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September 23, 2021

Mr. Linus Eukel, Executive Director
John Muir Land Trust
P.O. Box 31
Martinez, California 94553

Dear Linus:

We have recently concluded the preparation of amended tax returns for John Muir Land Trust for the fiscal years ended June 30, 2018, June 30, 2019, and June 30, 2020.

As you know, the preparation of the amended returns was necessary as a result of John Muir Land Trust's adoption of a more consistent approach to functional expense allocation as promulgated by FASB Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements for Not-For-Profit Entities*.

ASU 2016-14 advocates for following a sound and consistent basis in allocating costs under a logical and systematic method. Your staff was instrumental in preparing schedules which used, as the basis for many common expenses, employee time records to determine how costs were utilized and how such expenditures benefited the organization. Additionally, land purchase costs have now been properly reflected under Program Activities on Form 990 Page 10, a practice followed by many land trusts.

Accordingly, in each of the amended tax returns you will find this verbiage on Schedule O:

“Subsequent to filing the original tax return, management determined that certain functional expenses were incorrectly distributed. Accordingly, an amended tax return has been prepared to properly reflect the allocated expenses.”

We believe the amended tax returns present a more accurate representation of cost allocations among programs, general and administrative, and fundraising expenses for John Muir Land Trust for the past three years. We understand that management will continue to follow the functional allocation method it recently developed for future fiscal periods.

We would like to take this opportunity to acknowledge the courtesy and assistance extended to us by personnel of JMLT during the course of our work.

Sincerely,


Douglas W. Regalia, Partner
Regalia & Associates, CPA's