

**Southwest Energy
Efficiency Project**
(a nonprofit Colorado corporation)
Boulder, Colorado

Financial Statements

December 31, 2018 and 2017

Southwest Energy Efficiency Project

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Independent Auditors' Report

To the Board of Directors
Southwest Energy Efficiency Project
Boulder, Colorado

We have audited the accompanying financial statements of Southwest Energy Efficiency Project (a nonprofit organization), which comprise the statement of financial position as of December 31, 2018, and the related statements of activities, functional expenses, and cash flows for the year 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 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.

Independent Auditors' Report (continued)

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Southwest Energy Efficiency Project as of December 31, 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.

Prior Period Financial Statements

The financial statements of Southwest Energy Efficiency Project as of December 31, 2017, were audited by other auditors whose report dated November 1, 2018, expressed an unmodified opinion on those statements.

Altruic Advisors, PLLC

Certified Public Accountants

Boulder, Colorado
May 14, 2019

Southwest Energy Efficiency Project

Statements of Financial Position

December 31	2018	2017
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 1,938,514	\$ 2,686,959
Investments	897,012	-
Contracts receivable	85,120	100,319
Contributions receivable	5,000	52,500
Prepaid expenses	5,086	-
Total current assets	<u>2,930,732</u>	<u>2,839,778</u>
Property and Equipment		
Office equipment	15,534	14,024
Furniture and fixtures	4,525	4,525
Website and software	15,941	15,941
	<u>36,000</u>	<u>34,490</u>
Less accumulated amortization	<u>(27,196)</u>	<u>(26,985)</u>
Net property and equipment	<u>8,804</u>	<u>7,505</u>
Other Assets		
Deposits	<u>9,555</u>	<u>9,555</u>
Total assets	<u>\$ 2,949,091</u>	<u>\$ 2,856,838</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	\$ 95,665	\$ 109,015
Accrued compensation and benefits	69,444	53,580
Total current liabilities	<u>165,109</u>	<u>162,595</u>
Net Assets		
Net assets without donor restrictions	1,837,652	1,738,943
Net assets with donor restrictions	946,330	955,300
Total net assets	<u>2,783,982</u>	<u>2,694,243</u>
Total liabilities and net assets	<u>\$ 2,949,091</u>	<u>\$ 2,856,838</u>

The accompanying Notes are an integral part of these financial statements

Southwest Energy Efficiency Project

Statement of Activities

Year ended December 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Operating Support and Revenue			
Support			
Grants and contributions	\$ 293,650	\$ 1,271,710	\$ 1,565,360
Memberships	212,500	-	212,500
Net assets released from restrictions			
Satisfaction of purpose restrictions	1,228,180	(1,228,180)	-
Expiration of time restrictions	52,500	(52,500)	-
Total support	<u>1,786,830</u>	<u>(8,970)</u>	<u>1,777,860</u>
Revenue			
Contract revenue	382,207	-	382,207
Conferences and workshops	41,500	-	41,500
Total revenue	<u>423,707</u>	<u>-</u>	<u>423,707</u>
 Total operating support and revenue	 <u>2,210,537</u>	 <u>(8,970)</u>	 <u>2,201,567</u>
Operating Expenses			
Program services	1,686,065	-	1,686,065
Supporting services			
General and administrative	303,927	-	303,927
Fundraising	131,881	-	131,881
Total operating expenses	<u>2,121,873</u>	<u>-</u>	<u>2,121,873</u>
 Total operating support and revenue in excess of operating expenses	 <u>88,664</u>	 <u>(8,970)</u>	 <u>79,694</u>
Other Changes			
Investment income	10,619	-	10,619
Loss on disposal of equipment	(574)	-	(574)
Total other changes	<u>10,045</u>	<u>-</u>	<u>10,045</u>
 Change in Net Assets	 <u>98,709</u>	 <u>(8,970)</u>	 <u>89,739</u>
 Net Assets, Beginning of Year	 <u>1,738,943</u>	 <u>955,300</u>	 <u>2,694,243</u>
 Net Assets, End of Year	 <u>\$ 1,837,652</u>	 <u>\$ 946,330</u>	 <u>\$ 2,783,982</u>

The accompanying Notes are an integral part of these financial statements

Southwest Energy Efficiency Project

Statement of Activities

Year ended December 31, 2017

	Without Donor Restrictions	With Donor Restrictions	Total
Operating Support and Revenue			
Support			
Grants and contributions	\$ 61,000	\$ 1,437,100	\$ 1,498,100
Memberships	165,000	-	165,000
Net assets released from restrictions			
Satisfaction of purpose restrictions	1,268,087	(1,268,087)	-
Expiration of time restrictions	5,500	(5,500)	-
Total support	<u>1,499,587</u>	<u>163,513</u>	<u>1,663,100</u>
Revenue			
Contract revenue	531,241	-	531,241
Conferences and workshops	46,607	-	46,607
Total revenue	<u>577,848</u>	<u>-</u>	<u>577,848</u>
 Total operating support and revenue	<u>2,077,435</u>	<u>163,513</u>	<u>2,240,948</u>
Operating Expenses			
Program services	1,616,689	-	1,616,689
Supporting services			
General and administrative	283,079	-	283,079
Fundraising	89,591	-	89,591
Total operating expenses	<u>1,989,359</u>	<u>-</u>	<u>1,989,359</u>
 Total operating support and revenue in excess of operating expenses	88,076	163,513	251,589
Other Changes			
Other income	1,100	-	1,100
Investment income	1,011	-	1,011
Loss on disposal of equipment	(670)	-	(670)
Total other changes	<u>1,441</u>	<u>-</u>	<u>1,441</u>
 Change in Net Assets	89,517	163,513	253,030
 Net Assets, Beginning of Year	<u>1,649,426</u>	<u>791,787</u>	<u>2,441,213</u>
 Net Assets, End of Year	<u>\$ 1,738,943</u>	<u>\$ 955,300</u>	<u>\$ 2,694,243</u>

The accompanying Notes are an integral
part of these financial statements

Southwest Energy Efficiency Project

Statement of Functional Expenses

Year ended December 31, 2018

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Salaries and wages	\$ 813,108	\$ 208,771	\$ 76,916	\$ 1,098,795
Employee benefits	111,152	28,539	10,514	150,205
Payroll taxes	61,695	15,841	5,836	83,372
Total personnel costs	985,955	253,151	93,266	1,332,372
Contract services	499,979	-	-	499,979
Occupancy	62,229	15,978	5,886	84,093
Legal and professional	18,520	16,999	30,038	65,557
Travel	46,320	2,464	493	49,277
Conferences and workshops	25,855	-	-	25,855
Office expenses	9,520	3,220	1,260	14,000
Grants	12,480	-	-	12,480
Telephone and communications	7,768	2,729	-	10,497
Insurance	2,874	4,462	227	7,563
Website costs	4,278	535	535	5,348
Miscellaneous expenses	4,581	46	-	4,627
Professional development	-	3,092	-	3,092
Depreciation	1,865	479	176	2,520
Dues and subscriptions	1,641	772	-	2,413
Lobbying	2,200	-	-	2,200
Total expenses	\$ 1,686,065	\$ 303,927	\$ 131,881	\$ 2,121,873

Southwest Energy Efficiency Project

Statement of Functional Expenses

Year ended December 31, 2017

	Program Services	Supporting Services		Total
		General and Administrative	Fundraising	
Salaries and wages	\$ 765,205	\$ 202,740	\$ 68,054	\$ 1,035,999
Employee benefits	112,365	27,839	9,993	150,197
Payroll taxes	54,105	14,335	4,812	73,252
Total personnel costs	931,675	244,914	82,859	1,259,448
Contract services	492,540	-	-	492,540
Occupancy	57,305	15,183	5,097	77,585
Travel	43,841	2,198	424	46,463
Conferences and workshops	35,384	-	24	35,408
Legal and professional	20,746	10,027	-	30,773
Lobbying	10,839	-	-	10,839
Telephone and communications	7,788	2,756	-	10,544
Office expenses	6,370	2,152	806	9,328
Depreciation	3,048	807	271	4,126
Insurance	1,240	1,928	110	3,278
Website costs	1,906	477	-	2,383
Dues and subscriptions	1,478	696	-	2,174
Professional development	-	1,933	-	1,933
Miscellaneous expenses	1,509	8	-	1,517
Grants	1,020	-	-	1,020
Total expenses	\$ 1,616,689	\$ 283,079	\$ 89,591	\$ 1,989,359

The accompanying Notes are an integral
part of these financial statements

Southwest Energy Efficiency Project

Statements of Cash Flows

Increase (Decrease) in Cash and Cash Equivalents

Years ended December 31	2018	2017
Cash Flows From Operating Activities		
Change in net assets	\$ 89,739	\$ 253,030
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	2,520	4,126
Net unrealized loss on investments	2,988	-
Loss on disposal of equipment	574	670
Increase (decrease) from changes in assets and liabilities		
Contracts receivable	15,199	(10,549)
Contributions receivable	47,500	(47,000)
Prepaid expenses	(5,086)	-
Accounts payable	(13,350)	44,595
Accrued compensation and benefits	15,864	29,055
Net cash provided by operating activities	<u>155,948</u>	<u>273,927</u>
Cash Flows From Investing Activities		
Net purchases of investments	(900,000)	-
Purchases of property and equipment	(4,393)	(2,859)
Net cash used by investing activities	<u>(904,393)</u>	<u>(2,859)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(748,445)	271,068
Cash and Cash Equivalents, Beginning of Year	<u>2,686,959</u>	<u>2,415,891</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,938,514</u>	<u>\$ 2,686,959</u>

The accompanying Notes are an integral
part of these financial statements

Southwest Energy Efficiency Project

Notes to Financial Statements

December 31, 2018 and 2017

Note 1 – Nature of Organization and Significant Accounting Policies

Nature of Organization. Southwest Energy Efficiency Project (the Organization) is a Colorado non-profit corporation established in 2001 to provide professional services to advance energy efficiency programs and policies in a six-state region: Colorado, Utah, Arizona, New Mexico, Nevada, and Wyoming. Funding for the Organization is primarily obtained through U.S. government contracts and charitable grants and contributions from interested parties.

Basis of Accounting. The financial statements of the Organization have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation. The Organization reports information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction.

Net Assets Without Donor Restrictions. Net assets resulting from revenues generated by receiving grants and contributions that have no donor stipulations, providing services, and receiving interest and other income, less expenses incurred in providing program related services, raising contributions, and performing administrative functions.

Net Assets With Donor Restrictions. Net assets resulting from gifts of cash and other assets that are received with donor stipulations that limit the use of the donated assets, until the donor restriction expires, that is until the stipulated time restriction ends or the purpose of the restriction is accomplished.

Use of 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.

Cash and Cash Equivalents. Cash consists of checking and savings accounts held at financial institutions. For purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments with maturities of three months or less to be cash equivalents.

Investments. The Organization's investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Organization's management determines the valuation policies utilizing information provided by the investment advisors and custodians. See fair value measurements below.

Fair Value Measurements. The Organization reports using fair value measurements, which among other things requires enhanced disclosures about investments that are measured and reported at fair value and establishes a framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Southwest Energy Efficiency Project

Notes to Financial Statements

December 31, 2018 and 2017

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

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
- Inputs other than quoted prices that are observable for the asset or
- 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.

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 measurements. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used as of December 31, 2018.

Certificates of Deposit. The Organization values certificates of deposit at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer. Early withdrawal charges may apply in the event the instruments are liquidated prior to their scheduled maturity date.

The method 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 Organization believes its valuation method is 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.

Contracts Receivable. Contracts receivable consist of amounts due from government agencies for services provided and are stated net of allowances for uncollectible contracts. At the time contracts receivable are originated, the Organization considers an allowance for doubtful contracts based on the creditworthiness of the client. The allowance is continually reviewed and adjusted to maintain the allowance at a level considered adequate to cover future uncollectible amounts. The allowance is management's best estimate of uncollectible amounts and is determined based on historical performance that is tracked by the Organization on an ongoing basis. As of December 31, 2018 and 2017, management believes all contracts receivable are fully collectible, and accordingly, no allowance for doubtful contracts has been recorded.

Southwest Energy Efficiency Project

Notes to Financial Statements

December 31, 2018 and 2017

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Contributions Receivable. Unconditional promises to give are recognized as revenue in the period received. Contributions receivable are recorded at the amount the Organization expects to receive, allowing for estimated uncollectible contributions. The allowance for uncollectible contributions is estimated based on management's review of specific contributions outstanding. As of December 31, 2018 and 2017, management believes all contributions receivable are fully collectible, and accordingly, no allowance for doubtful contributions has been recorded. At December 31, 2018 and 2017, contributions receivable were due within one year. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Property and Equipment. It is the Organization's policy to capitalize property and equipment at cost for purchases over \$500, while repair and maintenance items are charged to expense. Donations of property and equipment are capitalized at their estimated fair value on the date of gift. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Property and equipment is depreciated using the straight-line method over the estimated useful lives of the assets, which is generally five years for office equipment, seven years for furniture and fixtures, and three years for website and software. Depreciation expense for the years ended December 31, 2018 and 2017 was \$2,520 and \$4,126, respectively. Amortization of software is included in depreciation expense.

Impairment of Long-Lived Assets. In the event that facts and circumstances indicate that property and equipment, or other assets, may be impaired, an evaluation of recoverability would be performed. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset are compared to the asset's carrying amount to determine if a write-down to market value would be necessary. No impairment losses were recorded during the years ended December 31, 2018 and 2017.

Revenue Recognition. Contract, conferences and workshop revenue are recorded as the services are rendered. Prepaid amounts are recorded as a deferred revenue liability when payments are received. As the services are rendered, revenue is then recorded.

Contributions. Contributions are recognized when the donation is received. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions. Contributions and grants that are restricted by the donor or grantor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are recognized.

Contributed Services. The Organization records the fair value of contributed services in the financial statements if the services either (a) create or enhance a nonfinancial asset or (b) require specialized skills that are provided by persons possessing those skills and would typically need to be purchased if not provided by donation. The Organization received \$15,000 and \$11,000 in contributed services during the years ended December 31, 2018 and 2017, respectively.

Income Taxes. The Organization is a nonprofit corporation exempt from income taxes as described in Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation.

Southwest Energy Efficiency Project

Notes to Financial Statements

December 31, 2018 and 2017

Note 1 – Nature of Organization and Significant Accounting Policies (continued)

Income Taxes (continued). Accordingly, no provision for income taxes has been made.

Functional Allocation of Expenses. The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, direct expenses have been allocated to the applicable program for which the expenses were incurred. Indirect expenses have been allocated between program and supporting services based on an analysis of personnel time and space utilized for the related activities.

Subsequent Events. The Organization evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through May 14, 2019, the date at which the financial statements were available for release.

Note 2 - New Accounting Pronouncement

In August 2016, the FASB issued Accounting Standards Update (ASU) 2016-14, Presentation of Financial Statements of Not-for-Profit Entities, with the stated purpose of improving financial reporting by not-for-profit entities. During the year ended December 31, 2018, the Organization adopted the requirements of ASU 2016-14 and, as a result, adjusted the presentation of its financial statements accordingly, applying the changes retrospectively to the comparative period presented. The new standard changes the following aspects of the Organization's financial statements.

The temporarily restricted net asset class has been renamed "net assets with donor restrictions".

The unrestricted net asset class has been renamed "net assets without donor restrictions".

The financial statements include a new disclosure about liquidity and availability of resources (Note 6).

The changes have the following effect on net assets at December 31, 2017:

	As Originally Presented	After Adoption of ASU 2016-14
Unrestricted net assets	\$ 1,738,943	\$ -
Temporarily restricted net assets	955,300	-
Net assets without donor restrictions	-	1,738,943
Net assets with donor restrictions	-	955,300
	<u>\$ 2,694,243</u>	<u>\$ 2,694,243</u>

In addition, certain amounts in the prior-year financial statements have been reclassified for comparative purposes to conform with the presentation in the current-year financial statements.

Southwest Energy Efficiency Project

Notes to Financial Statements

December 31, 2018 and 2017

Note 3 – Fair Value Measurements

The Organization's fair value hierarchy for those investment assets measured at fair value on a recurring basis is as follows at December 31, 2018:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificate of deposit	<u>\$ -</u>	<u>\$ 897,012</u>	<u>\$ -</u>	<u>\$ 897,012</u>

Changes in Fair Value Levels. The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The Organization evaluated the significance of transfers between levels based upon the nature of the financial instruments and size of the transfer relative to total net assets available for benefits. There were no significant transfers in or out of fair value levels during the years ended December 31, 2018 and 2017.

Investment income consisted of the following for the years ended December 31:

	<u>2018</u>	<u>2017</u>
Interest	<u>\$ 13,607</u>	<u>\$ 1,011</u>
Unrealized loss on investments	<u>(2,988)</u>	<u>-</u>
	<u>\$ 10,619</u>	<u>\$ 1,011</u>

Note 4 - Operating Lease Commitments

The Organization leases office space in Boulder and Denver, Colorado under noncancelable operating leases. The leases require monthly payments totaling \$6,555, and expire in February 2022 and August 2019, respectively. Rent expense, including taxes and shared costs, under the leases totaled \$79,494 and \$73,620 for the years ended December 31, 2018 and 2017, respectively.

Future annual minimum lease payments required under the noncancelable operating leases are as follows at December 31, 2018:

<u>Year</u>	<u>Facilities</u>
2019	\$ 78,471
2020	77,959
2021	80,298
2022	13,448
	<u>\$ 250,176</u>

Southwest Energy Efficiency Project

Notes to Financial Statements

December 31, 2018 and 2017

Note 5 - Net Assets with Donor Restrictions

The following summarizes the changes in net assets with donor restrictions for the years December 31, 2018 and 2017:

	Purpose Restriction		
	Energy Efficiency Projects	Time Restriction	Total
Balance, January 1, 2017	\$ 786,287	\$ 5,500	\$ 791,787
Additions	1,384,600	52,500	1,437,100
Releases	(1,268,087)	(5,500)	(1,273,587)
Balance, December 31, 2017	\$ 902,800	\$ 52,500	\$ 955,300
Additions	1,266,710	5,000	1,271,710
Releases	(1,228,180)	(52,500)	(1,280,680)
Balance, December 31, 2018	<u>\$ 941,330</u>	<u>\$ 5,000</u>	<u>\$ 946,330</u>

Note 6 - Liquidity and Availability

The Organization had \$2,930,732 and \$2,839,778 in financial assets available within one year of December 31, 2018 and 2017, respectively. The Organization receives significant contributions and promises to give that are restricted by donors, and 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. The Organization manages its liquidity and reserves following three guiding principles: operating within a prudent range of financial soundness and stability; maintaining adequate liquid assets to fund near-term operating needs; and maintaining sufficient reserves to provide reasonable assurance that long-term obligations will be discharged. To achieve these guiding principles, the Organization forecasts its future cash flows and monitors its liquidity monthly. During the years ended December 31, 2018 and 2017, the level of liquidity and reserves was managed within the guiding principles.

Note 7 – Retirement Plan

The Organization provides for a deferred compensation plan under Internal Revenue Code Section 408(p) which allows an employee to contribute up to \$12,500 of their annual compensation. The Organization provides a matching contribution to the plan of up to 3% of the employee's annual compensation. The Organization contributed \$27,770 and \$28,401 to the plan for the years ended December 31, 2018 and 2017, respectively.

Note 8 - Concentrations of Credit Risk

Bank Deposits. The Organization routinely maintains cash balances in excess of federally insured limits.

Southwest Energy Efficiency Project

Notes to Financial Statements

December 31, 2018 and 2017

Note 8 - Concentrations of Credit Risk (continued)

Major Funders. The Organization had three funders who comprised 78% and 68% of total support and revenue for the years ended December 31, 2018 and 2017, respectively. The total contracts receivable outstanding from these funders totaled \$67,031 and \$73,428 at December 31, 2018 and 2017, respectively.