



ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

DECEMBER 31, 2017 AND 2016

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

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DECEMBER 31, 2017 AND 2016

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Independent Auditors' Report

Board of Directors
Environmental and Energy Study Institute
Washington, D.C.

We have audited the accompanying financial statements of the Environmental and Energy Study Institute (EESI), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of EESI as of December 31, 2017 and 2016, 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.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of functional expenses on pages 18 and 19 are presented for purposes of additional analysis and are 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 audits 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, that information is fairly stated in all material respects in relation to the financial statements as a whole.

Councilor, Buchanan + Mitchell, P.C.

Washington, D.C.
May 31, 2018

Certified Public Accountants

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Assets		
Current Assets		
Cash	\$ 254,897	\$ 207,253
Interest Receivable	8,780	7,752
Grants and Donations Receivable	503,513	165,294
Prepaid Expenses	46,439	34,811
Total Current Assets	<u>813,629</u>	<u>415,110</u>
Investments	3,175,625	3,092,760
Property and Equipment, Net	11,831	33,849
Deposits	21,757	9,890
Total Assets	<u>\$ 4,022,842</u>	<u>\$ 3,551,609</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 27,928	\$ 26,455
Pass-Through Grant Payable	75,000	-
Accrued Vacation	71,946	70,299
Refundable Advances	21,475	-
Deferred Rent	5,113	29,916
Total Current Liabilities	<u>201,462</u>	<u>126,670</u>
Deferred Rent, Net of Current Portion	-	5,113
Total Liabilities	<u>201,462</u>	<u>131,783</u>
Net Assets		
Unrestricted	2,986,753	2,812,947
Temporarily Restricted	834,627	606,879
Total Net Assets	<u>3,821,380</u>	<u>3,419,826</u>
Total Liabilities and Net Assets	<u>\$ 4,022,842</u>	<u>\$ 3,551,609</u>

See accompanying Notes to Financial Statements.

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue			
Grants and Other Program Revenue	\$ 185,981	\$ 770,544	\$ 956,525
Donations	299,978	-	299,978
Workplace Giving	38,317	-	38,317
Investment Income	374,514	-	374,514
Net Assets Released from Restrictions	542,796	(542,796)	-
Total Revenue	<u>1,441,586</u>	<u>227,748</u>	<u>1,669,334</u>
Expenses			
Program	1,122,726	-	1,122,726
General and Administrative	53,166	-	53,166
Development	91,888	-	91,888
Total Expenses	<u>1,267,780</u>	<u>-</u>	<u>1,267,780</u>
Change in Net Assets	173,806	227,748	401,554
Net Assets, Beginning of Year	<u>2,812,947</u>	<u>606,879</u>	<u>3,419,826</u>
Net Assets, End of Year	<u><u>\$ 2,986,753</u></u>	<u><u>\$ 834,627</u></u>	<u><u>\$ 3,821,380</u></u>

See accompanying Notes to Financial Statements.

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue			
Grants and Other Program Revenue	\$ 238,284	\$ 317,916	\$ 556,200
Donations	284,500	-	284,500
Donated Services	65,010	-	65,010
Workplace Giving	36,602	-	36,602
Investment Income	201,702	-	201,702
Net Assets Released from Restrictions	494,908	(494,908)	-
	<u>1,321,006</u>	<u>(176,992)</u>	<u>1,144,014</u>
Expenses			
Program	1,140,461	-	1,140,461
General and Administrative	39,524	-	39,524
Development	102,233	-	102,233
	<u>1,282,218</u>	<u>-</u>	<u>1,282,218</u>
Change in Net Assets	38,788	(176,992)	(138,204)
Net Assets, Beginning of Year	<u>2,774,159</u>	<u>783,871</u>	<u>3,558,030</u>
Net Assets, End of Year	<u><u>\$ 2,812,947</u></u>	<u><u>\$ 606,879</u></u>	<u><u>\$ 3,419,826</u></u>

See accompanying Notes to Financial Statements.

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 401,554	\$ (138,204)
Adjustments to Reconcile Change in Net Assets to Net Cash (Used in) Provided by Operating Activities		
Depreciation and Amortization	24,757	35,056
Gain on Investments	(333,585)	(164,120)
(Increase) Decrease in		
Interest Receivable	(1,028)	1,822
Grants and Donations Receivable	(338,219)	300,123
Prepaid Expenses	(11,628)	(2,419)
Deposits	(11,867)	-
Increase (Decrease) in		
Accounts Payable and Accrued Expenses	1,473	2,843
Pass-Through Grant Payable	75,000	-
Accrued Vacation	1,647	(470)
Refundable Advances	21,475	-
Deferred Rent	(29,916)	(25,426)
Net Cash (Used in) Provided by Operating Activities	<u>(200,337)</u>	9,205
Cash Flows from Investing Activities		
Proceeds from Sales of Investments	943,800	1,476,897
Purchases of Investments	(693,080)	(1,356,133)
Purchases of Property and Equipment	<u>(2,739)</u>	<u>(2,739)</u>
Net Cash Provided by Investing Activities	<u>247,981</u>	118,025
Net Increase in Cash	47,644	127,230
Cash, Beginning of Year	<u>207,253</u>	<u>80,023</u>
Cash, End of Year	<u><u>\$ 254,897</u></u>	<u><u>\$ 207,253</u></u>

See accompanying Notes to Financial Statements.

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 AND 2016

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The Environmental and Energy Study Institute (EESI) was formed in 1982 in the District of Columbia by a bipartisan Congressional caucus. EESI is a nonpartisan public policy and information resource organization addressing issues concerning the environment, energy, and natural resources.

EESI is supported primarily by grants and donations.

The following programs are included in the accompanying financial statements:

Energy and Climate Change Program: The Energy and Climate Change program seeks to advance all forms of energy efficiency and renewable energy (e.g., solar, wind, geothermal, biomass, and water) as a cornerstone of national energy policy. This is a critical part of shifting the country away from its dependence on fossil fuels (e.g., coal and oil) to curb climate change. EESI educates policymakers, the wider policy community, and the public on science, technology, and policy issues that will allow the United States and other countries to mitigate climate change, while also reaping the environmental, economic, national security and public health benefits of a low-carbon economy. EESI is a trusted source of non-partisan information and innovative policy approaches through our highly regarded Congressional public briefings, our free weekly newsletter *Climate Change News*, and our website (www.eesi.org). EESI has built broad-based networks resulting in strong relationships across economic sectors, as well as with academia, government officials, embassies and the media throughout the country.

EESI's initiative to expand residential energy efficiency retrofits through on-bill financing complements and enhances our policy work. Our technical assistance helps public utilities and rural electric cooperatives implement energy efficiency programs. These help families reduce their energy usage, cut energy bills, and improve home comfort – all with no upfront costs. To do so, EESI works with local partners – state energy offices, local nonprofits, municipal utilities and rural electric co-ops – to establish "on-bill financing" programs. In such programs, households borrow money to upgrade their homes, and repay the loans through a monthly charge on their utility bills.

Transportation and Sustainable Communities Program: The goal of the Transportation and Sustainable Communities program is to protect our environment, reduce petroleum use, cut greenhouse gas emissions, enhance public health, and make our communities more livable, accessible, and sustainable. We do so by advancing transportation policies such as more efficient, cleaner vehicles and fuels, and mobility solutions such as public transport, biking, walking, and other energy-efficient modes of transportation. EESI's sustainable communities work emphasizes helping communities become more sustainable and resilient through the use of distributed generation and other community energy resources. The initiative highlights strategies such as community solar, combined heat and power, and sustainable building design. EESI is working to disseminate the lessons learned from cities, towns, and regions that are pioneering community-oriented approaches to meeting local energy needs while becoming more resilient.

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Organization (Continued)

Sustainable Biomass and Energy Program: EESI engages with policymakers about the potential economic development, energy security, and environmental benefits of tapping the country's abundant sustainable biomass resources as one option for reducing oil dependence. In addition to educating policymakers on the role of sustainable biomass and rural energy production in a thriving, low-carbon economy, EESI has also demonstrated leadership by working with diverse groups of stakeholders to showcase innovative solutions for sustainability on farms and in forests. As one strategy for disseminating information, EESI publishes a weekly email newsletter, *Sustainable Bioenergy, Farms, and Forests* (SBFF), to subscribers across the country.

High Performance Green Buildings Program: From houses and hotels to schools and skyscrapers, buildings in the United States use more than 40 percent of the country's energy (or 70 percent of its electricity) for lighting, heating, cooling, and appliance operation. Therefore, increasing energy efficiency and incorporating renewable energy to dramatically reduce building energy use are key to curbing climate change. Beyond climate mitigation, EESI's work highlights how high performance green buildings can provide a wealth of other benefits such as improved affordability, health, safety, and resale value. EESI works with Congressional offices and federal agencies, the broader policy community, and other stakeholders (e.g., building scientists, realtors, affordable housing advocates, and housing developers) to increase understanding of how reducing energy use in buildings can achieve these multiple goals. Good building policy can help our nation achieve continued economic growth; improve competitiveness; strengthen energy security, energy independence and community self-sufficiency and resilience; and protect public health by reducing pollution and improving indoor environmental quality.

Income Taxes

EESI is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code), except as to income from unrelated business activities, and has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

EESI requires that a tax position be recognized or derecognized based on a "more-likely-than-not" threshold. This applies to positions taken or expected to be taken in a tax return. EESI does not believe its financial statements include, or reflect, any uncertain tax positions. EESI's IRS Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by the federal and state authorities, generally for three years after it is filed.

Grants and Other Program Revenue

EESI reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Grants that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the reporting period in which the revenue is recognized.

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017 AND 2016

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants and Other Program Revenue (Continued)

All other donor-restricted grants are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. Grants reported as temporarily restricted support are reclassified to unrestricted net assets upon expiration of the program, time, or other restrictions.

Other program revenue consists of services rendered by EESI. Program revenue is recognized when earned.

Workplace Giving and Donations

Combined Federal Campaign/Earth Share workplace giving is recorded in the year the employee contribution is reported. Donations are recorded when the donation is received or collectible.

Grants and Donations Receivable

Unconditional promises to give and donations that have not been collected as of year-end are recorded as grants and donations receivable in the accompanying statements of financial position. Grants to be received over multiple years are discounted to their net present value using the applicable interest rate if such discount would be material. It is EESI's policy to write-off uncollectible amounts when management determines the receivable will not be collected. Management believes that the direct write-off method approximates the results had the allowance for uncollectible accounts been recorded.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased by EESI.

Cash

Cash includes interest and noninterest-bearing operating accounts with insured financial institutions. Cash excludes cash and cash equivalents included with investments, as those funds are intended for investment rather than operating purposes.

Investments

Investments are carried at fair market value based on quoted market prices and published unit values, or from readily-available sources for comparative instruments. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Investment income and gains restricted by donors are reported as increases in unrestricted net assets if the restrictions are met (either a stipulated time period ends or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized.

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and Equipment

Property and equipment are carried at cost, if purchased or at fair market value at date of donation, if contributed. EESI capitalizes all expenditures for property and equipment in excess of \$500. EESI depreciates all property and equipment over three to seven years using the straight-line method. Leasehold improvements are amortized evenly over the lesser of the life of the lease or the estimated useful life of the asset. Expenses for repairs and maintenance are charged to expense as incurred.

Lease Commitment

Rent expense is recognized on the straight-line basis over the term of the lease.

Basis of Accounting

The accompanying financial statements are presented on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses when incurred.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results may vary from the estimates that were assumed in preparing the financial statements.

Expense Allocations

The costs of providing various programs have been summarized on a functional basis in the statements of activities. Personnel and occupancy expenses are allocated among the programs and support services benefited based on time incurred by EESI personnel in such functions.

Reclassifications

Certain 2016 amounts have been reclassified for comparative purposes.

2. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of December 31, 2017 and 2016:

Description	2017	2016
Furniture, Fixtures, and Equipment	\$ 92,519	\$ 127,533
Leasehold Improvements	132,670	132,670
	225,189	260,203
Accumulated Depreciation and Amortization	(213,358)	(226,354)
Property and Equipment, Net	\$ 11,831	\$ 33,849

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

3. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets were available for the following purposes as of December 31, 2017 and 2016:

<u>Description</u>	<u>2017</u>	<u>2016</u>
Energy and Climate Change	\$ 776,294	\$ 518,546
Sustainable Biomass and Energy	58,333	88,333
Total Temporarily Restricted Net Assets	<u>\$ 834,627</u>	<u>\$ 606,879</u>

Net assets were released from restrictions for the years ended December 31, 2017 and 2016, as follows:

<u>Description</u>	<u>2017</u>	<u>2016</u>
Energy and Climate Change	\$ 462,796	\$ 494,908
High Performance Green Buildings	80,000	-
Net Assets Released from Restrictions	<u>\$ 542,796</u>	<u>\$ 494,908</u>

4. OPERATING LEASE

EESI has a ten-year operating lease for office space commencing March 1, 2008. The lease includes an annual escalation clause as defined in the lease agreement. This lease calls for monthly rent plus the pass-through of increases in operating expenses and real estate taxes.

In October 2017, EESI entered into a new lease for office space, for a period of 89 months, commencing March 1, 2018. The new lease includes annual rent escalations, plus the share of operating costs and real estate taxes, as well as a rent concession.

The future minimum annual lease payments under the operating leases are as follows:

<u>For the Years Ending December 31,</u>	<u>Amount</u>
2018	\$ 93,484
2019	133,208
2020	136,538
2021	139,951
2022	156,548
2023	160,462
2024	164,473
2025	98,055
Total Future Minimum Lease Payments	<u>\$ 1,082,719</u>

Rent expense for each of the years ended December 31, 2017 and 2016, was approximately \$133,000.

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

5. EMPLOYEE BENEFIT PLANS

Profit Sharing

EESI has a discretionary profit sharing pension plan covering all full-time employees who have at least one year of service with EESI and have attained the age of 21. Vesting is based on years of service with full vesting after three years. Total pension expense for the years ended December 31, 2017 and 2016, was approximately \$58,000 and \$56,000, respectively.

Tax Deferred Annuity Plan

During the years ended December 31, 2017 and 2016, EESI sponsored a tax deferred annuity plan (the Plan) for the benefit of its employees through elective salary reductions under Section 403(b) of the Code. The Plan does not provide for matching contributions. The maximum contribution to the Plan is limited to the maximum allowable by the Code.

6. CONCENTRATIONS

EESI maintains its cash at a financial institution. The Federal Deposit Insurance Corporation (FDIC) insures the cash balance up to certain limits. At times, deposits exceed federally insured limits. Management believes the risk in these situations to be minimal.

As of December 31, 2017, approximately 80% of grants and donations receivable was due from two donors. As of December 31, 2016, approximately 76% of grants and donations receivable was due from three donors.

During the year ended December 31, 2017, approximately 48% of donations and grants and other program revenue was from one donor. During the year ended December 31, 2016, approximately 36% of donations and grants and other program revenue was due from two donors.

7. FUNCTIONAL EXPENSES

Expenses by function for the years ended December 31, 2017 and 2016, were as follows:

Description	2017	2016
Program Expenses		
High Performance Green Buildings	\$ 148,114	\$ 173,859
Energy and Climate Change	783,855	680,517
Sustainable Biomass and Energy	159,068	173,550
Transportation and Sustainable Communities	31,689	112,535
Total Program Expenses	1,122,726	1,140,461
General and Administrative	53,166	39,524
Development	91,888	102,233
Total Expenses	\$ 1,267,780	\$ 1,282,218

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

8. INVESTMENTS

Investment income consisted of the following for the years ended December 31, 2017 and 2016:

Description	2017	2016
Interest and Dividends	\$ 69,720	\$ 66,553
Investment Fees	(28,791)	(28,971)
Net Unrealized and Realized Gains (Losses)	333,585	164,120
Total Investment Income (Loss)	<u>\$ 374,514</u>	<u>\$ 201,702</u>

9. DONATED SERVICES

During the year ended December 31, 2016, EESI received donated consulting services totaling approximately \$65,000. The following presents the programs and activities benefitted:

Description	2016
High Performance Green Buildings	\$ 2,239
Energy and Climate Change	15,585
Sustainable Biomass and Energy	2,239
Transportation and Sustainable Communities	39,510
Total Programs	59,573
Development	5,437
Total Expense	<u>\$ 65,010</u>

10. FAIR VALUE MEASUREMENTS

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

Level 1 - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets (examples include equity securities);

Level 2 - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability other than quoted prices, either directly or indirectly, including inputs in markets that are not considered to be active (examples include corporate or municipal bonds);

Level 3 - inputs to the valuation methodology are unobservable and significant to the fair value measurement. The inputs to the determination of fair value require significant management judgment (examples include certain private-equity securities and split-interest agreements).

The following presents EESI's assets measured at fair value as of December 31, 2017:

December 31, 2017	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Total
Money Market Funds	\$ 411,249	\$ -	\$ -	\$ 411,249
Corporate Bonds	-	898,699	-	898,699
Municipal Bonds	-	30,133	-	30,133
Equities/Mutual Funds	1,835,544	-	-	1,835,544
Total	<u>\$ 2,246,793</u>	<u>\$ 928,832</u>	<u>\$ -</u>	<u>\$ 3,175,625</u>

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

10. FAIR VALUE MEASUREMENTS (CONTINUED)

The following presents EESI's assets measured at fair value as of December 31, 2016:

<u>December 31, 2016</u>	<u>Level 1 Inputs</u>	<u>Level 2 Inputs</u>	<u>Level 3 Inputs</u>	<u>Total</u>
Money Market Funds	\$ 289,355	\$ -	\$ -	\$ 289,355
Corporate Bonds	-	875,194	-	875,194
Municipal Bonds	-	59,073	-	59,073
Equities/Mutual Funds	1,869,138	-	-	1,869,138
Total	<u>\$ 2,158,493</u>	<u>\$ 934,267</u>	<u>\$ -</u>	<u>\$ 3,092,760</u>

11. SUBSEQUENT EVENTS

Subsequent events were evaluated through May 31, 2018, which is the date the financial statements were available to be issued.

SUPPLEMENTARY INFORMATION

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

**SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Program Services				Total Programs	General and		Total
	High Performance Green Buildings	Energy and Climate Change	Sustainable Biomass and Energy	Transportation and Sustainable Communities		Administrative	Development	
Salaries	\$ 90,078	\$ 387,939	\$ 99,263	\$ 19,630	\$ 596,910	\$ 33,476	\$ 54,165	\$ 684,551
Payroll Taxes and Benefits	23,481	101,126	25,875	5,116	155,598	8,725	14,121	178,444
Contract Labor	2,621	127,572	2,235	744	133,172	418	674	134,264
Supplies	246	1,058	271	54	1,629	89	148	1,866
Dues and Subscriptions	592	9,209	738	126	10,665	216	6,206	17,087
Telephone	2,101	9,128	2,315	458	14,002	780	1,263	16,045
Postage and Delivery	608	1,688	393	58	2,747	98	160	3,005
Meetings and Conferences	3,454	1,671	341	67	5,533	116	186	5,835
Printing and Copying	345	1,114	564	75	2,098	128	208	2,434
Travel	50	37,670	33	14	37,767	-	-	37,767
Rent	17,461	75,199	19,241	3,805	115,706	6,489	10,500	132,695
Liability and Property								
Insurance	1,022	4,403	1,127	223	6,775	380	615	7,770
Depreciation and Amortization	3,258	14,030	3,590	710	21,588	1,210	1,959	24,757
Professional Fees	2,603	11,211	2,868	567	17,249	968	1,565	19,782
Miscellaneous Fees	194	837	214	42	1,287	73	118	1,478
Total Expenses	\$ 148,114	\$ 783,855	\$ 159,068	\$ 31,689	\$ 1,122,726	\$ 53,166	\$ 91,888	\$ 1,267,780

ENVIRONMENTAL AND ENERGY STUDY INSTITUTE

**SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2016**

	Program Services				Total Programs	General and Administrative		Total
	High Performance Green Buildings	Energy and Climate Change	Sustainable Biomass and Energy	Transportation and Sustainable Communities		Development		
Salaries	\$ 104,655	\$ 327,306	\$ 104,783	\$ 44,674	\$ 581,418	\$ 22,805	\$ 55,718	\$ 659,941
Payroll Taxes and Benefits	28,553	89,298	28,588	12,188	158,627	7,762	15,201	181,590
Contract Labor	2,714	113,010	2,216	1,232	119,172	373	912	120,457
In-Kind Expense	2,239	15,585	2,239	39,510	59,573	-	5,437	65,010
Supplies	282	1,141	283	120	1,826	61	167	2,054
Dues and Subscriptions	808	7,547	760	221	9,336	113	6,317	15,766
Telephone	2,444	7,687	2,447	1,043	13,621	533	1,301	15,455
Repairs and Maintenance	-	-	-	-	-	958	-	958
Postage and Delivery	343	1,996	803	146	3,288	75	466	3,829
Meetings and Conferences	332	1,712	332	142	2,518	72	177	2,767
Printing and Copying	316	691	316	135	1,458	69	168	1,695
Travel	428	18,392	-	-	18,820	-	-	18,820
Rent	21,148	66,137	21,174	9,027	117,486	4,612	11,259	133,357
Liability and Property Insurance	1,082	3,383	1,083	462	6,010	236	576	6,822
Depreciation and Amortization	5,559	17,387	5,566	2,373	30,885	1,211	2,960	35,056
Professional Fees	2,956	9,245	2,960	1,262	16,423	644	1,574	18,641
Total Expenses	\$ 173,859	\$ 680,517	\$ 173,550	\$ 112,535	\$ 1,140,461	\$ 39,524	\$ 102,233	\$ 1,282,218