

ENVIRONMENTAL FUND FOR GEORGIA, INC.  
D/B/A EARTHSHARE GEORGIA

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FINANCIAL STATEMENTS  
WITH INDEPENDENT AUDITOR'S REPORT  
JUNE 30, 2019 AND 2018

ENVIRONMENTAL FUND FOR GEORGIA, INC.  
D/B/A EARTHSHARE GEORGIA

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
of Environmental Fund for Georgia, Inc. d/b/a EarthShare Georgia:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Environmental Fund for Georgia, Inc. d/b/a EarthShare Georgia (a nonprofit organization), which comprise the statements of financial position as of June 30, 2019 and 2018, and the related statements of activities, functional expenses, 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.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit 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 auditor's 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 auditor considers 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 Environmental Fund for Georgia, Inc. d/b/a EarthShare Georgia as of June 30, 2019 and 2018 and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Atlanta, Georgia  
March 25, 2020

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ENVIRONMENTAL FUND FOR GEORGIA, INC.  
D/B/A EARTHSHARE GEORGIA  
STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2019 AND 2018

	2019	2018
<b>ASSETS</b>		
Cash and cash equivalents	\$ 83,259	\$ 4,671
Accounts receivable	4,561	4,014
Campaign revenue receivable-		
Net of allowance of \$0 and \$25,068, respectively	-	253,469
Total assets	87,820	262,154
Equipment and furniture	11,039	11,039
Accumulated depreciation	(10,163)	(9,619)
Net property and equipment	876	1,420
Investments	134,804	125,775
Prepaid rent and deposits	5,728	-
Security deposits	2,498	2,498
Total other assets	143,030	128,273
Total assets	\$ 231,726	\$ 391,847
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities:		
Accounts payable	\$ 21,107	\$ 10,097
Tenant rent deposit	3,379	-
Campaign revenue payable	136,538	253,469
Total liabilities	161,024	263,566
Commitments and contingencies		
Net assets:		
Without donor restrictions		
Available for operations	65,623	124,414
With donor restrictions	5,079	3,867
Total net assets	70,702	128,281
Total liabilities and net assets	\$ 231,726	\$ 391,847

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

ENVIRONMENTAL FUND FOR GEORGIA, INC.  
D/B/A EARTHSHARE GEORGIA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2019  
(WITH COMPARATIVE TOTALS FOR 2018)

	Without Donor Restrictions	With Donor Restrictions	2019 Total	2018 Total
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Revenue, gains, and support:				
Campaign revenue	\$ 329,174	\$ 2,137	\$ 331,311	\$ 294,662
Event revenue	94,868	-	94,868	92,546
Member dues	78,000	-	78,000	78,000
New member fees	5,000	-	5,000	-
Donations	65,785	-	65,785	75,081
In-kind donations	5,717	-	5,717	21,227
Rental income	11,978	-	11,978	15,600
Other income	50	-	50	68
Interest and dividend income	605	-	605	1,074
Gain on sale of assets	-	-	-	150
Realized and unrealized gain on investments	8,430	-	8,430	4,169
Net assets released from restrictions	925	(925)	-	-
Total revenue, gains, and support	<u>600,532</u>	<u>1,212</u>	<u>601,744</u>	<u>582,577</u>
Expenses:				
Program services:				
Member group allocations	332,478	-	332,478	294,662
Workplace campaigns	250,907	-	250,907	238,989
Total program services	<u>583,385</u>	<u>-</u>	<u>583,385</u>	<u>533,651</u>
Supporting services:				
Management and general	50,212	-	50,212	66,943
Fundraising	25,726	-	25,726	16,848
Total expenses	<u>659,323</u>	<u>-</u>	<u>659,323</u>	<u>617,442</u>
Increase (decrease) in net assets	(58,791)	1,212	(57,579)	(34,865)
Net assets, beginning of year	<u>124,414</u>	<u>3,867</u>	<u>128,281</u>	<u>163,146</u>
Net assets, end of year	<u>\$ 65,623</u>	<u>\$ 5,079</u>	<u>\$ 70,702</u>	<u>\$ 128,281</u>

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

ENVIRONMENTAL FUND FOR GEORGIA, INC.  
D/B/A EARTHSHARE GEORGIA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, gains, and support:			
Public support designated to			
EarthShare Georgia	\$ 294,662	\$ -	\$ 294,662
Earth Day event revenue	92,546	-	92,546
Member dues	78,000	-	78,000
Donations	65,081	10,000	75,081
In-kind donations	21,227	-	21,227
Rental income	15,600	-	15,600
Other income	68	-	68
Interest and dividend income	1,074	-	1,074
Gain on sale of assets	150	-	150
Realized and unrealized gain on investments	4,169	-	4,169
Net assets released from restrictions	6,133	(6,133)	-
Total revenue, gains, and support	578,710	3,867	582,577
Expenses:			
Program services:			
Member group allocations	294,662	-	294,662
Workplace access	238,989	-	238,989
Total program services	533,651	-	533,651
Supporting services:			
Management and general	66,943	-	66,943
Fundraising	16,848	-	16,848
Total expenses	617,442	-	617,442
Increase (decrease) in net assets	(38,732)	3,867	(34,865)
Net assets, beginning of year	163,146	-	163,146
Net assets, end of year	\$ 124,414	\$ 3,867	\$ 128,281

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

ENVIRONMENTAL FUND FOR GEORGIA, INC.  
D/B/A EARTHSHARE GEORGIA  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2019

	Member Group Allocations	Workplace Campaigns	Total Program Expenses	Management & General	Fundraising	Total
Salaries and wages	\$ -	\$ 104,624	\$ 104,624	\$ 15,694	\$ 10,462	\$ 130,780
Payroll taxes and benefits	-	17,954	17,954	2,693	1,795	22,442
Contract labor	-	15,429	15,429	4,420	-	19,849
Events and programs	-	49,128	49,128	-	-	49,128
Accounting	-	-	-	13,000	-	13,000
Distributions to member agencies	332,478	-	332,478	-	-	332,478
Affiliation fee	-	-	-	-	11,000	11,000
CFC fees	-	1,722	1,722	-	-	1,722
Conferences and training	-	4,977	4,977	-	-	4,977
Dues and subscriptions	-	-	-	425	-	425
Information technology	-	1,910	1,910	-	-	1,910
Insurance - business	-	-	-	3,639	-	3,639
Legal and professional services	-	-	-	330	-	330
Marketing	-	867	867	-	-	867
Office expense	-	5,742	5,742	3,374	-	9,116
Miscellaneous expense	-	-	-	847	-	847
Postage	-	578	578	65	-	643
Rent	-	41,973	41,973	4,937	2,469	49,379
Telephone	-	2,192	2,192	244	-	2,436
Travel	-	3,811	3,811	-	-	3,811
Total expenses before depreciation expense	<u>332,478</u>	<u>250,907</u>	<u>583,385</u>	<u>49,668</u>	<u>25,726</u>	<u>658,779</u>
Depreciation expense	-	-	-	544	-	544
Total expenses	<u>\$ 332,478</u>	<u>\$ 250,907</u>	<u>\$ 583,385</u>	<u>\$ 50,212</u>	<u>\$ 25,726</u>	<u>\$ 659,323</u>
	<u>50%</u>	<u>38%</u>	<u>88%</u>	<u>8%</u>	<u>4%</u>	<u>100%</u>

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

ENVIRONMENTAL FUND FOR GEORGIA, INC.  
D/B/A EARTHSHARE GEORGIA  
STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2018

	Member Group Allocations	Workplace Campaigns	Total Program Expenses	Management & General	Fundraising	Total
Salaries and wages	\$ -	\$ 86,803	\$ 86,803	\$ 31,530	\$ 10,993	\$ 129,326
Payroll taxes and benefits	-	23,757	23,757	3,636	2,434	29,827
Contract labor	-	11,130	11,130	4,043	1,410	16,583
In-kind donations	-	21,227	21,227	-	-	21,227
Events and programs	-	47,706	47,706	-	-	47,706
Accounting	-	-	-	5,000	-	5,000
Distributions to member agencies	294,662	-	294,662	-	-	294,662
Conferences and training	-	3,655	3,655	-	-	3,655
Dues and subscriptions	-	-	-	400	-	400
Information technology	-	1,354	1,354	-	-	1,354
Insurance - business	-	-	-	4,275	-	4,275
Interest expense	-	17	17	-	-	17
Marketing	-	3,329	3,329	-	-	3,329
Office expense	-	3,570	3,570	2,170	-	5,740
Miscellaneous expense	-	-	-	11,049	-	11,049
Postage	-	126	126	31	-	157
Rent	-	32,094	32,094	3,776	1,888	37,758
Telephone	-	2,092	2,092	245	123	2,460
Travel	-	2,129	2,129	-	-	2,129
Total expenses before depreciation expense	<u>294,662</u>	<u>238,989</u>	<u>533,651</u>	<u>66,155</u>	<u>16,848</u>	<u>616,654</u>
Depreciation expense	-	-	-	788	-	788
Total expenses	<u>\$ 294,662</u>	<u>\$ 238,989</u>	<u>\$ 533,651</u>	<u>\$ 66,943</u>	<u>\$ 16,848</u>	<u>\$ 617,442</u>
	<u>48%</u>	<u>39%</u>	<u>86%</u>	<u>11%</u>	<u>3%</u>	<u>100%</u>

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



ENVIRONMENTAL FUND FOR GEORGIA, INC.  
D/B/A EARTHSHARE GEORGIA  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2019 AND 2018

	2019	2018
Cash flows from operating activities:		
Change in net assets	\$ <u>(57,579)</u>	\$ <u>(34,865)</u>
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation	544	788
Net realized and unrealized gain on investments	(8,430)	(4,169)
Changes in assets and liabilities:		
(Increase) decrease:		
Accounts receivable	(547)	1,875
Campaign revenue receivable	253,469	41,782
Prepaid expenses	(5,728)	2,498
Increase (decrease) in:		
Accounts payable	11,010	724
Tenant rent deposit	3,379	-
Campaign revenue payable	<u>(116,931)</u>	<u>(41,782)</u>
Net adjustments	<u>136,766</u>	<u>1,716</u>
Net cash provided by (used in) operating activities	<u>79,187</u>	<u>(33,149)</u>
Cash flows from investing activities:		
Receipt of donated securities	-	(4,116)
Proceeds from the sale of donated securities	-	4,200
Dividend reinvestment	<u>(599)</u>	<u>(1,038)</u>
Net cash used in investing activities	<u>(599)</u>	<u>(954)</u>
Net increase (decrease) in cash and cash equivalents	78,588	(34,103)
Cash and cash equivalents, beginning of year	<u>4,671</u>	<u>38,774</u>
Cash and cash equivalents, end of year	<u>\$ 83,259</u>	<u>\$ 4,671</u>

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

ENVIRONMENTAL FUND FOR GEORGIA, INC.  
D/B/A EARTHSHARE GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019 AND 2018

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1. Nature of Organization and Significant Accounting Policies

The Environmental Fund for Georgia, Inc. d/b/a EarthShare Georgia (the Organization) is a not-for-profit organization exempt from income tax under section 501(c)(3) of the U.S. Internal Revenue Code. On June 6, 2001, the Organization began doing business as EarthShare Georgia.

As Georgia's only environmental fund, EarthShare Georgia is a one-stop connector nonprofit that provides public and private sector organizations with solutions to engage employees in environmental educational learning, volunteer and workplace-giving opportunities that support more than 100 local, state and national charities dedicated to conserving and protecting our air, land and water. Donated corporate and individual funds are used to support the operations and programs of EarthShare Georgia and its' member groups which consist of not-for-profit environmental member organizations.

Method of Reporting and Financial Statement Presentation

The accounts are maintained on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared on the accrual basis of accounting. The Organization reports information regarding its financial position and activities according to two classes of net assets as follows:

*Net Assets Without Donor Restrictions* – Net assets that are not subject to donor-imposed restrictions. Items that affect (i.e., increase or decrease) this net asset category include unrestricted contributions, investment income, and fundraising event income and related expenses associated with the Organization's core activities. At times, the governing board may earmark otherwise unrestricted net assets for a specified purpose. Since this is not a donor-imposed restriction, the designated asset is classified and reported a part of net assets without donor restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor, or certain grantor, imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires; that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

In addition, under professional standards, contributions received are recorded as net assets without donor restrictions and net assets with donor restrictions, depending on the existence and/or nature of any donor restrictions. As of June 30, 2019, and 2018, EarthShare Georgia had \$5,079 and \$3,867, respectively in net assets with donor restrictions.

ENVIRONMENTAL FUND FOR GEORGIA, INC.  
D/B/A EARTHSHARE GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019 AND 2018

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1. Nature of Organization and Significant Accounting Policies – Continued

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Functional Allocation of Expenses

The costs of providing the various programs and other activities are summarized on a functional basis in the Statements of Activities. The Statements of Functional Expenses present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the various program and supporting services benefited. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include utilities, and depreciation, which are allocated on a square footage basis, as well as salaries and wages, benefits, insurance, maintenance and other which are allocated on the basis of estimates of time and effort.

Cash and Cash Equivalents

The Organization considers all cash investments and highly liquid investments with maturities of three months or less to be cash equivalents. Cash and cash equivalents consist primarily of demand deposits with a single financial institution. The balances in the Organization's bank accounts, as reflected in the bank's records, are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 as of June 30, 2019 and 2018. There were no uninsured bank balances in excess of the FDIC limit at June 30, 2019 and 2018.

The balances in the Organization's investment accounts, as reflected in the financial institution's records, are insured by the Securities Investors Protection Corporation up to \$500,000 in securities protection that includes protection for up to \$100,000 in non-invested cash. There were no uninsured investment funds as of June 30, 2019 and 2018. Management believes that cash and investments are maintained at financial institutions with high credit ratings that would, accordingly, carry a low risk of potential loss.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value based on quoted market prices with all gains and losses reported in the statements of activities.

ENVIRONMENTAL FUND FOR GEORGIA, INC.  
D/B/A EARTHSHARE GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019 AND 2018

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1. Nature of Organization and Significant Accounting Policies – Continued

Equipment and Furniture

Equipment and furniture are stated at cost or estimated fair value at time of donation. Depreciation is computed by the straight-line method over the estimated useful lives. The Organization follows the practice of capitalizing all expenditures for equipment and furniture in excess of \$800. The fair value of donated fixed assets is similarly capitalized.

At June 30, 2019 and 2018, the estimated useful lives of equipment and furniture were as follows:

Equipment and furniture	3 - 5 years
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Donations of equipment and furniture are recorded as support at their estimated fair value. Such donations are reported as unrestricted 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 equipment and furniture are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies donor restricted net assets to net assets without donor restrictions.

Donated Services

Contributions of donated noncash assets are recorded at their fair market values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair market values in the period received.

Tax Exempt Status

EarthShare Georgia is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code, as amended, and classified by the Internal Revenue Service as other than a private foundation. The Organization believes that it has appropriate support for any tax positions taken, and as such, does not have any uncertain tax positions that are material to the financial statements. The Organization's income tax returns are subject to examination by the appropriate regulatory authorities for all open years, which include the last three years filed.

ENVIRONMENTAL FUND FOR GEORGIA, INC.  
D/B/A EARTHSHARE GEORGIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019 AND 2018

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1. Nature of Organization and Significant Accounting Policies – Continued

New Accounting Policies

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2014-09, Revenue from Contracts with Customers. Subsequent to issuance of ASU 2014-09, FASB issued additional related ASU's to provide additional clarification of ASU 2014-09. ASU 2014-09 amends the FASB Codification (ASC) by creating Topic 606, Revenue from Contracts with Customers, and Subtopic 340-40, Other Assets and Deferred Costs – Contracts with Customers. The new revenue recognition standard eliminates the transaction and industry specific revenue recognition guidance under current GAAP and replaces it with a principle-based approach for determining revenue recognition. The core principle of Topic 606 is that an entity should recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This pronouncement requires retrospective application.

In June 2018, FASB issued ASU 2018-08, Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. This new standard clarifies and improves the scope and the accounting guidance for contributions received and contributions made. The guidance in this update should be applied on a modified prospective basis. Retrospective application is permitted.

In November 2016, FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230), Restricted Cash*, which requires the statement of cash flows to explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. The guidance requires retrospective application.

The Organization adopted these accounting policies for the year ended December 31, 2019. These new accounting policies did not affect total net assets for either the year ended December 31, 2019 or 2018.

2. Liquidity and Availability of Financial Assets

The Organization is substantially supported by contributions without donor restrictions. However, the Organization sometimes receives contributions with donor restrictions for various programs. Because a donor's restrictions require funds to be used in a particular manner or in a future period, the Organization maintains those funds with donor restrictions so that they are available to meet those responsibilities as they are required to be met. The Organization considers contributions restricted for programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures may be incurred for program or administrative purposes.

ENVIRONMENTAL FUND FOR GEORGIA, INC.  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019 AND 2018

2. Liquidity and Availability of Financial Assets – Continued

The Organization’s financial assets at June 30: (reduced by amounts that are not available for general use in the next 12 months) available within one year after this date to satisfy liabilities at this date and for future general expenditure are as follows:

	2019	2018
Cash and cash equivalents	\$ 83,259	\$ 4,671
Campaign revenue receivable	-	253,469
Accounts receivable - other	4,561	4,014
Investments	134,804	125,775
Total financial assets available	222,624	387,929
Less:		
Campaign revenue payable	(136,538)	(253,469)
Financial assets available to meet cash needs for general expenditures within one year	\$ 86,086	\$ 134,460

The Organization structures its financial assets to be available as its general expenditure, liabilities, and other obligations come due. In addition to financial assets available to meet general expenditures over the next twelve months, the Organization utilizes an operating budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the statement of cash flows which identifies the sources and uses of the Organization’s operating cash and shows positive cash generated by operations for fiscal year 2019.

3. Campaign Receivables, Net

For the year ended June 30, 2018, the Organization had campaign receivables due as a result of workplace giving from multi-state employers in the amount of \$253,469. Management established an allowance for doubtful accounts which represented approximately nine percent (9%) of uncollectible accounts at ended June 30, 2018. During fiscal 2019, the Organization changed its policy internally for recording campaign revenue and receivables which resulted in no campaign revenue receivable balances at June 30, 2019.

Campaign Revenue Receivables are summarized as follows:

	2018
Campaign Receivables received in:	
Less than one year	\$ 185,530
Two or three years	93,007
Allowance for uncollectible accounts	(25,068)
Total Campaign Receivables to give, net	\$ 253,469

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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019 AND 2018

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4. Investments

The Organization classifies its investment assets using a hierarchy of inputs to fair value measurements in accordance with professional standards, as follows:

*Level 1* – Quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access.

*Level 2* – Inputs to the valuation methodology that are derived principally from or corroborated by observable market data:

- 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 assets or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

*Level 3* – Inputs that are unobservable and significant to the overall fair value measurement.

The asset's 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.

The Organization's direct investments consist of mutual funds which are Level 1 investments. The Organization does not have any Level 2 or Level 3 investments.

Total net investment income for years ended June 30, 2019 and 2018 was \$9,028 and \$5,209 respectively, is reported in the accompanying statements of activities. The fair value of the mutual funds included in the accompanying statements of financial position for years ended June 30, 2019 and 2018 was \$134,804 and \$125,775, respectively.

5. Concentration of Credit Risk

The Organization's contributions are predominately received from Georgia corporation employees. As such, the Organization's ability to generate resources via employee giving is dependent upon the economic health of that area. An economic downturn could cause a decrease in employee giving that coincides with an increase in demand for the Organization's services.

The Organization's investments are subject to various risks, such as interest rate, credit and overall market volatility risks. Further, because of the significance of the investments to the Organization's financial position and the level of risk inherent in most investments, it is reasonably possible that changes in the values of those investments could occur in the near term and such changes could materially affect the amounts reported in the financial statements. Management is of the opinion that the diversification of its invested assets should mitigate the impact of any such changes.

ENVIRONMENTAL FUND FOR GEORGIA, INC.  
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NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2019 AND 2018

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6. Campaign Revenues

Campaign revenues recognized for the year ended June 30 as follows:

	2019	2018
Contributions	\$ 329,174	\$ 282,168
Allowance for doubtful accounts	-	(25,068)
Amounts designated by donors to member charities	2,137	37,562
Public support designated to EarthShare Georgia	\$ 331,311	\$ 294,662

7. Operating Leases

The Organization leases office space under a noncancelable operating lease. The lease term is 92 months commencing July 1<sup>st</sup>, 2013 and ending on February 28, 2021. The base rental rate under the lease is \$2,498 per month. Effective May 1, 2019, the Organization entered into a lease agreement for office space. The lease term is 24 months with a base rate of \$1,299 per month and matures April 30, 2021. Future lease commitment amounts are as follows:

For The Year Ended June 30,		
2020	\$	51,383
2021		37,570
	\$	88,953

In addition, the Organization subleased office space. The sublease term is 22 months beginning May 1, 2019 and matures February 28, 2021. Rental revenue in the amount of \$11,978 was received for the year ended June 30, 2019. Future rental revenue amounts for subleased office space are as follows:

For The Year Ended June 30,		
2020	\$	40,842
2021		28,208
	\$	69,050



ENVIRONMENTAL FUND FOR GEORGIA, INC.  
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8. Net Assets With Donor Restrictions and Releases from Restriction

Net assets with donor restrictions consist of the following at June 30:

	2019	2018
Purpose restricted:		
Fundraiser- Campaign Revenue	\$ 2,137	\$ -
Leaders in Sustainability Speaker Series	10,000	10,000
Releases from restrictions:		
To develop a Leaders in Sustainability Speaker Series	(7,058)	(6,133)
Total net assets with donor restrictions	\$ 5,079	\$ 3,867

9. Subsequent Events

Subsequent to June 30, 2019 the global coronavirus pandemic threatened to deeply harm global growth. This has affected the U.S. and global equity markets, as well as consumer confidence, and the broad U.S. and global stocks market have fallen significant volatility June 30, 2019. It is uncertain how this downturn in the financial markets and consumer confidence may affect the operations, investments, funding and contribution income of nonprofit organizations in the near future. The Organization depends heavily on contributions to support its operations. The ability of contributors to continue giving may be dependent on current and future overall economic conditions. While the Organization believes it has the resources to continue its programs, its ability to do so, and the extent to which it continues, may be dependent on many interdependent factors.

Subsequent events have been evaluated through March 25, 2020, which is the date the financial statements were available to be issued.