

# **Rainforest Action Network**

Financial Statements

June 30, 2019  
(With Comparative Totals for 2018)



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Rainforest Action Network  
San Francisco, California

We have audited the accompanying financial statements of Rainforest Action Network (a California nonprofit corporation) ("RAN"), which comprise the statement of financial position as of June 30, 2019, 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.

### **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 Rainforest Action Network as of June 30, 2019, 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.

### **Change in Accounting Principle**

As described in Note 8 to the financial statements, the RAN has adopted ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities*. Our opinion is not modified with respect to that matter.

### **Report on Summarized Comparative Information**

We have previously audited Rainforest Action Network's 2018 financial statements, and our report dated October 22, 2018 expressed an unmodified opinion on those audited financial statements. As part of our audit of the 2019 financial statements, we also audited the adjustments to the 2018 financial statements to apply the change in accounting principle discussed above. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, adjusted for the change in accounting principle discussed above, is consistent, in all material respects, with the audited financial statements from which it has been derived. Also, in our opinion, such adjustments are appropriate and have been properly applied.



Armanino<sup>LLP</sup>  
San Francisco, California

November 4, 2019

Rainforest Action Network  
Statement of Financial Position  
June 30, 2019  
(With Comparative Totals for 2018)

	2019	2018
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 4,144,837	\$ 3,755,384
Investments	761,394	754,871
Grants, pledges and contributions receivable	1,634,268	195,499
Other receivables	4,703	14,127
Prepaid expenses and other current assets	48,764	90,389
Total current assets	6,593,966	4,810,270
Noncurrent assets		
Grants, pledges and contributions receivable	500,000	2,075,140
Property and equipment, net	3,688	11,064
Deposits	41,552	48,270
Total noncurrent assets	545,240	2,134,474
Total assets	\$ 7,139,206	\$ 6,944,744
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable	\$ 20,415	\$ 34,567
Accrued payroll liabilities	302,127	288,840
Other accrued liabilities	153,979	169,699
Deferred rent	13,157	34,623
Total current liabilities	489,678	527,729
Net assets		
Without donor restrictions	4,050,119	3,622,843
With donor restrictions	2,599,409	2,794,172
Total net assets	6,649,528	6,417,015
Total liabilities and net assets	\$ 7,139,206	\$ 6,944,744

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

Rainforest Action Network  
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
Revenues, gains and other support				
Support and membership				
Public support and membership	\$ 1,548,612	\$ 9,163	\$ 1,557,775	\$ 1,253,685
Major gifts/family foundations	1,835,568	255,453	2,091,021	2,172,118
Grants and contributions	220,230	3,244,887	3,465,117	4,141,512
In-kind contributions	304,747	-	304,747	395,756
Total support and membership	<u>3,909,157</u>	<u>3,509,503</u>	<u>7,418,660</u>	<u>7,963,071</u>
Special events				
Special events income	378,008	112,500	490,508	418,745
Special events expenses	(81,921)	-	(81,921)	(80,656)
Total special events	<u>296,087</u>	<u>112,500</u>	<u>408,587</u>	<u>338,089</u>
Investment returns				
Investment income	8,890	-	8,890	5,455
Total investment returns	<u>8,890</u>	<u>-</u>	<u>8,890</u>	<u>5,455</u>
Net assets released from restriction	<u>3,816,766</u>	<u>(3,816,766)</u>	<u>-</u>	<u>-</u>
Total revenues, gains and other support	<u>8,030,900</u>	<u>(194,763)</u>	<u>7,836,137</u>	<u>8,306,615</u>
Functional expenses				
Program services				
Programs	4,816,332	-	4,816,332	4,365,081
Forest Governance, Markets and Climate	763,631	-	763,631	453,990
Total program services	5,579,963	-	5,579,963	4,819,071
Management and general	1,005,716	-	1,005,716	1,298,334
Fundraising	1,028,439	-	1,028,439	1,120,162
Total functional expenses	<u>7,614,118</u>	<u>-</u>	<u>7,614,118</u>	<u>7,237,567</u>
Change in net assets from operations	416,782	(194,763)	222,019	1,069,048
Other revenue	<u>10,494</u>	<u>-</u>	<u>10,494</u>	<u>-</u>
Change in net assets	427,276	(194,763)	232,513	1,069,048
Net assets, beginning of year	<u>3,622,843</u>	<u>2,794,172</u>	<u>6,417,015</u>	<u>5,347,967</u>
Net assets, end of year	<u>\$ 4,050,119</u>	<u>\$ 2,599,409</u>	<u>\$ 6,649,528</u>	<u>\$ 6,417,015</u>

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

Rainforest Action Network  
Statement of Functional Expenses  
For the Year Ended June 30, 2019  
(With Comparative Totals for 2018)

	<u>Program Services</u>				2019 Total	2018 Total
	<u>Programs</u>	Forest Governance, Markets and Climate	Management and General	Fundraising		
Bank charges and fees	\$ -	\$ -	\$ 5,183	\$ 65,990	\$ 71,173	\$ 49,989
Campaign supplies	4,712	1,366	-	-	6,078	22,283
Contract services	392,426	368,721	111,560	41,661	914,368	729,467
Digital campaign ad	104,613	-	-	84,292	188,905	162,200
Direct mail	-	-	-	328,675	328,675	303,226
Employee development and training	20,735	561	9,871	6,094	37,261	32,693
Equipment leases	4,506	-	1,744	1,017	7,267	8,192
Equipment maintenance and repair	109	-	42	25	176	50
Grants to third parties	226,461	134,938	-	-	361,399	195,149
In-kind expenses	303,049	-	-	1,698	304,747	395,756
Insurance	7,120	-	13,235	1,608	21,963	20,695
Legal services	5,268	24,909	9,134	-	39,311	10,499
List rental	-	-	-	21,165	21,165	17,648
Meals and entertainment	-	-	-	-	-	612
Meetings, conferences and conventions	84,321	14,058	14,590	7,051	120,020	88,677
Membership dues	18,698	-	2,039	3,731	24,468	22,020
Miscellaneous	43,284	1,486	10,397	836	56,003	17,531
Newsletters	17,253	-	-	4,152	21,405	10,143
Office supplies and equipment	23,192	2,861	9,234	5,469	40,756	18,578
Photography and videography	2,359	300	-	-	2,659	18,836
Postage and shipping	951	101	1,171	4,121	6,344	7,303
Printing and copying	13,459	4,494	1,978	8,271	28,202	41,257
Professional fundraising fees	-	-	-	-	-	17,055
Publication and subscriptions	48,827	-	5,364	3,587	57,778	67,547
Recruitment services	315	-	2,882	-	3,197	2,520
Rent, depreciation and utilities	187,602	-	72,620	42,362	302,584	281,820
Salaries, payroll taxes and benefits	3,036,699	153,739	671,920	361,750	4,224,108	4,258,374
Software leases	-	-	19,213	21,249	40,462	31,780
Taxes and related costs	-	-	14,656	-	14,656	11,048
Telecommunications	32,119	-	10,516	5,462	48,097	49,414
Travel	166,672	56,097	18,367	8,081	249,217	289,073
Volunteer and intern expenses	-	-	-	-	-	2,067
Website	71,582	-	-	92	71,674	54,065
	<u>\$4,816,332</u>	<u>\$ 763,631</u>	<u>\$ 1,005,716</u>	<u>\$ 1,028,439</u>	<u>\$ 7,614,118</u>	<u>\$ 7,237,567</u>

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

Rainforest Action Network  
Statement of Cash Flows  
For the Year Ended June 30, 2019  
(With Comparative Totals for 2018)

	2019	2018
Cash flows from operating activities		
Change in net assets	\$ 232,513	\$ 1,069,048
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation	7,376	7,376
Changes in operating assets and liabilities		
Grants, pledges and contributions receivable, net	136,371	(490,323)
Other receivables	9,424	270
Prepaid expenses and other current assets	48,343	(24,236)
Accounts payable	(14,152)	(8,706)
Accrued payroll liabilities	13,287	8,221
Other accrued liabilities	(15,720)	95,251
Deferred rent	(21,466)	29,623
Deferred revenue	-	(46,395)
Net cash provided by operating activities	395,976	640,129
Cash flows from investing activities		
Purchase of investments	(6,523)	(504,871)
Net cash used in investing activities	(6,523)	(504,871)
Net increase in cash	389,453	135,258
Cash, beginning of year	3,755,384	3,620,126
Cash, end of year	\$ 4,144,837	\$ 3,755,384

Supplemental disclosures of cash flow information

Cash paid during the year for		
Tax	\$ -	\$ 150

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



Rainforest Action Network  
Notes to Financial Statements  
June 30, 2019

1. NATURE OF OPERATIONS

Rainforest Action Network ("RAN") was established in 1985 as a California nonprofit public charity corporation to conduct research and educate the public about environmental issues. RAN's mission is to preserve forests, protect the climate and uphold human rights by challenging corporate power and systemic injustice through frontline partnerships and strategic campaigns.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") applicable to nonprofit organizations.

Financial accounting standards require nonprofit organizations to classify net assets in the accompanying statement of financial position and statement of activities in two classes of net assets based on the existence or absence of donor imposed restrictions.

- *Net assets without donor restrictions* - represents all of the resources available to support RAN's operations as well as those resources which have become available in accordance with the intentions of the donor.
- *Net assets with donor restrictions* - represent the portion of net assets for which use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of RAN or donor-imposed stipulations that are restricted in perpetuity. There are no net assets with donor restrictions to be held in perpetuity at June 30, 2019.

Cash and cash equivalents

Cash and cash equivalents are defined as cash, savings and deposits that have a maturity of three months or less when acquired.

Receivables

Unconditional pledges and contributions receivable are reported at fair value and recorded in the period pledged or received. Grants that are considered exchange transactions are recorded as revenue when earned. Grants that are non-exchange transactions are considered contributions and accounted for accordingly. Other receivables are stated at the amount management expects to collect from outstanding balances. Pledge and contributions receivable at June 30, 2019 totaled \$2,134,268, with \$1,634,268 due in less than one year and \$500,000 due in two to five years.

Rainforest Action Network  
Notes to Financial Statements  
June 30, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Receivables (continued)

Receivables are reviewed by management for collectability and an allowance for doubtful accounts is established when needed. The allowance for doubtful accounts is based on historical experience and an evaluation of the outstanding receivables at the end of the year. Account balances are charged off against the allowance for doubtful accounts after all means of collection have been exhausted and the potential for recovery is considered remote. There was no allowance for doubtful account recorded at June 30, 2019.

Property and equipment

Property and equipment are valued at cost or, if donated, at fair market value on the date of donation. The cost of property and equipment greater than \$3,000 is capitalized. Maintenance and repairs are charged to expense as incurred. Furnishings and equipment are depreciated using the straight-line method over the estimated useful lives of the assets which range from three to seven years. Leasehold improvements are amortized over the lesser of the estimated useful life of the respective assets or the related lease term.

Support and revenue recognition

Contributions are recorded at fair value and are recognized as revenue when the donor makes an unconditional promise to give. Unconditional promises to give are recognized as revenue and receivables in the period in which notification of the promise is received. Donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions temporarily are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Forest Governance, Markets and Climate Grant

In October 2015, RAN received an award for the Forest Governance, Markets and Climate ("FGMC") program, which ended on March 31, 2018. In May 2018, RAN received an additional award for the FGMC program. In accordance with the award provisions, RAN is required to report certain financial information related to the awards and meet certain programmatic requirements in order to receive cash disbursements from the grant. Based on the uncertainty of these requirements, RAN has treated the FGMC grant as a conditional contribution. For the year ended June 30, 2019, FGMC grant revenue amounted to \$812,293, recorded as restricted revenue. Of this amount, \$763,631 were released from restrictions during the year. The remaining funds that have been committed but not yet disbursed to RAN amounted to \$48,662 at June 30, 2019.

Rainforest Action Network  
Notes to Financial Statements  
June 30, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In-kind contributions

RAN receives gifts in kind, such as event space and catering for its annual special event and digital ads (Google Grants). Gifts in kind received through donation are valued and recorded as revenue at their fair value at the time the contribution is received. The value of such items received during the year ended June 30, 2019 amounted to \$304,747 (\$1,698 for Special Events - Fundraising and \$303,049 for digital ads).

Fair value measurements

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. RAN determines the fair values of its assets and liabilities based on a fair value hierarchy that includes three levels of inputs that may be used to measure fair value (Level 1, Level 2 and Level 3). Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the RAN has the ability to access at the measurement date. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis. Level 2 inputs are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability.

Donated investments

Cash receipts from the sale of donated financial assets that upon receipt were directed without any imposed limitations for sale and were converted nearly immediately into cash are classified as cash flows from operating activities, unless the donor restricted the use of the contributed resources to long-term purposes, in which case those cash receipts should be classified as cash flows from financing activities. RAN received donated stock amounting to \$48,591 during 2019, which RAN immediately converted to cash.

Functional allocation of expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services. Such allocations are determined by management on an equitable basis. The remaining costs are charged directly to the appropriate functional category.

The expenses that are allocated include the following: Salaries, payroll taxes and benefits; Rent, depreciation and utilities; Employee development and training; and, Miscellaneous. These costs are allocated based on time and effort and square footage.

Rainforest Action Network  
Notes to Financial Statements  
June 30, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, and revenue and expenses, as well as contingent assets and liabilities during the reporting period. Actual results could differ from those estimates.

Income taxes

RAN has been determined to be exempt from federal and state income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code and generally is not subject to state or federal income taxes.

RAN assesses tax positions taken or expected to be taken against more-likely-than-not recognition threshold and measurement attributes for financial statement recognition. Based on an analysis prepared by RAN, it was determined that RAN 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.

Concentration of credit risk

RAN deposits cash with two financial institutions. Such amounts may at times exceed Federal Deposit Insurance Corporation limits. To date, RAN has not experienced any losses in these accounts.

Receivables consist primarily of unsecured amounts due from companies and foundations. Credit risk is mitigated by the number of companies and foundations comprising the receivable balance. Based on past experiences, an evaluation of the outstanding receivables at the end of the year and other known circumstances, an allowance for doubtful accounts is maintained for amounts deemed to be uncollectible.

Subsequent events

RAN has evaluated subsequent events through November 4, 2019, the date the financial statements were available to be issued. As disclosed in Note 7, management is currently negotiating its San Francisco office lease. No other subsequent events have occurred that would have a material impact on the presentation of RAN's financial statements.

Advertising costs

Costs associated with advertising are charged to expense as incurred. Advertising expenses were \$188,905 for the year ended June 30, 2019.

Rainforest Action Network  
Notes to Financial Statements  
June 30, 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Reclassifications

Certain amounts in the prior period financial statements have been reclassified to conform to the presentation of the current period financial statements. These reclassifications had no effect on the previously reported changes in net assets.

3. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

Furniture and fixtures	\$ 23,513
Leasehold improvements	<u>45,696</u>
	69,209
Accumulated depreciation	<u>(65,521)</u>
	<u><u>\$ 3,688</u></u>

Depreciation expense for the year ended June 30, 2019 totaled \$7,376.

4. INVESTMENTS

Investments consist of the following:

Fixed income	\$ <u><u>761,394</u></u>
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The following table sets forth by level, within the fair value hierarchy, RAN's assets at fair value as of June 30, 2019:

	Level 1	Level 2	Level 3	Total
Fixed income	<u>\$ -</u>	<u>\$ 761,394</u>	<u>\$ -</u>	<u>\$ 761,394</u>

Rainforest Action Network  
Notes to Financial Statements  
June 30, 2019

5. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

Climate Program	\$ 701,768
Agribusiness Campaign	597,623
Protect an Acre	236,525
Climate Action Fund	87,970
Forest Finance Campaign	48,662
Special Events	112,500
General Operation - Time Restrictions	<u>814,361</u>
	<u>\$ 2,599,409</u>

Net assets with donor restrictions released from restriction during the year were as follows:

Climate Program	\$ 769,571
Rainforest Free Paper Campaign	270,000
Agribusiness Campaign	1,258,514
Protect an Acre	233,704
Climate Action Fund	21,001
Forest Finance Campaign	763,631
General Operations - Time Restrictions	<u>500,345</u>
	<u>\$ 3,816,766</u>

6. RETIREMENT PLAN

RAN sponsors a Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) IRA plan covering all employees who meet certain minimum requirements. Under the Plan, RAN provides a matching contribution to each employee's Simple IRA equal to the employee's salary reduction contributions up to a limit of 3% of the employee's compensation for the calendar year.

The amount of pension contribution recognized as expense in 2019 amounted to \$62,651.

Rainforest Action Network  
Notes to Financial Statements  
June 30, 2019

7. COMMITMENTS AND CONTINGENCIES

In the normal course of business there are outstanding various commitments and contingent liabilities, such as commitments to enter into and/or renew contracts related to ongoing operational activities, which are not reflected in the financial statements. Such commitments and contingencies also include risks associated with various economic and operating factors, which include (a) contractual restrictions and donor conditions which obligate RAN to fulfill certain requirements as set forth in legal instruments, (b) funding levels which vary based on factors beyond RAN's control, such as general economic conditions, (c) service agreements with outside contractors, and (d) financial risks associated with funds on deposit in accounts at financial institutions. Management believes that such commitments or contingencies have been properly addressed, appropriate amounts have been accrued (where necessary), and there will not be any resolution with a material adverse effect on the financial statements.

Leases

In September 2012, RAN entered into an operating lease for its office located in San Francisco, California. The lease has a term of 7 years, beginning January 1, 2013, and expiring on December 31, 2019. The lease calls for monthly payments of \$17,773 during the initial year, increases annually for the next three years (2014 to 2016) by \$539 per month, and increases annually for the following three years (2017 to 2019) by another \$808 per month on the anniversary of the rent commencement date. RAN recognizes rent expense on a straight line basis.

As of the date of this report, management is negotiating to renew the office lease in San Francisco, California. The renewal would be for a five year period beginning January 1, 2020 and ending December 31, 2024 with annual rent escalations.

RAN also leases office equipment under various operating lease agreements which expire within one to five years.

The scheduled minimum lease payments under the lease terms are as follows:

Year ending June 30,

2020	\$ 133,263
2021	2,387
2022	1,723
2023	<u>232</u>
	<u><u>\$ 137,605</u></u>

Rent expense for the year ended June 30, 2019 was \$293,488.

Rainforest Action Network  
Notes to Financial Statements  
June 30, 2019

8. CHANGE IN ACCOUNTING PRINCIPLE

Effective July 1, 2018, RAN adopted Accounting Standards Update (ASU) 2016-04, Not-for-Profit Entities (Topic 958) - *Presentation of Financial Statements of Not-for-Profit Entities*. The ASU supercedes the amends the previous reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled "net assets without donor restrictions" and "net assets with donor restrictions", (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the placed in service approach to recognize the expiration of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and the availability of resources, (f) presenting investment return net of external and direct expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. ASU 2016-14 was effective for financial statements issued for fiscal years beginning after December 31, 2017.

Implementation of ASU 2016-14 did not require reclassification or restatement of any opening balances related to the prior period presented. RAN net assets previously reported as temporarily restricted are now reported as net assets with donor restrictions. Likewise, RAN net assets previously reported as unrestricted are now reported as net assets without donor restrictions. RAN did not have any permanently restricted net assets.

9. LIQUIDITY

As part of RAN's liquidity management, financial assets are structured to be available as general expenditures, liabilities and other obligations become due. To meet liquidity needs, the organization has cash and cash equivalents, contributions receivable, other receivables and investments available.

On a monthly basis, the Finance Committee reviews RAN's financial position and is provided an update regarding the cash position to be maintained. Beginning in the fiscal year 2020, the Finance Committee has established minimum cash reserves of three months.



Rainforest Action Network  
Notes to Financial Statements  
June 30, 2019

9. LIQUIDITY (continued)

The following is a quantitative disclosure which describes assets that are available within one year of June 30, 2019, to fund general expenditures and other obligations when they become due:

Financial assets	
Cash and cash equivalents	\$ 4,144,837
Contributions receivable	2,134,268
Other receivables	4,703
Investments	<u>761,394</u>
	<u>7,045,202</u>
Less: amounts unavailable for general expenditure within one year	
Contributions receivable to be collected beyond one year	(500,000)
Restricted by donor for specified uses	<u>(2,099,409)</u>
	<u>(2,599,409)</u>
	 <u>\$ 4,445,793</u>

The organization has financial assets available at June 30, 2019 to cover approximately 6.5 months of operating expenses based on the fiscal year 2020 budget of an average monthly expense of \$688,000.