------------------|-------------------|-------------------|
| Outreach Program    | \$ 100,770        | \$ 218,933        |
| Restoration Program | 254,010           | 160,490           |
| Advocacy            | <u>15,000</u>     | <u>-</u>          |
|                     | <u>\$ 369,780</u> | <u>\$ 379,423</u> |

Net assets were released from restrictions for satisfaction of purpose during the years ended June 30, 2024, and 2023:

|                     | <u>2024</u>         | <u>2023</u>         |
|---------------------|---------------------|---------------------|
| Outreach Program    | \$ 947,568          | \$ 1,197,816        |
| Restoration Program | 1,055,452           | 522,359             |
| Advocacy            | <u>-</u>            | <u>-</u>            |
|                     | <u>\$ 2,003,020</u> | <u>\$ 1,720,175</u> |

# COALITION TO RESTORE COASTAL LOUISIANA

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

### **6. Fair Value Measurements**

The Organization reports certain assets at fair value in the financial statements. Fair value is the price that would be received to sell an asset in an orderly transaction in the principal, or most advantageous, market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique. Inputs used to determine fair value refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available.

A three-tier hierarchy categorizes the inputs as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or 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. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement determined using model-based techniques that include option pricing model, discounted cash flow models and similar techniques.

In some cases, the inputs used to measure the fair value of an asset might be categorized within different levels of the fair value hierarchy. In those cases, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Assessing the significance of a particular input to entire measurement requires judgment, taking into account factors specific to the asset. The categorization of an asset within the hierarchy is based upon the pricing transparency of the asset and does not necessarily correspond to our assessment of the quality, risk, or liquidity profile of the asset.

A significant portion of our investment assets are classified within Level 1 because they comprise exchange traded funds with readily determinable fair values based on daily redemption values. The Organization has no Level 3 investments.

**COALITION TO RESTORE COASTAL LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024**

**6. Fair Value Measurements (continued)**

The following table presents assets measured at fair value on a recurring basis, except those measured at cost per share as a practical expedient as identified in the following, as of June 30, 2024, and 2023.

|                                       | Total             | <u>Fair Value Measurements at June 30, 2024 Using</u>                            |   |  |
|---------------------------------------|-------------------|--|---|--|
|                                       |                   | Quoted<br>Prices in<br>Active<br>Markets for<br>Identical<br>Assets (Level<br>1) | Significant<br>Other<br>Observable<br>Inputs (Level<br>2) | Significant<br>Unobservable<br>Inputs (Level<br>3) |
| Cash and money market (at cost)       | \$ 19,374         | \$ -   | \$ -  | \$ -   |
| Exchanged traded funds - Fixed income | 647,024           | 647,024  | -   | -  |
| Exchanged traded funds - Equity       | 104,445           | 104,445  | -   | -  |
| Total                                 | <u>\$ 770,843</u> | <u>\$ 751,469</u>  | <u>\$ -</u>   | <u>\$ -</u>  |

|                                       | Total             | <u>Fair Value Measurements at June 30, 2023 Using</u>                            |   |  |
|---------------------------------------|-------------------|--|---|--|
|                                       |                   | Quoted<br>Prices in<br>Active<br>Markets for<br>Identical<br>Assets (Level<br>1) | Significant<br>Other<br>Observable<br>Inputs (Level<br>2) | Significant<br>Unobservable<br>Inputs (Level<br>3) |
| Cash and money market (at cost)       | \$ 15,054         | \$ -   | \$ -  | \$ -   |
| Exchanged traded funds - Fixed income | 519,665           | 519,665  | -   | -  |
| Exchanged traded funds - Equity       | 80,461            | 80,461   | -   | -  |
| Total                                 | <u>\$ 615,180</u> | <u>\$ 600,126</u>  | <u>\$ -</u>   | <u>\$ -</u>  |

**7. Operating Lease**

The Organization leases office space in New Orleans on an annual basis through July 2025 at \$3,495 per month.

Rent expense for the years ended June 30, 2024, and 2023 was \$46,855 and \$45,891, respectively. Future minimum payments under the non-cancelable lease in effect as of June 30, 2024, are \$48,933 through July 2025.

**8. Employee Benefits**

The Organization offers a tax-deferred annuity plan qualified under IRC Section 403(b) covering all employees. The plan provides employees the option to contribute 3% of their earnings to the plan and the Organization matches an additional 2% of the employee's contribution. The Organization's contributions to the plan totaled \$52,251 and \$42,370 for the years ended June 30, 2024, and 2023, respectively.

**COALITION TO RESTORE COASTAL LOUISIANA**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024**

**9. Concentration of Credit Risk**

The Organization maintains its cash and cash equivalent balances in several financial institutions. Custodial credit risk is the risk that in the event of a bank failure, the Organization's deposits may not be returned to them. Accounts at each institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2024, and 2023, the Organization had cash amounts in excess of FDIC insurance limits of \$13,655 and \$398,018, respectively. The Organization has not experienced any losses and does not believe that significant risk exists as a result of this practice.

Credit risk associated with grants and accounts receivable is considered to be limited due to high historical collection rates and because substantial portions of the outstanding amounts are due from Board members, governmental agencies, and foundations supportive of the Organization's mission.

Investments are monitored by the Organization and the Board of Directors. Although the fair values of investments are subject to fluctuation on a year-to-year basis, the Organization and the Board of Directors believe that the investment policies and guidelines are prudent for the long-term welfare of the Organization.

**10. Subsequent Events**

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 20, 2024, and determined no items require disclosure. No events occurring after this date have been evaluated for inclusion in these financial statements.

**SUPPLEMENTARY INFORMATION**

**COALITION TO RESTORE COASTAL LOUISIANA**  
**SCHEDULE OF COMPENSATION, BENEFITS,**  
**AND OTHER PAYMENTS TO AGENCY HEAD**  
**FOR THE YEAR ENDED JUNE 30, 2024**

Agency Head Name: Kim Reyher, Executive Director

| <u>Purpose</u>                         | <u>Amount</u>   |
|--|-----------------|
| Salary                                 | \$ 2,934        |
| Benefits - insurance                   | 402             |
| Benefits - retirement                  | -               |
| Benefits - other                       | -               |
| Car allowance                          | -               |
| Vehicle provided by government         | -               |
| Per diem                               | -               |
| Reimbursements                         | -               |
| Travel                                 | -               |
| Registration fees                      | -               |
| Conference travel                      | -               |
| Continuing professional education fees | -               |
| Housing                                | -               |
| Unvouchered expenses                   | -               |
| Special meals                          | -               |
|  | <u>\$ 3,336</u> |

Louisiana Revised Statute 24:513(A)(3) as amended by Act 706 of the 2014 Regular Legislative Session requires that the total compensation, reimbursements, and benefits of an agency head or political subdivision head or chief executive officer related to the position, including but not limited to travel, housing, unvouchered expense, per diem, and registration fees to be reported as a supplemental report within the financial statement of local government and quasi-public auditees. In 2015, Act 462 of the 2015 Regular Session of the Louisiana Legislature further amended R.S. 24:513(A)(3) to clarify that nongovernmental entities or not-for-profit entities that received public funds shall report only the use of public funds for the expenditures itemized in the supplemental report.

See accompanying independent auditor's report.

**OTHER REPORT**



**INDEPENDENT AUDITORS' REPORT 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  
Coalition to Restore Coastal Louisiana  
New Orleans, Louisiana

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 Coalition to Restore Coastal Louisiana (the Organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, 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 December 20, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Coalition to Restore Coastal Louisiana's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Coalition to Restore Coastal Louisiana's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Coalition to Restore Coastal Louisiana's financial statements are free of material misstatements, 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 determination of financial statement amounts. 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 Organization'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 Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Richard CPAS*

Metairie, Louisiana  
December 20, 2024