

**EISNERAMPER**

**NATIONAL KIDNEY FOUNDATION OF  
LOUISIANA, INC.**

**FINANCIAL STATEMENTS**

**JUNE 30, 2024**



**NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC.**

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## INDEPENDENT AUDITORS' REPORT

To the Officers and Board of Directors of  
National Kidney Foundation of Louisiana, Inc.  
New Orleans, Louisiana

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of National Kidney Foundation of Louisiana, Inc. (the "Foundation"), which comprise the statements of financial position as of June 30, 2024 and 2023, and the related statements of activities, cash flows, and functional expenses for each of the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for each of the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *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 Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

### ***Auditors' 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 auditors' 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 GAAS 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 judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment 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 Foundation'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 judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation'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.

### ***Other Matters***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Compensation, Benefits, and Other Payments to Agency Head is presented for purposes of 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 other 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 October 29, 2024 on our consideration of the Foundation'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 effectiveness of the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

*EisnerAmper LLP*

EISNERAMPER LLP  
Metairie, Louisiana  
October 29, 2024

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LLP



**NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC.**

**STATEMENTS OF FINANCIAL POSITION**

**JUNE 30, 2024 AND 2023**

	<b>ASSETS</b>	
	<b><u>2024</u></b>	<b><u>2023</u></b>
<b><u>CURRENT ASSETS:</u></b>		
Cash and cash equivalents	\$ 435,855	\$ 458,064
Accounts receivable	-	1,060
Investments	927,801	806,830
Prepaid expenses	19,370	13,512
Other current assets	8,500	8,511
<b>Total current assets</b>	<b><u>1,391,526</u></b>	<b><u>1,287,977</u></b>
Property and equipment, at cost, less accumulated depreciation of \$8,910 and \$4,050 for 2024 and 2023, respectively	<u>25,112</u>	<u>29,972</u>
<b>Total assets</b>	<b><u><u>\$ 1,416,638</u></u></b>	<b><u><u>\$ 1,317,949</u></u></b>
<b>LIABILITIES AND NET ASSETS</b>		
<b><u>CURRENT LIABILITIES:</u></b>		
Accounts payable and accrued expenses	\$ 4,606	\$ -
Deferred revenue	-	25,000
<b>Total current liabilities</b>	<b><u>4,606</u></b>	<b><u>25,000</u></b>
<b><u>NET ASSETS:</u></b>		
Without donor restrictions	1,352,442	1,209,607
With donor restrictions	<u>59,590</u>	<u>83,342</u>
<b>Total net assets</b>	<b><u>1,412,032</u></b>	<b><u>1,292,949</u></b>
<b>Total liabilities and net assets</b>	<b><u><u>\$ 1,416,638</u></u></b>	<b><u><u>\$ 1,317,949</u></u></b>

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

**NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC.**

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS**

**YEARS ENDED JUNE 30, 2024 AND 2023**

	Year ended June 30, 2024			Year ended June 30, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Revenues:</b>						
Support from the public:						
Received directly-contributions	\$ 40,986	\$ 63,759	\$ 104,745	\$ 47,827	\$ -	\$ 47,827
Received directly-grants	100,000	-	100,000	-	-	-
Special events fundraisers:						
Revenues	884,320	-	884,320	962,727	-	962,727
Less: direct benefit costs	(554,816)	-	(554,816)	(532,660)	-	(532,660)
Net support from special events fundraisers	329,504	-	329,504	430,067	-	430,067
Total support from the public	470,490	63,759	534,249	477,894	-	477,894
Other revenue:						
Investment income, net	125,471	-	125,471	49,277	-	49,277
Other income	10,056	-	10,056	30,624	-	30,624
Total other revenue	135,527	-	135,527	79,901	-	79,901
Net assets released from restrictions	87,511	(87,511)	-	-	-	-
Total revenues	693,528	(23,752)	669,776	557,795	-	557,795

(continued)

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

**NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC.**

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS (CONTINUED)**

**YEARS ENDED JUNE 30, 2024 AND 2023**

	Year ended June 30, 2024			Year ended June 30, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>Expenses:</b>						
Program services:						
Research	\$ 44,864	\$ -	\$ 44,864	\$ 20,183	\$ -	\$ 20,183
Public health education	60,352	-	60,352	90,873	-	90,873
Professional education	169,829	-	169,829	88,558	-	88,558
Patient services	62,234	-	62,234	97,819	-	97,819
Community services	130,553	-	130,553	112,576	-	112,576
Total program services	<u>467,832</u>	<u>-</u>	<u>467,832</u>	<u>410,009</u>	<u>-</u>	<u>410,009</u>
Supporting services:						
Fundraising	31,772	-	31,772	13,769	-	13,769
Management and general	51,089	-	51,089	89,714	-	89,714
Total supporting services	<u>82,861</u>	<u>-</u>	<u>82,861</u>	<u>103,483</u>	<u>-</u>	<u>103,483</u>
Total expenses	<u>550,693</u>	<u>-</u>	<u>550,693</u>	<u>513,492</u>	<u>-</u>	<u>513,492</u>
Change in net assets	142,835	(23,752)	119,083	44,303	-	44,303
Net assets at beginning of year	<u>1,209,607</u>	<u>83,342</u>	<u>1,292,949</u>	<u>1,165,304</u>	<u>83,342</u>	<u>1,248,646</u>
Net assets at end of year	<u>\$ 1,352,442</u>	<u>\$ 59,590</u>	<u>\$ 1,412,032</u>	<u>\$ 1,209,607</u>	<u>\$ 83,342</u>	<u>\$ 1,292,949</u>

(concluded)

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



**NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC.**

**STATEMENTS OF CASH FLOWS**

**YEARS ENDED JUNE 30, 2024 AND 2023**

	<b><u>2024</u></b>	<b><u>2023</u></b>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES:</u></b>		
Change in net assets	\$ 119,083	\$ 44,303
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	4,860	9,582
Realized and unrealized gains on investments	(125,471)	(45,494)
Changes in operating assets and liabilities:		
Accounts receivable	1,060	1,940
Prepaid expenses	(5,858)	(7,522)
Other current assets	11	(8,511)
Accounts payable and accrued expenses	4,606	-
Deferred revenue	(25,000)	4,875
Net cash used in operating activities	<u>(26,709)</u>	<u>(827)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES:</u></b>		
Purchases of property and equipment	-	(34,022)
Proceeds from sales of investments	4,500	-
Net cash provided by (used in) investing activities	<u>4,500</u>	<u>(34,022)</u>
<b><u>NET CHANGE IN CASH AND CASH EQUIVALENTS</u></b>	(22,209)	(34,849)
<b><u>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</u></b>	<u>458,064</u>	<u>492,913</u>
<b><u>CASH AND CASH EQUIVALENTS - END OF YEAR</u></b>	<u>\$ 435,855</u>	<u>\$ 458,064</u>

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

**NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**YEAR ENDED JUNE 30, 2024**

	Program Services					Supporting Services				Total
	Research	Public Health Education	Professional Education	Patient Services	Community Services	Total Program Services	Fundraising	Management and General	Total Supporting Services	
Advertising	\$ 21	\$ 2,674	\$ 92	\$ 1,102	\$ 2,117	\$ 6,006	\$ 4,539	\$ 428	\$ 4,967	\$ 10,973
Awards and grants	-	-	6,400	1,250	-	7,650	1,500	2,352	3,852	11,502
Building occupancy	6,425	6,605	15,450	6,288	8,208	42,976	110,587	2,012	112,599	155,575
Depreciation	-	-	-	-	-	-	-	4,860	4,860	4,860
Direct assistance to patients	-	-	-	1,238	1,022	2,260	-	75	75	2,335
Employee benefits	5,977	3,096	7,525	3,732	19,823	40,153	8,239	1,718	9,957	50,110
Event expense	-	5,022	-	8,352	26,067	39,441	266,224	4,880	271,104	310,545
Insurance	13	58	57	62	315	505	9	710	719	1,224
Meetings and travel	-	3,591	13,006	5,547	14,030	36,174	486	373	859	37,033
Miscellaneous	-	-	-	-	-	-	275	-	275	275
Office supplies and services	5,099	7,112	14,785	3,202	6,265	36,463	9,517	1,806	11,323	47,786
Payroll taxes	482	545	842	556	480	2,905	1,968	352	2,320	5,225
Postage and shipping	-	1,916	-	153	-	2,069	-	1,377	1,377	3,446
Printing and publications	-	56	-	56	56	168	1,715	517	2,232	2,400
Professional fees	935	3,724	7,106	4,534	6,218	22,517	32,658	5,260	37,918	60,435
Revenue share payment to National	2,686	2,564	20,588	10,184	14,310	50,332	10,337	5,812	16,149	66,481
Salaries	23,226	23,389	83,978	15,978	31,642	178,213	70,354	7,918	78,272	256,485
Service provider	-	-	-	-	-	-	1,247	-	1,247	1,247
Taxes and licenses	-	-	-	-	-	-	66,933	10,639	77,572	77,572
<b>Total expenses</b>	<b>44,864</b>	<b>60,352</b>	<b>169,829</b>	<b>62,234</b>	<b>130,553</b>	<b>467,832</b>	<b>586,588</b>	<b>51,089</b>	<b>637,677</b>	<b>1,105,509</b>
Less: expenses netted with revenues on the statement of activities:										
Direct benefit cost of special events	-	-	-	-	-	-	(554,816)	-	(554,816)	(554,816)
<b>Total expenses reported by function</b>	<b>\$ 44,864</b>	<b>\$ 60,352</b>	<b>\$ 169,829</b>	<b>\$ 62,234</b>	<b>\$ 130,553</b>	<b>\$ 467,832</b>	<b>\$ 31,772</b>	<b>\$ 51,089</b>	<b>\$ 82,861</b>	<b>\$ 550,693</b>
2024 percentage of total expenses after deducting direct expenses	8.15%	10.96%	30.83%	11.30%	23.71%	84.95%	5.77%	9.28%	15.05%	100.00%

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

**NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES**

**YEAR ENDED JUNE 30, 2023**

	Program Services					Supporting Services				Total
	Research	Public Health Education	Professional Education	Patient Services	Community Services	Total Program Services	Fundraising	Management and General	Total Supporting Services	
Advertising	\$ 204	\$ 851	\$ 625	\$ 704	\$ 987	\$ 3,371	\$ 229	\$ 601	\$ 830	\$ 4,201
Awards and grants	-	-	-	68	-	68	376	1,500	1,876	1,944
Building occupancy	1,504	6,269	4,604	5,186	7,268	24,831	110,713	5,199	115,912	140,743
Depreciation	-	-	-	-	-	-	-	9,582	9,582	9,582
Direct assistance to patients	-	778	-	808	209	1,795	-	-	-	1,795
Employee benefits	2,375	9,902	7,273	8,191	11,481	39,222	4,054	8,211	12,265	51,487
Event expense	1,375	1,542	1,825	1,734	3,796	10,272	284,319	143	284,462	294,734
Insurance	26	146	167	19	194	552	866	750	1,616	2,168
Meetings and travel	4	2,204	650	15,096	2,551	20,505	1,525	1,794	3,319	23,824
Miscellaneous	-	-	-	-	-	-	-	3,509	3,509	3,509
Office supplies and services	1,439	8,050	22,324	6,499	8,218	46,530	6,364	2,381	8,745	55,275
Payroll taxes	616	4,070	2,387	3,626	4,480	15,179	1,373	2,131	3,504	18,683
Postage and shipping	25	153	78	88	123	467	49	687	736	1,203
Printing and publications	-	795	-	795	795	2,385	498	265	763	3,148
Professional fees	2,379	13,439	8,284	11,704	14,998	50,804	14,686	13,392	28,078	78,882
Revenue share payment to National	2,086	8,697	6,387	7,194	10,083	34,447	1,266	11,256	12,522	46,969
Salaries	8,150	33,977	33,954	36,107	47,393	159,581	58,266	28,175	86,441	246,022
Service provider	-	-	-	-	-	-	1,739	138	1,877	1,877
Taxes and licenses	-	-	-	-	-	-	60,106	-	60,106	60,106
<b>Total expenses</b>	<b>20,183</b>	<b>90,873</b>	<b>88,558</b>	<b>97,819</b>	<b>112,576</b>	<b>410,009</b>	<b>546,429</b>	<b>89,714</b>	<b>636,143</b>	<b>1,046,152</b>
Less: expenses netted with revenues on the statement of activities:										
Direct benefit cost of special events	-	-	-	-	-	-	(532,660)	-	(532,660)	(532,660)
<b>Total expenses reported by function</b>	<b>\$ 20,183</b>	<b>\$ 90,873</b>	<b>\$ 88,558</b>	<b>\$ 97,819</b>	<b>\$ 112,576</b>	<b>\$ 410,009</b>	<b>\$ 13,769</b>	<b>\$ 89,714</b>	<b>\$ 103,483</b>	<b>\$ 513,492</b>
2023 percentage of total expenses after deducting direct expenses	<u>3.93%</u>	<u>17.70%</u>	<u>17.25%</u>	<u>19.05%</u>	<u>21.92%</u>	<u>79.85%</u>	<u>2.68%</u>	<u>17.47%</u>	<u>20.15%</u>	<u>100.00%</u>

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

# NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC

## NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024 AND 2023

### 1. Summary of Significant Accounting Policies

#### History and Organization

National Kidney Foundation of Louisiana, Inc. (the Foundation) is a non-profit, non-stock corporation organized to provide effective treatment for and to aid in the research of kidney disease. The Foundation provides professional education, public education, community and patient services, and research to improve the care and treatment of those afflicted with diseases of the kidney. The Foundation is a voluntary health and welfare organization for purposes of financial statement presentation. The Foundation is supported primarily through donor contributions and special event revenues.

#### Basis of Accounting and Presentation of Net Assets

The Foundation prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States (US GAAP), which require the Foundation to report financial information regarding its financial position and activities according to the following net asset classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of Foundation's management and the board of directors.

**Net assets with donor restrictions:** Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity. The Foundation had no restrictions that were perpetual in nature as of June 30, 2024 or 2023.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities and changes in net assets.

#### Cash and Cash Equivalents

The Foundation considers all highly liquid investments available for current use with an original maturity of three months or less to be cash equivalents. The Foundation has no cash equivalents at June 30, 2024 or 2023.

#### Accounts Receivable

Accounts receivable represent billed amounts due for services or contributions pledged. Delinquent accounts receivable are written off in the year they are determined to be uncollectible. Management considers all accounts receivable to be fully collectible. Accordingly, no allowance for expected credit losses is required.

#### Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. See Note 8 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

# **NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC**

## **NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024 AND 2023**

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

#### Property and Equipment

Property and equipment is capitalized at cost and updated for additions and retirements during the year. The Foundation capitalizes property and equipment with values over \$2,500 per item. Donations of property and equipment are recorded as support at their estimated fair value as of the date received. Such donations are reported as without donor restriction support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Foundation reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Foundation reclassifies with donor restricted net assets to without donor restricted net assets at that time. Property and equipment are depreciated over their estimated useful lives, using the straight-line method. Expenditures for maintenance, repairs and minor renewals are charged against earnings as incurred. Major expenditures for renewals and betterments are capitalized.

#### Contributions and Grants

The Foundation recognizes contributions and grants when cash, securities, or other assets, an unconditional promise to give, or a notification of beneficial interest is received. Conditional promises to give – that is, those with measurable performance or other barriers and right of return (or release) – are not recognized until the conditions on which they depend have been substantially met. All contributions and grants are considered to be without donor restrictions unless specifically restricted by donors.

Receivables, consisting of contributions and grants, are stated at the amount management expects to collect from outstanding balances. The Foundation determines the allowance for uncollectable receivables based on historical experience, management's analysis of specific promises made, an assessment of economic conditions, and a review of subsequent collection. Receivables are written off when deemed uncollectable. As of June 30, 2024 and 2023, the Foundation did not deem any receivables to be uncollectable; therefore, no allowance was recorded.

Revenues from federal and state grants are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the Foundation has met the performance requirements and/or incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the accompanying statements of financial position. The Foundation recognized as revenue all funds related to these grants during the years ended June 30, 2024 and 2023.

#### Special Event Fundraisers Revenues

Revenues consist mainly of bingo activities, comprising of a series of individual bingo games hosted by the Foundation throughout the fiscal year, and other individual fundraising activities. The Foundation's performance obligations related to these activities are satisfied as the individual events are hosted and occur at a point in time. Fees and charges for such activities are collected in advance or during the individual event. Occasionally, sponsorships or event fees are collected in advance of the event and remain outstanding as of the end of a fiscal year. Such advance collections will result in deferred revenues recorded on the accompanying statements of financial position.

# NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC

## NOTES TO FINANCIAL STATEMENTS

### JUNE 30, 2024 AND 2023

#### 1. Summary of Significant Accounting Policies (continued)

##### Functional Expenses

The costs of providing the program services and other activities have been summarized on a functional basis in the accompanying statements of activities and changes in net assets. The accompanying statements of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses are allocated on a reasonable basis that is consistently applied. When possible, expenses are first allocated by direct identification and then allocated to various programs and functions, if an expenditure benefits more than one program or function. The expenses that are allocated are allocated among the programs and supporting services benefited, using appropriate methodologies such as time and effort.

##### Income Taxes

The Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and from state income tax under Section 121(5) of Title 47 of the Louisiana Revised Statutes. Based upon the amount of its investment income and the composition of its public support, the Foundation qualifies for non-private foundation status under Section (509)(a)(2) of the Internal Revenue Code; therefore, the Foundation's tax-exempt status extends to its net investment income. The Foundation is subject to tax on its unrelated taxable income associated with its Bingo fundraising activities. During the years ended June 30, 2024 and 2023, the Foundation incurred taxable income relating to these activities. Included in expenses is tax expense of \$77,572 and \$60,106 for the years ended June 30, 2024 and 2023, respectively.

Accounting Standards Codification, "Income Taxes", clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements. It also clarifies the application of accounting for income taxes by defining a criterion that an individual tax position must meet for any part of the benefit of that position to be recognized in an entity's financial statements. The interpretation requires recognition and measurement of uncertain income tax positions using a "more-likely-than-not" approach. The Foundation has determined that it does not have any uncertain tax positions that qualify for either recognition or disclosure in the financial statements.

##### Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates, and those differences could be material.

##### New Accounting Pronouncements – Adopted

On July 1, 2023, the Foundation adopted the Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-13: *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which significantly changed how entities measure credit losses for most assets and certain other instruments that aren't measured at fair value through net income. 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. Financial assets held by the Foundation that are subject to the guidance in FASB ASU 2016-13 are accounts receivables. Adoption of this standard did not have a material effect on the financial statements.

**NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024 AND 2023**

**2. Availability and Liquidity**

The following represents the Foundation's financial assets at June 30:

	<u>2024</u>	<u>2023</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 435,855	\$ 458,064
Accounts receivable	-	1,060
Investments	927,801	806,830
Total financial assets	<u>1,363,656</u>	<u>1,265,954</u>
Less amounts not available to be used within one year or unavailable for general expenditures:		
Assets with donor restrictions (Note 6)	(59,590)	(83,342)
Less amounts unavailable to management without Board approval:		
Board designated for fellowships (Note 5)	<u>(121,738)</u>	<u>(115,464)</u>
Total amount unavailable for general expenditures over the next twelve months	<u>(181,328)</u>	<u>(198,806)</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,182,328</u>	<u>\$ 1,067,148</u>

The Foundation has certain board-designated and donor-restricted assets limited to use which are not available for general expenditure within one year in the normal course of operations. Accordingly, these assets have been included in the qualitative information above. These assets limited to use, which are more fully described in Notes 5 and 6, are not available for general expenditure within the next year.

The Foundation's goal is generally to maintain financial assets to meet 90 days of operating expenses in the General Operating Fund as well as the Charitable Gaming Fund (approximately \$100,000 - 150,000 in each). As part of its liquidity plan, excess cash over FDIC insurance limits is transferred to the Foundation's Charles Schwab investment accounts, managed by Eagle Capital. The Foundation does not maintain a line of credit.

**NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024 AND 2023**

**3. Concentration of Credit Risk**

The Foundation has concentrated its credit risk for cash by maintaining investments in financial institutions in New Orleans, Louisiana, which may at times exceed amounts covered by insurance provided by the FDIC.

The Foundation also has short-term investments placed with a brokerage firm. While not insured by FDIC, protections are afforded for these amounts through the Securities Investor Protection Corporation (SPIC) and the Customer Asset Protection Company (CAPCO).

Financial instruments that potentially subject the Foundation to concentrations of credit risk consist primarily of accounts receivable. Substantially all of the Foundation's receivables are due from individuals and corporations located in the state of Louisiana. It is the Foundation's policy not to require collateral on their accounts receivable.

**4. Retirement Plan**

The Foundation sponsors a 403(b) employee benefit plan covering substantially all employees who meet minimum age requirements. Contributions to the plan for the years ended June 30, 2024 and 2023 were \$12,393 and \$27,980, respectively.

**5. Designated Net Position**

In 1998, the Board of Directors of the Foundation designated that certain without donor restricted revenues be used to create a fund to fund research fellowship amounts. Annually, the Board designates 5% of certain without donor restricted net earnings to this fund. As of June 30, 2024 and 2023, the balance in this fund totaled \$121,738 and \$115,464, respectively.

**6. Net Assets with Donor Restrictions**

The Foundation has funds specifically restricted for research. Donations to the Maurice Pearl Fellowship are restricted for research. The Foundation also has several smaller funds restricted for specific purposes, and these funds are expended according to the donor guidelines.

Restricted net assets are available for the following purposes as of June 30:

	<u>2024</u>	<u>2023</u>
Research:		
Maurice Pearl Fellowship	\$ 26,809	\$ 44,732
Other:		
KEEP Program	12,594	14,817
Other (restricted to specific purposes)	20,187	23,793
	<u>\$ 59,590</u>	<u>\$ 83,342</u>



## **NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC**

### **NOTES TO FINANCIAL STATEMENTS**

#### **JUNE 30, 2024 AND 2023**

#### **7. Payments to Affiliated Organization**

The Foundation is an affiliate of the National Kidney Foundation. The Foundation is required to contribute share payments to National Kidney Foundation in the form of an annual license fee. Prior to July 1, 2023, the annual license fee amounted to 25% of shareable revenues less allowable deductions. Effective July 1, 2023, the annual license fee is equal to a percentage derived from the quotient of (i) an amount equal to the rolling average of three years of payments from the Affiliate to NKF, divided by (ii) the rolling average of three years of Affiliate Net Revenue, with the resulting percentage rounded to the nearest whole number. "Affiliate Net Revenue" for a particular fiscal year is defined as the following calculation from Affiliate's audited financial statements for the prior fiscal year ("Audited Financial Statements"): the difference of Affiliate's total unrestricted revenue less (A) net assets released from restrictions, (B) net investment income, (C) grant revenue, (D) unrestricted revenue from bequests received by Affiliate, and (E) any non-operating funds, such as funds received under the Paycheck Protection Program and any federal employee retention credits, in each case as set forth in the Audited Financial Statements in a manner consistent with generally accepted accounting principles for nonprofit organizations. In no event shall the License Fee be less than ten (10%) percent nor exceed twenty-five (25%) percent.

The Foundation's share payments totaled of \$66,481 and \$46,969 during the years ended June 30, 2024 and 2023, respectively, and are reflected in the accompanying statements of functional expenses as revenue share payment to national.

#### **8. Fair Value of Financial Instruments**

The FASB authoritative guidance for fair value measurements defines fair value as the exchange price that would be received for an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. The guidance also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs when measuring fair value.

The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability on the measurement date. The three levels are defined as follows:

- Level 1 – inputs to the valuation methodology are quoted prices (unadjusted) for an identical asset or liability in an active market.
- 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; and 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 models, discounted cash flow models, and similar techniques.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used during the years ended June 30, 2024 and 2023.

**NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024 AND 2023**

**8. Fair Value of Financial Instruments (continued)**

*Money market funds:* Valued at cost plus interest which approximates fair value (Level 1 inputs).

*Common stocks:* Valued at the closing price reported on the active or observable market on which the individual equities are traded (Level 1 inputs).

*Mutual funds:* Valued at the daily closing price as reported by the mutual fund. Mutual funds held by the Foundation are open-ended mutual funds that are registered with the SEC. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded (Level 1 inputs).

*Fixed income funds:* Valued at closing price reported on the active or observable market on which the funds are traded (Level 1 inputs).

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table presents financial assets measured at fair value on a recurring basis as of June 30, 2024 by fair value measurements valuation hierarchy:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Market Funds:				
US Govt Money Market	\$ 36,312	\$ -	\$ -	\$ 36,312
Common Stocks	625,272	-	-	625,272
Mutual Funds:				
US Large Cap	8,153	-	-	8,153
US Sector	1,430	-	-	1,430
Fixed Income Funds:				
Short-Term Bonds	118,047	-	-	118,047
Long-Term Bonds	138,587	-	-	138,587
Total	<u>\$ 927,801</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 927,801</u>

The following table presents financial assets measured at fair value on a recurring basis as of June 30, 2023 by fair value measurements valuation hierarchy:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Money Market Funds:				
US Govt Money Market	\$ 66,813	\$ -	\$ -	\$ 66,813
Common Stocks	277,009	-	-	277,009
Mutual Funds:				
US Large Cap	168,868	-	-	168,868
US Sector	30,987	-	-	30,987
Fixed Income Funds:				
Short-Term Bonds	263,153	-	-	263,153
Total	<u>\$ 806,830</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 806,830</u>

**NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC**

**NOTES TO FINANCIAL STATEMENTS**

**JUNE 30, 2024 AND 2023**

**9. Subsequent Events**

Management has evaluated events through the date that the financial statements were available to be issued, October 29, 2024, and determined that no events occurred that required disclosure. No other subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**SUPPLEMENTARY INFORMATION**

**NATIONAL KIDNEY FOUNDATION OF LOUISIANA, INC.**

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

**Agency Head: Torie Kranze, Chief Executive Officer**

<u>Purpose</u>	<u>Amount</u>
Salary	\$ -
Benefits - Insurance	-
Benefits - Retirement	-

R.S. 24:513 (A) (3) requires reporting of the total compensation, reimbursements, and benefits paid to the agency head or chief executive officer. This law was further amended by Act 462 of the 2015 Regular Session which clarified that nongovernmental or not for profit local auditees are required to report only the compensation, reimbursements, and benefits paid to the agency head or chief executive officer paid from public funds.

The Foundation is not required to report any total compensation, reimbursements, and benefits paid to the agency head as these costs are supported by private funds.

See accompanying independent auditors' 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***

To the Officers and Board of Directors of  
National Kidney Foundation of Louisiana, Inc.  
New Orleans, Louisiana

We have audited, 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 (*Government Auditing Standards*), the financial statements of National Kidney Foundation of Louisiana, Inc. (the Foundation), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 29, 2024

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Foundation's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation'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 Foundation'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 the Foundation's financial statements are free from material misstatement, 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 financial statements. 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 Foundation'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 Foundation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*EisnerAmper LLP*

EISNERAMPER LLP  
Metairie, Louisiana  
October 29, 2024

EISNERAMPER  
LLP

