



THE OCEAN FOUNDATION

ANNUAL REPORT

JULY 1, 2008 TO JUNE 30, 2009

TELL US WHAT  
YOU WANT TO DO  
FOR THE OCEAN



*We will take care of the rest*

## COASTAL CONSERVATION AND SUSTAINABLE DEVELOPMENT

\$421,592

Dear Friends of The Ocean Foundation,

Putting together the annual report gives us the opportunity to pause and look back at the last fiscal year to see what we have accomplished with the help of hundreds of contributors, financial and otherwise.

The Ocean Foundation by its mission, structure, and activities, has many moving parts. When The Ocean Foundation began, part of the goal was to ensure that TOF would remain flexible enough to nurture an array of good ideas and the smart people behind them, so that ocean conservation as a whole would be strengthened, and our oceans would be healthier. We are proud to have maintained that flexibility even as we have also had to adapt to changing economic conditions, increasingly complex fiscal reporting requirements by the Internal Revenue Service and various state entities, and the identification of new or increasing threats to the health of the world oceans.

Following is a brief summary of the highlights of the most recently completed fiscal year. We offer our thanks to everyone who helps us help those who want to help the oceans.

All the best,

J. Thomas McMurray,  
Chair

Mark J. Spalding,  
President



### St. Kitts Foundation

In July of 2008, The Ocean Foundation's St. Kitts Foundation co-sponsored the Heritage Conservation Symposium on the preservation and conservation of the natural and built aspects of St. Kitts and Nevis. About 50 attendees listened to presentations, and then, participated in developing a plan that was designed for use in seeking EU support for heritage preservation.

### Coastal Ocean Values Center

The Ocean Foundation Senior Fellow and Director of Economic Research Dr. Linwood Pendelton edited and published "The Economic and Market Value of America's Coasts and Estuaries: What's At Stake?" in January of 2009. The book is a collection of essays on the contribution of coasts and estuaries to the U.S. economy by 12 notable experts on coastal economic valuation.



### Coastal Code

Coastal Code, a project funded by a 1% contribution from every bottle of Alaska Brewing Company's Alaskan IPA sold, continues to encourage west coast communities to take ownership of their shores through beach clean-ups and educational seminars. In 2008, Coastal Code announced the creation of the Code Keepers Expedition, a program where four community-minded surfers from the West Coast are chosen to travel to Alaska for a week to learn about coastal conservation and to help facilitate beach clean-ups.

### Cuba Marine Research and Conservation Fund

In the summer of 2008, The Ocean Foundation created the Cuba Marine Research and Conservation Fund to help finance a project to study the unique marine ecosystems found in Cuban waters. Dr. David Guggenheim



and Fernando Bretos, the project's leaders, also organized the "Workshop on Cuba-Mexico-US Collaboration in Marine Science & Conservation" in order to facilitate discussion and joint activities between the US, Mexico, and Cuba on marine conservation.



Through this project, in April 2009 our team visited the Isla de la Juventud, Cuba, to study the sea turtle population on and near the island, but also to host a fishermen's exchange workshop between ten Cuban fishermen and four Mexican fishermen representing Grupo Tortuguero to share best practices in avoiding sea turtle by-catch.



Photo: Dora Valdez

## Presentations

Mark J. Spalding presented our resort partnership and coastal sustainable development standards at the Forum on Tourism, Regional Development and Sustainable Communities in La Paz (focused on the Sea of Cortez region), the South American Hotel & Tourism Investment Conference in Buenos Aires, the Hotels & Money Latin America in Florida, and at the Travelers' Philanthropy Conference in Tanzania. Mark also provided advice to projects in Haiti, Belize and the Dominican Republic regarding our coastal sustainable development standards.



## NEAR SHORE ECOSYSTEM PROTECTION

\$408,870

### Coral Reef Fund

In the summer of 2008, TOF co-sponsored and participated in the 11<sup>th</sup> International Coral Reef Symposium in Ft. Lauderdale, Florida. Every four years, this major symposium brings together more than 2,500 coral reef conservationists, scientists, and other experts from around the world to share information and discuss preservation and conservation strategies.

In the spring of 2009, TOF, in conjunction with the U.S. National Oceanic and Atmospheric Administration, organized and hosted "The First International Workshop On *Corallium* Science, Management and Trade" in Hong Kong. This workshop brought together scientists and policy makers from around the world to discuss the challenges and benefits of a CITES Appendix II listing for the family *Corallidae*. The proposal for the listing of Corallidae will be voted on at the next CITES Conference of Parties in Doha, Qatar in March of 2010.



### Seagrass Fund

TOF's seagrass fund continued to support

seagrass restoration and education efforts this year by sponsoring an exhibit on seagrasses at the Florida Aquarium. To show his support for seagrass restoration and education initiatives, Florida Governor Charlie Crist announced March 2009 as Seagrass Awareness Month at the opening of the exhibit in February. In the fall of 2008, we funded 4,000 square feet of seagrass restoration in the Florida Keys National Marine Sanctuary.



## PELAGIC ECOSYSTEM PROTECTION

\$541,929

### Tag-a-Giant Fiscal Sponsorship Fund



The Tag-a-Giant Fiscal Sponsorship Fund continued to support the work of scientists in tracking the movement of vital marine species. On October 20<sup>th</sup> of 2008, the TAG team reached a major milestone by fixing its 1000th electronic tracking device to a massive half-ton Atlantic bluefin tuna in the waters off of Nova Scotia.



### SEEturtles

SEEturtles, an Ocean Foundation sustainable tourism project, continued to organize conservation-oriented volunteer trips and vacations to areas with critical sea turtle habitats.

### Expedition Vaquita



In 2008, TOF paired with earthOCEAN to create Expedition Vaquita, a stunning documentary capturing the events of a scientific expedition to study the plight of critically endangered Vaquita Porpoise. During this trip, NOAA's "big eyes" allowed our grantee to locate and obtain some of the best still and video clips of this elusive small porpoise. We hope these images will help galvanize public support for the measures necessary to prevent its extinction.

### Pacific Life Whale Research Fund

In January of 2009, The Ocean Foundation and the Pacific Life Foundation, the philanthropic arm of Pacific Life Insurance, announced the creation of The Ocean Foundation's new Pacific Life Whale Research Fund to provide grants to research projects focused on marine cetacean species, particularly focusing on the world's most endangered marine mammals.



Photos: Michael Fishbach

## OCEAN LITERACY

\$934,774

Progress on ocean conservation simply will not be possible without a broad base of ocean literate citizens to help make it happen. At the same time, an investment in education and innovation – in human capital – is demonstrably one of the best investments that can be made in long-term, across-the board economic growth. Thus ocean literacy needs to be emphasized as an integral and critical component of all strategies to move forward on ocean conservation.

### The Ocean Project



The Ocean Project, working collaboratively with the Monterey Bay Aquarium and the National Aquarium in Baltimore, conducted and released a major report on public opinion about the oceans and how advocacy groups, aquariums, zoos, and museums can shape their message when developing their conservation communications strategies. The report, "America, the Ocean, and Climate Change: New Research Insights for Conservation, Awareness, and Action" was released in June of 2009 and funded by an NOAA ocean literacy grant. Survey data was based on 22,000 responses from adults in the United States and the overall confidence level is 95%.



### The Ocean Doctor



In October of 2008, Dr. David Guggenheim, announced his "50 years-50 states-50 speeches" initiative, a plan in which he hopes to give a speech in at least one school in each state to raise awareness about ocean conservation. States visited so far, 13. Lives touched, countless.



## Ocean Revolution

Andrea Marshall, a Ph. D. candidate at the University of Queensland and the director of an Ocean Revolution project recently made headlines when she presented her research on manta rays at the American Elasmobranch Symposium in Montreal, Canada in July 2008. While researching in Mozambique, Marshall discovered at least one new species of manta ray and possibly a second.

## Blue Legacy International



This year, Blue Legacy International, a project of The Ocean Foundation created by Alexandra Cousteau set out on their first Expedition: Blue Planet to “tell the story of our Water Planet” by illustrating the interconnectedness of all water issues. This 100-day global exploration paired the Cousteau tradition of expeditionary storytelling with innovative social media techniques resulting in over thirty-seven “conversation starting” videos filmed in India, Botswana, Australia, Cambodia, the West Bank, Washington DC and The Mississippi River. Blue Legacy distributes its work on their website “[www.alexandracousteau.org](http://www.alexandracousteau.org)” as well as through a network of leading mainstream and environmental publishers and broadcasters including National Geographic, Discovery, CNN International, MNN, Treehugger, PlanetGreen, and more than 30,000 influential websites and blogs. Blue Legacy was nominated for in two categories of the famed Jackson Hole Film Festival this year as well.

## Surfers Without Borders

Surfers Without Borders, a fiscally-sponsored project of The Ocean Foundation, continued to promote sustainable practices in Mexico and Nicaragua. This year, SWoB helped five communities develop permaculture practices, spread the use of ecological sanitation systems, created cost-effective water bottle refilling programs to fight marine debris, facilitated community art projects and youth



Photo: Kemi Vernon <http://www.aubervations.com>

education workshops, and taught locals some surfing tricks to help get people interested in sustainability and the health of the oceans. For more information, please visit [www.surferswithoutborders.org](http://www.surferswithoutborders.org).



## Scholarships

Encouraging and facilitating marine conservation education is necessary to ensure the existence of marine ecosystems present today. By housing and managing scholarships for promising young students in marine-related fields of study, The Ocean Foundation is helping to ensure that in the future our oceans are in good hands. The Surfrider Scholarship, managed by The Ocean Foundation, provides funds for student members

of the Surfrider Foundation studying in ocean-related Undergraduate, Masters, and Ph. D. programs. This year’s awards went to Matthew Gribble, an Undergraduate at Stanford University studying the implications of mercury pollution on coastal

public health, Megan Wehrenberg, a Master’s student at San Francisco State University studying the life history of red seaweeds in Central California; and Ian Miller, a Ph. D. student at University of California Santa Cruz studying coastal restoration efforts in Elwha. For more information on the Surfrider Foundation, please see [www.surfrider.org](http://www.surfrider.org).

## Boyd Lyon Sea Turtle Fund

In May of 2009, Melania C. Lopez Castro was awarded the second Boyd Lyon Sea Turtle Fund scholarship for her continued work on understanding the habitat locations of young sea turtles. Melania is a Ph. D. student at the University of Florida Department of Biology and will study the life cycle of young sea turtles in Nicaragua, Brazil, Florida, and the Bahamas.

## Setting Ocean Priorities for a New Administration and Congress

We prepared and submitted “A Blueprint for a Coastal and Ocean Policy for the New Administration,” which was signed by 48 leading conservation organizations.

## WORKSHOPS AND CONFERENCES

As we have for the past five years, we played a role in the annual CGBD marine funders meeting by managing and doing the analysis of the annual marine funding survey that cumulates the responses of nearly 50 foundations.

We once again co-sponsored the Capitol Hill Oceans Week, which this year focused on the "BLUE Economy: Understanding the Ocean's Role in Our Nation's Financial Future." This grant benefited hundreds of attendees.

TOF co-sponsored the Blue Vision Summit, a meeting of over 500 scientists and professionals to discuss ocean conservation strategies and talk to members of congress about the importance of a responsible U.S. ocean policy.

The Protected Marine Environment Workshop in Brazil, a joint project with the Brazilian Biodiversity Fund, helped to encourage the creation of Marine Protected Areas in Brazilian waters by drawing upon the lessons learned by successful MPA programs from around the world. Nearly 80 people attended this workshop, and developed a plan for a network of marine protected areas in Brazil.

In June 2009, we facilitated a World Heritage Alliance for Sustainable Tourism training meeting in Mexico that included 25 trainees.

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## OCEAN RESILIENCE

\$1,249,707

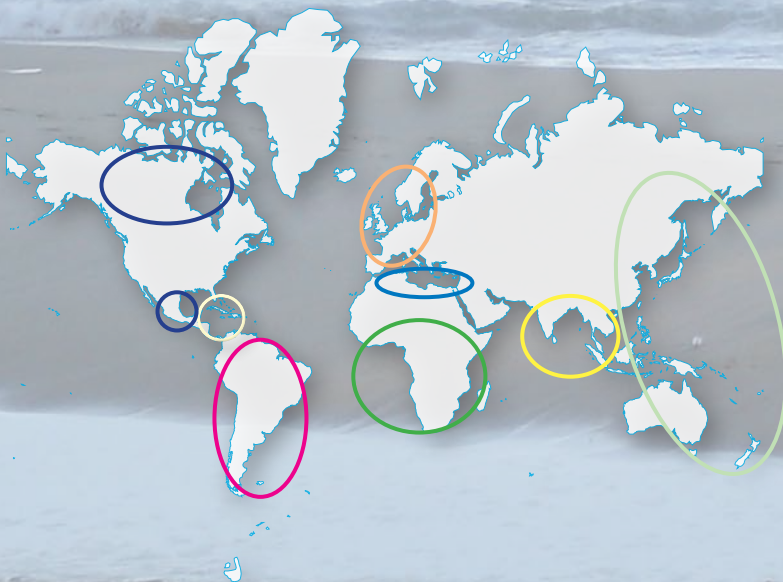
Human induced climate change threatens coastal and marine ecosystems through sea-level rise, acidification, and changes in weather patterns and water temperatures. These changes will also seriously alter coastal development, the reliability of ocean shipping, coastal recreation and marine activities such as oil platforms and aquaculture, thus adding economic risks.

Oceans and climate are inextricably linked and oceans play a fundamental role in mitigating climate change by serving as a major heat and carbon sink. Oceans also bear the brunt of climate change, as evidenced by growing acidification, sea level increase, and changes in temperature and currents, all of which in turn impact the health of marine species, ecosystems, and our coastal communities. As concerns about climate change increases, the interrelationship between oceans and climate change must be recognized, understood, and incorporated into climate change policies.

Funding in this category for numerous grants and projects are intended to create positive feedback loops through effective monitoring, all while restoring ecosystems, reducing pollution, and reducing threats of development, pollution and habitat degradation in the last intact places. In this manner, site-specific conservation, resource management, and mitigating the impact of potentially damaging human activities will promote resilience in the face of monumental change.

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## SPENDING BY INTERNATIONAL REGION



Central America & The Caribbean	\$63,350.47
East Asia & Pacific	\$68,298.95
Europe	\$9,481.62
Middle East & North Africa	\$16,852.37
Canada and Mexico	\$1,048,244.58
South America	\$21,221.41
South Asia	\$26,590.00
Sub-Saharan Africa	\$143,468.06

# THE OCEAN FOUNDATION

## STATEMENT OF FINANCIAL POSITION, JUNE 30, 2009

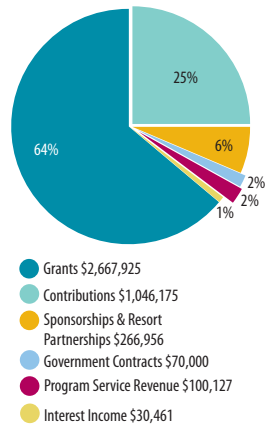
## STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2009

ASSETS	
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$1,331,305
Grants and accounts receivable	1,025,054
Prepaid expenses	11,579
	2,367,938
<b>PROPERTY AND EQUIPMENT</b>	
Equipment and software	37,265
Less: accumulated depreciation	27,098
	10,167
<b>TOTAL ASSETS</b>	<b>\$2,378,105</b>
LIABILITIES AND NET ASSETS	
<b>CURRENT LIABILITIES</b>	
Accounts payable & accrued expenses	\$50,160
<b>TOTAL LIABILITIES</b>	50,160
<b>NET ASSETS</b>	
Unrestricted - Non-Designated	76,554
- Board Designated	930,657
Temporarily restricted	1,320,734
<b>TOTAL NET ASSETS</b>	2,327,945
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$2,378,105</b>

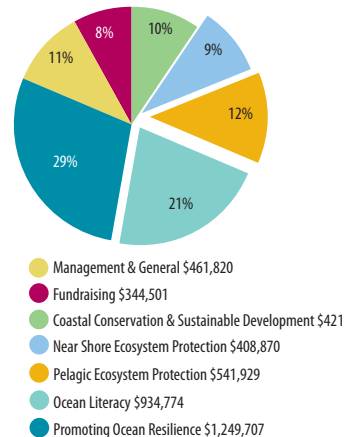
*(The Ocean Foundation's complete audited financial statements may be obtained by writing to [info@oceanfdn.org](mailto:info@oceanfdn.org))*

	Unrestricted	Temporarily Restricted	Total
<b>REVENUE &amp; SUPPORT</b>			
Grants & contributions	\$338,730	\$3,642,325	\$3,981,055
Program service revenue	170,127		170,127
Interest income	30,461		30,461
	539,318	3,642,325	4,181,643
<b>Net assets released from restriction:</b>			
Satisfaction of program restrictions	4,681,634	4,681,634	-
<b>Total revenue &amp; support</b>	<b>5,220,952</b>	<b>(1,039,309)</b>	<b>4,181,643</b>
<b>EXPENSES</b>			
<b>Program Services</b>			
Coastal Conservation and Sustainable Development	421,592	-	421,592
Near Shore Ecosystem Protection	408,870	-	408,870
Pelagic (Offshore) Ecosystem Protection	541,929	-	541,929
Ocean Literacy	934,774	-	934,774
Promoting Ocean Resilience	1,249,707	-	1,249,707
<b>Total program expenses</b>	3,556,872	-	3,556,872
<b>Support Services</b>			
Management & General	461,820	-	461,820
Fundraising	344,501	-	344,501
<b>Total support expenses</b>	806,321	-	806,321
<b>Total expenses</b>	<b>4,363,193</b>	<b>-</b>	<b>4,363,193</b>
<b>CHANGE IN NET ASSETS (DEFICIT)</b>	857,759	(1,039,309)	(181,550)
Beginning net assets	149,452	2,360,043	2,509,495
<b>Ending net assets</b>	<b>\$1,007,211</b>	<b>\$1,320,734</b>	<b>\$2,327,945</b>

**INCOME BY TYPE,  
FISCAL YEAR ENDED JUNE 30, 2009**  
Total Income \$4,181,643



**EXPENSES BY PROGRAM AND SUPPORT FUNCTION,  
FISCAL YEAR ENDED JUNE 30, 2009**  
Total Expenses \$4,363,193



## THE OCEAN FOUNDATION

### STATEMENT OF FUNCTIONAL EXPENSES, FOR THE YEAR ENDED JUNE 30, 2009

	Coastal Conservation & Sustainable Development	Near Shore Ecosystem Protection	Pelagic (offshore) Ecosystem Protection	Ocean Literacy	Promoting Ocean Resilience	Total Program	Management & General	Fundraising	Total Expenses
Grants awarded	\$106,567	\$167,150	\$243,818	\$119,295	\$1,146,897	\$1,783,727	\$-	\$-	\$1,783,727
Salaries & wages	133,460	40,528	20,264	136,872	49,290	380,414	230,448	170,469	781,331
Payroll taxes	9,487	2,881	1,440	9,748	3,504	27,060	15,864	11,859	54,783
Employee benefits	17,795	5,404	2,702	18,285	6,572	50,758	29,757	22,245	102,760
Training & development	1,564	637	904	3,102	967	7,174	2,619	2,806	12,599
Travel & carbon offsets	10,984	65,768	5,197	160,570	5,386	247,905	3,919	27,914	279,738
Conferences & meetings	2,102	48,732	1,517	25,041	3,926	81,318	1,397	7,129	89,844
Project & field expenses	135	2,887	-	22,952	-	25,974	-	-	25,974
Educational merchandise	-	-	344	39	-	383	-	-	383
Scientific & technical consultants	27,000	10,800	140,962	-	-	178,762	-	-	178,762
Research & advocacy fees	71,323	15,549	63	143,128	19,050	249,113	681	180	249,974
Communications & design fees	5,550	3,800	41,309	97,776	221	148,656	999	995	150,650
Web hosting, design & maint	5,485	9,158	2,547	31,448	944	49,582	4,268	16,514	70,364
Program mgt & support fees	9,750	27,340	66,938	106,851	2,430	213,309	29,563	58,360	301,232
Accounting & bookkeeping svcs	-	-	-	-	-	-	111,823	-	111,823
Insurance	811	330	468	7,662	300	9,571	7,486	1,351	18,408
Office expenses, supplies, equip	1,085	1,353	2,432	7,984	394	13,248	1,146	1,006	15,400
Occupancy	12,805	3,521	4,993	18,187	3,201	42,707	14,467	14,403	71,577
Telephone & internet	2,511	384	1,144	7,563	1,048	12,650	1,246	1,588	15,484
Printing & duplicating	672	1,072	1,627	6,396	92	9,859	355	1,126	11,340
Postage & delivery	155	69	668	1,573	10	2,475	161	55	2,691
Dues, books & subscriptions	853	172	462	2,042	1,832	5,361	594	908	6,863
Bank & donation processing fees	726	395	1,684	1,798	174	4,777	2,695	430	7,902
Depreciation	772	315	446	2,325	286	4,144	1,292	5,163	10,599
Advertising	-	-	-	4,037	3,183	7,220	360	-	7,580
Licenses, taxes & fees	-	625	-	100	-	725	680	-	1,405
	\$421,592	\$408,870	\$541,929	\$934,774	\$1,249,707	\$3,556,872	\$461,820	\$344,501	\$4,363,193

### TYPE OF FUNDS THE OCEAN FOUNDATION MANAGES

*Please tell us what you would like to do for the ocean*

**Donor-Advised Funds** are set up by a donor to be spent in support of marine conservation with a special emphasis on those areas perceived as greatest need with the advice of the donor.

**Field of Interest Funds** leverage the contributions of multiple donors in support of conservation efforts in specific geographic or issue areas of concern, such as Alaska's oceans, coral reefs or marine mammals.

**Fiscal Sponsorship Funds** are semi-independent short term or incubatory projects housed at The Ocean Foundation, for which we provide financial oversight, tax and corporate compliance, and other services as needed.

**Committee-Advised and Resort Partnership Funds** are generally geographically or topically specific and each has a Board of Advisors that provides input into how funds are spent.

Greater detail about all of our funds can be found on The Ocean Foundation website [www.oceanfdn.org](http://www.oceanfdn.org).



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*The Ocean Foundation is the only  
international community foundation  
dedicated to the oceans. Its niche  
is providing high-end philanthropic  
advice for the community of donors  
who care about coasts and the ocean.*

