GRID Alternatives

Consolidated Financial Statements
and Supplementary Information
and Single Audit Reports and Schedules

December 31, 2019 and 2018

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
GRID Alternatives
Oakland, California

We have audited the accompanying consolidated financial statements of GRID Alternatives (a California nonprofit corporation) (the "Organization"), which comprise the consolidated statement of financial position as of December 31, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of GRID Alternatives as of December 31, 2019, and the changes in their net assets and their 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 2 to the financial statements, the Organization adopted the Financial Accounting Standards Board Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers*, and 2018-08, *Contributions Received and Contributions Made*. Our opinion is not modified with respect to that matter.

Emphasis of Matter

As discussed in Note 14 to the financial statements, on March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The ultimate financial impact and duration of these events cannot be reasonably estimated as this time. Our opinion is not modified with respect to that matter.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information on pages 26 - 58 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Additionally, the accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2020, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.

Prior Period Financial Statements

The consolidated financial statements of GRID Alternatives as of December 31, 2018, were audited by other auditors whose report dated September 24, 2019, expressed an unmodified opinion on those statements.

Armanino LLP
San Francisco, California

September 30, 2020

GRID Alternatives
Consolidated Statements of Financial Position
December 31, 2019 and 2018

	2019	2018
ASSETS		
Current assets		
Cash and cash equivalents	$ 2,115,939	$ 3,129,201
Contributions and contracts receivable	10,744,165	11,207,592
Investments	1,541,155	1,298,303
Construction in process	4,825,637	4,363,877
Prepaid expenses	1,813,332	2,646,111
Total current assets	21,040,228	22,645,084
Property and equipment, net	613,397	742,510
Other assets		
Grants and contracts receivable, net of current portion	300,000	2,500,000
Note receivable	57,000	-
Deposits	832,664	469,740
Total other assets	1,189,664	2,969,740
Total assets	$ 22,843,289	$ 26,357,334
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	$ 2,690,697	$ 2,630,502
Accrued expenses	1,449,419	1,126,128
Deferred revenue	2,773,516	947,641
Line of credit	4,684,500	1,000,000
Total current liabilities	11,598,132	5,704,271
Warranty liability	644,283	691,445
Total liabilities	12,242,415	6,395,716
Net assets		
Without donor restrictions	4,417,510	10,425,415
With donor restrictions	6,183,364	9,536,203
Total net assets	10,600,874	19,961,618
Total liabilities and net assets	$ 22,843,289	$ 26,357,334

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

GRID Alternatives
Consolidated Statement of Activities
For the Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 11,947,859	$ -	$ 11,947,859
Contributions	1,592,237	4,612,220	6,204,457
Service contracts	31,492,802	-	31,492,802
In-kind contributions	1,718,303	-	1,718,303
Investment income (loss)	280,636	-	280,636
Rental income	38,383	-	38,383
	47,070,220	4,612,220	51,682,440
Net assets released from restriction	7,965,059	(7,965,059)	-
Total revenues, gains, and other support	55,035,279	(3,352,839)	51,682,440
Functional expenses			
Program services	48,590,805	-	48,590,805
Management and general	9,387,047	-	9,387,047
Fundraising	3,065,332	-	3,065,332
Total functional expenses	61,043,184	-	61,043,184
Change in net assets	(6,007,905)	(3,352,839)	(9,360,744)
Net assets, beginning of year	10,425,415	9,536,203	19,961,618
Net assets, end of year	$ 4,417,510	$ 6,183,364	$ 10,600,874

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

GRID Alternatives
Consolidated Statement of Activities
For the Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 8,626,694	$ -	$ 8,626,694
Contributions	3,130,626	7,092,930	10,223,556
Service contracts	32,384,488	-	32,384,488
In-kind contributions	3,037,108	-	3,037,108
Investment income (loss)	(63,814)	-	(63,814)
Rental income	36,165	-	36,165
	47,151,267	7,092,930	54,244,197
Net assets released from restriction	6,150,129	(6,150,129)	-
Total revenues, gains, and other support	53,301,396	942,801	54,244,197
Functional expenses			
Program services	41,674,164	-	41,674,164
Management and general	8,452,590	-	8,452,590
Fundraising	2,826,298	-	2,826,298
Total functional expenses	52,953,052	-	52,953,052
Change in net assets	348,344	942,801	1,291,145
Net assets, beginning of year	10,077,071	8,593,402	18,670,473
Net assets, end of year	$ 10,425,415	$ 9,536,203	$ 19,961,618

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

GRID Alternatives
Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2019

	Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 16,523,107	$ 4,761,997	$ 2,135,685	$ 23,420,789
Payroll taxes and fringe benefits	4,612,932	620,503	447,780	5,681,215
Travel and conferences	1,428,532	328,960	116,986	1,874,478
Printing expense	96,518	49,823	12,289	158,630
Bank charges	29,075	320,325	9,786	359,186
Program material supplies and permits	14,846,889	48,202	13,186	14,908,277
Program consultants	883,380	-	-	883,380
Insurance	381,200	332,423	27,539	741,162
Telecommunication	304,280	160,756	29,646	494,682
Staff development	166,500	82,784	9,465	258,749
Facilities	1,215,859	471,291	102,496	1,789,646
Professional fees	4,934,870	1,261,517	147,064	6,343,451
Postage	32,670	17,007	4,431	54,108
Office expenses	90,132	180,652	6,151	276,935
Depreciation	281,635	10,715	2,828	295,178
Taxes and licenses	104,657	23,567	-	128,224
Donations and awards	2,658,569	716,525	-	3,375,094
	$ 48,590,805	$ 9,387,047	$ 3,065,332	$ 61,043,184

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

GRID Alternatives
Consolidated Statement of Functional Expenses
For the Year Ended December 31, 2018

	Program Services	Management and General	Fundraising	Total
Salaries and wages	$ 13,493,692	$ 3,997,414	$ 1,762,219	$ 19,253,325
Payroll taxes and fringe benefits	3,587,964	721,770	430,381	4,740,115
Travel and conferences	1,124,740	614,242	74,748	1,813,730
Printing expense	112,694	78,358	6,380	197,432
Bank charges	5,113	76,805	3,543	85,461
Program material supplies and permits	13,026,349	50,122	26,050	13,102,521
Program consultants	3,304,049	-	-	3,304,049
Insurance	331,592	59,982	26,531	418,105
Telecommunication	287,725	82,657	29,407	399,789
Staff development	182,722	58,670	10,888	252,280
Facilities	1,078,314	175,815	123,285	1,377,414
Professional fees	2,120,138	1,200,395	249,914	3,570,447
Postage	84,813	17,368	2,660	104,841
Office expenses	89,492	183,679	9,054	282,225
Depreciation	242,989	8,890	3,668	255,547
Taxes and licenses	172,163	86,989	1,720	260,872
Donations and awards	2,429,615	1,039,434	65,850	3,534,899
	$ 41,674,164	$ 8,452,590	$ 2,826,298	$ 52,953,052

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

GRID Alternatives
Consolidated Statements of Cash Flows
For the Years Ended December 31, 2019 and 2018

	2019	2018
Cash flows from operating activities		
Change in net assets	$ (9,360,744)	$ 1,291,145
Adjustments to reconcile change in net assets to net cash used in operating activities		
Depreciation	295,178	255,547
(Gain) loss on investments	(280,636)	63,814
Changes in operating assets and liabilities		
Contributions and contracts receivable	2,663,427	(1,308,441)
Construction in process	(461,760)	1,007,141
Prepaid expenses	832,779	224,356
Deposits	(362,924)	(218,698)
Accounts payable	60,195	741,079
Accrued expenses	323,291	14,239
Deferred revenue	1,825,875	(3,067,133)
Warranty liability	(47,162)	76,176
Net cash used in operating activities	(4,512,481)	(920,775)
Cash flows from investing activities		
Purchase of investments	(2,148,891)	-
Proceeds from sale of investments	2,186,675	2,496
Purchase of property and equipment	(166,065)	(321,473)
Issuance of note	(57,000)	-
Net cash used in investing activities	(185,281)	(318,977)
Cash flows from financing activities		
Net borrowings from line of credit	3,684,500	-
Net cash provided by financing activities	3,684,500	-
Net decrease in cash and cash equivalents	(1,013,262)	(1,239,752)
Cash and cash equivalents, beginning of year	3,129,201	4,368,953
Cash and cash equivalents, end of year	$ 2,115,939	$ 3,129,201

Supplemental disclosure of cash flow information

Cash paid during the year interest	$ 294,323	$ 60,611

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

1. NATURE OF OPERATIONS

GRID Alternatives and its affiliates (collectively, the "Organization") is a non-profit, tax-exempt service organization that makes renewable energy technology and job training accessible to underserved communities. GRID Alternatives is a nationally recognized non-profit organization headquartered in Oakland, California. During 2017, it operated three regional branch offices under its entity, located in the Bay Area, Central Coast and Inland Empire regions of California. During the year ended December 31, 2018, these three branch offices spun-off as separate affiliates. The Organization also conducts work in tribal communities in North and South Dakota, Arizona, Montana, New Mexico, Washington, Nicaragua, and conducts work in Nepal and Mexico.

The Organization is affiliated with GRID Alternatives Colorado, Inc.; GRID Alternatives Greater Los Angeles, Inc.; GRID Alternatives San Diego, Inc.; GRID Alternatives North Valley, Inc.; GRID Alternatives Mid-Atlantic, Inc.; GRID Alternatives Central Valley, Inc.; GRID Alternatives Bay Area, Inc.; GRID Alternatives Central Coast, Inc.; GRID Alternatives Inland Empire, Inc.; and GRID Alternatives Tri State, Inc. These affiliates install solar electric systems for low-income families and affordable housing providers throughout their region, providing families with needed savings and training workers for jobs in the growing solar industry. The financial activity of these organizations is included in the accompanying consolidated financial statements of the Organization. GRID Alternatives Tri State, Inc. ceased operations during the year ended December 31, 2017.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting and financial statement presentation

The consolidated financial statements of the Organization have been 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 non-profit organizations. Accordingly, net assets and revenues, gains and losses are classified based on the existence or absence of donor-imposed restrictions.

- *Net assets without donor restrictions* - net assets not subject to donor-imposed stipulations.
- *Net assets with donor restrictions* - net assets subject to donor-imposed stipulations that may or will be met, either by actions of the Organization and/or the passage of time or held in perpetuity by donor-imposed stipulations, for which the income from these contributions is available to support the activities of the Organization as designated by the donor.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of accounting and financial statement presentation (continued)

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Investment income and gains or losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor restriction or by law. Expirations of net assets with donor restrictions (i.e. the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Principles of consolidation

The consolidated financial statements include the results of GRID Alternatives and its affiliates: GRID Alternatives Colorado, Inc.; GRID Alternatives Greater Los Angeles, Inc.; GRID Alternatives San Diego, Inc.; GRID Alternatives North Valley, Inc.; GRID Alternatives Mid-Atlantic, Inc.; GRID Alternatives Central Valley, Inc.; GRID Alternatives Bay Area, Inc.; GRID Alternatives Central Coast, Inc.; and GRID Alternatives Inland Empire, Inc. All intercompany transactions and balances have been eliminated in consolidation.

Use of estimates

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

Cash and cash equivalents

The Organization considers all highly liquid financial instruments with an original maturity of three months or less, when purchased, to be cash equivalents. The Organization places its cash with high credit quality institutions. Periodically, such deposits may be in excess of federally insured limits.

Receivables

Contracts receivables are stated at the amount management expects to collect from outstanding balances. Unconditional contributions receivable are reported at fair value and recorded in the period received. Contributions that are promised in one year but are not expected to be collected until after the end of that year are discounted at an appropriate discount rate commensurate with the risks involved and the period of time over which the contributions are expected to be collected. Amortization of any such discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Receivables (continued)

An allowance for doubtful accounts is provided based upon management's judgment, past experiences and other circumstances. 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 is no allowance for doubtful accounts at December 31, 2019 and 2018 as management has determined all outstanding balances to be collectible.

Investments and fair value measurements

Investments represent a diversified portfolio of public domestic and international equity securities, and fixed income securities. Investments are reported at fair value. The values of publicly-traded fixed income and equity securities are based on quoted market prices.

U.S. GAAP establish a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Organization. Unobservable inputs, if any, reflects the Organization's assumption about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

- *Level 1* - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access at measurement date. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.
- *Level 2* - Valuations based on significant inputs that are observable, either directly or indirectly or quoted prices in markets that are not active, that is, markets in which there are few transactions, the prices are not current or price quotations vary substantially either over time or among market makers.
- *Level 3* - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from security to security and is affected by a wide variety of factors, including the type of security, whether the security is new and not yet established in the marketplace and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the securities existed.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and fair value measurements (continued)

Purchases and sales are recorded on the settlement-date basis. Investment income is recorded when it is received. The Organization records investment income or losses on the Statement of Activities, which consist of the realized gains or losses and the unrealized appreciation or depreciation on those investments.

Construction in process

Subcontractor fees and equipment purchases are captured in the construction in process account when purchased and are removed and recognized as an expense when a project meets sufficient criteria to be involved for the underlying revenue related to the respective project. The balance is composed of subcontractor fees and solar equipment for projects that have yet to be completed.

Prepaid expenses

Prepaid expenses consist primarily of reimbursable solar installation expenses and insurance premiums paid for in full and then expensed over the course of the respective policy.

Property and equipment

Property and equipment are stated at cost of acquisition or fair value if donated and is depreciated under the straight-line method over an estimated useful life of five years. The cost of maintenance and repairs is charged to expense as incurred. Property and equipment are capitalized if the cost of an asset is greater than or equal to one thousand dollars and the useful life is greater than one year.

Deferred revenue

The Organization records deferred revenue in connection with advance(s) provided by a funding source's contractual disbursement agreement. Deferred revenue is reclassified to revenue when it is earned. Advances at December 31, 2019 consist of the administrative portion of the Single-Family Affordable Solar Homes (SASH) program, Disadvantaged Communities - Single-family Solar Homes (DAC-SASH) program, and the Solar on Multifamily Affordable Housing (SOMAH) program under agreements with the State of California and Southern California Edison (SCE) program, Department of Community Services and Development (CSD), California Air Resources Board, Tribal Solar Projects, and other program revenue. Advances at December 31, 2018 consist of the administration portion of the SASH Program.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Warranties

The Organization offers certain limited warranties on the installation of solar panel systems. These warranties include: a system warranty; roof warranty; and repair promise. The warranty period varies based on the type of warranty. The warranty liability is calculated based on the date of installation, system size, warranty period and other specific items and represents the amount of future payout to be incurred for the solar panels installations completed through December 31, 2019.

Revenue recognition

Grants and contributions are recorded as revenue without donor restrictions or with donor restrictions, depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restriction. The Organization has elected to report contributions with donor restrictions whose restrictions are met in the same period as contributions without donor restrictions.

Contributions including unconditional promises to give, are recognized as revenues in the period the promise is received. Conditional promises to give are not recognized until they become unconditional, which is when donor stipulated barriers are overcome and the Organization is entitled to the assets transferred or promised. Contributions that are promised in one year but are not expected to be collected until after the end of that year are considered contributions receivable and are recorded at fair value by discounting at an appropriate discount rate commensurate with the risks involved. Amortization of any such discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for doubtful contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contributions, and current aging of the promises to give.

In-kind contributions are reflected as contributions at their fair value at date of donation and are reported as revenue without donor restrictions unless explicit donor stipulations specify how donated assets must be used. Contributed materials and equipments are recognized at fair value on the date of receipt. Contributed services are reflected in the financial statements at the fair value of the services received. The contributions of services are recognized if the services received (a) create or enhance nonfinancial assets or (b) require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

The Organization is contracted to install solar electric systems for low-income families and affordable housing providers. Service contracts revenues are recognized as solar electric systems are successfully installed and ready to operate or other agreed upon performance obligations are reached.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the consolidated statements of activities and the consolidated statements of functional expenses. Accordingly, certain expenses have been allocated among the program services and supporting services.

Expenses related to more than one function are allocated among program and supporting services based on a percentage of the employees' time and efforts. The percentage is estimated based on the employees' job responsibilities and has been consistently applied. The expenses that are allocated include salaries and related expenses, certain occupancy expenses, office and administrative expenses, grant expenses, and other expenses. Management and general activities include those expenses that are not directly identifiable with any other function but provide for the overall support and direction of the Organization.

Income tax status

The Organization is a qualified organization exempt from federal income taxes under the provisions of Sections 501(c)(3) of the Internal Revenue Code and 23701 of the California Revenue and Taxation Code, respectively.

U.S. GAAP require management to evaluate the tax positions taken by the Organization and to recognize a tax liability if the Organization has taken an uncertain position that, more likely than not, would not be sustained upon examination by the Internal Revenue Service ("IRS"). Management has analyzed the tax positions taken by the Organization and has concluded that, as of December 31, 2019, there are no uncertain positions taken, or expected to be taken, that would require recognition of a liability or disclosure in the consolidated financial statements. The Organization is subject to routine audits by the taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Concentration

Contracts receivable from two customers comprise 28% of the Organization's contributions and contracts receivable balance as of December 31, 2019. Contracts receivable from six customers comprise 67% of the Organization's contributions and contracts receivable balance as of December 31, 2018.

Revenues from SASH and DAC SASH programs, including incentives received from installation of solar electric systems and administration of program, totaled approximately 47% of the Organization's service contracts revenue for the year ended December 31, 2019. Revenues from SASH programs totaled approximately 36% of the Organization's service contracts revenue for the year ended December 31, 2018. Revenues from one customer comprises 20% and 20% of the Organization's service contracts revenue for the years ended December 31, 2019 and 2018, respectively.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Concentration (continued)

Contribution from one donor comprise approximately 10% of the Organization's total contribution revenue for the year ended December 31, 2019.

Reclassifications

Certain 2018 amounts have been reclassified to conform to the 2019 presentation.

Change in accounting principle

In June 2018, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2018-08, *Not-For-Profit Entities (Topics 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. This ASU clarifies the criteria for evaluating whether a transaction is a contribution or an exchange transaction and whether a contribution is conditional or unconditional. The Organization adopted ASU 2018-08 with a date of the initial application of January 1, 2019 using the modified retrospective method. The adoption of ASU 2018-08 did not have a significant impact on the Organization's financial position, result of operations, or cash flow. The Organization has evaluated contributions received and contributions made and has determined that there is no change as a result of the adoption of the standard.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topics 606)*. This ASU provides a five-step analysis of contracts to determine when and how revenue is recognized and replaces most existing revenue recognition guidance in the U.S. GAAP. The core principle of the new guidance is that an entity should reflect the transfer of goods and services to customers in an amount equal to the consideration the entity receives or expects to receive. The Organization adopted ASU 2014-09 with a date of the initial application of January 1, 2019, using the modified retrospective method. The adoption of ASU 2014-09 did not have a significant impact on the Organization's revenue recognition policy.

3. CONTRIBUTIONS AND CONTRACTS RECEIVABLE

Contributions and contracts receivable consisted of the following:

	2019	2018
Accounts receivable	$ 3,042,640	$ 5,113,475
Contributions receivable		
Less than one year	2,710,770	5,082,064
One to five years	300,000	2,500,000
	3,010,770	7,582,064
Grants receivable		
DGS - OCFO	1,058,656	71,148
California Air Resources Board	1,108,605	142,510
Department of Energy and environment	296,518	238,787
Other	2,526,976	559,608
	4,990,755	1,012,053
	$ 11,044,165	$ 13,707,592

4. INVESTMENTS

Investments consisted of the following:

	2019	2018
Certificates of deposit	$ 15,947	$ 15,947
Bond mutual funds	516,373	410,979
Equity securities	1,008,835	871,377
	$ 1,541,155	$ 1,298,303

4. INVESTMENTS (continued)

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2019:

	Level 1	Level 2	Level 3	Fair Value
Cash and cash equivalents	$ 35,151	$ -	$ -	$ 35,151
Certificates of deposit	15,947	-	-	15,947
Bond mutual funds	516,373	-	-	516,373
Equity securities	1,008,835	-	-	1,008,835
	$ 1,576,306	$ -	$ -	$ 1,576,306

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of December 31, 2018:

	Level 1	Level 2	Level 3	Fair Value
Certificates of deposit	$ 15,947	$ -	$ -	$ 15,947
Bond mutual funds	410,979	-	-	410,979
Equity securities	871,377	-	-	871,377
	$ 1,298,303	$ -	$ -	$ 1,298,303

5. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	2019	2018
Furniture and fixtures	$ 1,601,260	$ 1,435,220
Accumulated depreciation	(987,863)	(692,710)
	$ 613,397	$ 742,510

Depreciation expense for the years ended December 31, 2019 and 2018 was $295,178 and $255,547, respectively.

6. LINE OF CREDIT

The Organization's established maximum and available line of credit balance was $9,000,000 and $8,000,000 as of December 31, 2019 and 2018, respectively. The line of credit bears interest at the U.S. Prime Index Rate plus 1.25% (6.00% and 6.25% at December 31, 2019 and 2018, respectively) and matures in March 2020. On February 10, 2020, the line of credit was renewed to extend the term through June 5, 2020. On June 18, 2020, the line of credit was renewed again to extend the term through January 5, 2021 with decreased maximum balance of $5,804,254. The Organization had an outstanding principal balance of $4,684,500 and $1,000,000 as of December 31, 2019 and 2018, respectively. The line of credit is secured by assets of the Organization. The Organization was not in compliance with all debt covenants as of December 31, 2019 due to a negative change in net assets without donor restrictions. The Organization has not obtained a waiver, but did renew the line of credit. The Organization was in compliance with all debt covenants as of December 31, 2018.

7. IN-KIND REVENUE AND IN-KIND EXPENDITURES

Donated materials, services performed, or expenditures paid by donors are recorded as in-kind revenues and are expensed in their natural classifications in off-set value in the year in which they occur.

In-kind revenue and in-kind expenditures are as follows:

	2019	2018
Construction materials	$ 913,082	$ 1,732,138
Legal services	363,680	1,057,178
Volunteer services	23,142	116,338
Other	418,399	131,454
	$ 1,718,303	$ 3,037,108

8. COMMITMENTS AND CONTINGENCIES

Operating leases

The Organization leases various office spaces under non-cancelable operating leases through 2023. Rental expense for the years ending December 31, 2019 and 2018 was $1,430,630 and $1,063,949, respectively.

8. COMMITMENTS AND CONTINGENCIES (continued)

Operating leases (continued)

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

Year ending December 31,	
2020	$ 1,213,133
2021	734,462
2022	296,107
2023	67,530
	$ 2,311,232

9. RETIREMENT PLAN

The Organization offers a 403(b) retirement plan to all of its employees. The Organization offers Employer Contribution to employees who have established 18 months of employment. The Organization contributed $103,833 and $83,375 during the years ended December 31, 2019 and 2018, respectively.

10. RELATED PARTY

The Organization engaged in transactions with the employers of two members of the Organization's Board of Directors. The Organization received in-kind legal services with a value of $74,211 and $92,520 from law firms that employ members of the Board of Directors for the years ended December 31, 2019 and 2018, respectively.

11. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following:

	2019	2018
Accenture National	$ -	$ 67,000
Allegretti Foundation	2,000	-
B Quest Foundation	41,667	-
Bank of the West	40,000	-
CBS Corporation/EcoMedia	-	47,786
Corazon De Vida Foundation	3,000	-
Edison International	310,000	-
Facebook, Inc.	55,000	-
Flextronics Foundation	110,000	-
Gates Family Foundation	10,000	-
Golden State EJA	25,000	-
Google Foundation	175,000	-
HomeAdvisor Inc	10,000	-
Honnold Foundation	420,000	-
IGS GRID Partnership Grant	-	100,000
Int'l Nicaragua Everence Foundation	1,000	-
Leonardo DiCaprio Foundation	-	185,000
Miranda Lux Foundation	-	5,000
Mitsubishi Electric America Foundation	-	25,000
MUFG Union Bank Foundation	60,000	50,000
North Valley Community Foundation	5,000	-
Pacific Premier Bank	17,500	-
Rabo Bank	10,000	-
Roy A. Hunt Foundation	5,000	-
Sills Family Foundation	20,000	-
Solar Career Pathways for Opportunity Youth Program	-	15,000
Soroptimist International	1,000	-
The Community Foundation	-	1,000
The Community Foundation of Monterey	-	1,000
The Denver Foundation	-	33,000
The Energy Coalition	-	3,250
The Grove Foundation	-	25,000
The JPB Foundation	1,666,667	3,666,667
The San Diego Foundation	81,790	-
The San Francisco Foundation	300,000	-
The Schmidt Family Foundation	150,000	129,000
Travelers Foundation	15,000	-
Unical Aviation	1,000	-
US Bank	4,000	-
US Bank Community Development	-	10,000
US Bank Foundation	50,000	-
US Bank National Association	-	25,000

11. NET ASSETS WITH DONOR RESTRICTIONS (continued)

	2019	2018
US Bank Violet World Foundation	-	15,000
Walton Family Foundation	-	7,500
Wells Fargo Foundation	593,740	1,125,000
Wells Fargo Tribal	2,000,000	4,000,000
	$ 6,183,364	$ 9,536,203

Net assets of $7,965,059 and $6,150,129 were released from restriction during the years ended December 31, 2019 and 2018, respectively, in accordance with the donors' intent.

12. DESIGNATED NET ASSETS

The Organization maintains a reserve, designated from net assets without donor restrictions. Board designated net assets are included in net assets without donor restrictions, but are subject to conditions placed by the governing board, such as for future programs, investments, contingencies, purchases, construction of fixed assets, or other uses. As of December 31, 2019 and 2018, the designated net assets were $1,500,000.

13. LIQUIDITY AND FUNDS AVAILABLE

As part of the Organization's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. To meet liquidity needs, the Organization has cash and cash equivalents, trade accounts receivable, contributions receivable and investments available.

13. LIQUIDITY AND FUNDS AVAILABLE (continued)

The following is a quantitative disclosure which describes assets that are available within one year of December 31, 2019 and 2018 to fund general expenditures and other obligations as they become due:

	2019	2018
Financial assets		
Cash and cash equivalents	$ 2,115,939	$ 3,129,201
Investments	1,541,155	1,298,303
Contributions and contracts receivable, current portion	10,744,165	11,207,592
	14,401,259	15,635,096
Less: amounts unavailable for general expenditures within one year, due to:		
Donor restrictions	(6,183,364)	(9,536,203)
Board designation	(1,500,000)	(1,500,000)
	(7,683,364)	(11,036,203)
	$ 6,717,895	$ 4,598,893

The Organization has financial assets available at December 31, 2019 to cover approximately 36 days of operating expenses based on the fiscal year 2020 budget. In the event of an unanticipated liquidity need, the Organization may draw upon its $5.8 million available line of credit. See Note 6 for further description of the line of credit. In addition, the Organization is able to utilize the board designated funds as deemed necessary to assist with the Organization's liquidity needs.

14. SUBSEQUENT EVENTS

Management has evaluated material subsequent events through September 30, 2020, the date the consolidated financial statements were available to be issued. No subsequent events, other than as described below, have occurred that would have a material impact on the presentation of the Organization's consolidated financial statements.

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders. While the business disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and shelter in place orders. We have adjusted certain aspects of our operations to protect our employees and customers. Because our operations are directly impacted by these events, it is probable that this matter will negatively impact the Organization. However, the ultimate financial impact and duration cannot be reasonably estimated at this time.

14. SUBSEQUENT EVENTS (continued)

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act commonly referred to as the CARES Act was signed into law. One component of the CARES Act was the paycheck protection program ("PPP") which provides small business with the resources needed to maintain their payroll and cover applicable overhead. The PPP is administered by the U.S. Small Business Administration ("SBA") with support from the Department of the Treasury. The PPP provides funds to pay up to 24 weeks of payroll costs including benefits. Funds can also be used to pay interest on mortgages, rent, and utilities. The Organization applied for and was accepted to participate in this program. On April 19, 2020, GRID Alternatives received loan proceeds of $1,665,000 from a promissory note issued by Bank of San Francisco. The term on the loan is two years and the annual interest rate is 1.00%. On May 8, 2020, GRID Alternatives Colorado, Inc., GRID Alternatives Greater Los Angeles, Inc., GRID Alternatives San Diego, Inc., GRID Alternatives North Valley, Inc., GRID Alternatives Mid-Atlantic, Inc., GRID Alternatives Central Valley, Inc., GRID Alternatives Bay Area, Inc., and GRID Alternatives Inland Empire, Inc. received loan proceeds of $248,200, $489,800, $237,600, $555,100, $428,300, $530,700, $447,500, and $373,200, respectively, from promissory notes issued by Bank of San Francisco. The term on the loans is two years and the annual interest rate is 1.00%. Payments of principal and interest are deferred for the first six months of the loan. Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loans granted under PPP. Such forgiveness will be determined based on the use of the loan proceeds for payroll costs, rent and utility expenses and the maintenance of workforce and compensation levels with certain limitations. The Organization believes that it will likely qualify for partial forgiveness, but there is uncertainty around the standards and operation of the PPP, and no assurance is provided that the Organization will obtain forgiveness in whole or in part.

The Organization also received multiple Economic Injury Disaster Loans ("EIDL") which were established under the CARES Act and is administered by the SBA. On April 22, 2020, GRID Alternatives Bay Area, Inc. was authorized loan proceeds in the amount of $500,000 at an interest rate of 2.75% per annum. Installment payments, including principal and interest, of $2,136 become due starting April 22, 2021 with the balance of all unpaid principal and interest due April 22, 2050. On May 25, 2020, GRID Alternatives San Diego, Inc. was authorized loan proceeds in the amount of $150,000 at an interest rate of 2.75% per annum. Installment payments, including principal and interest, of $641 become due starting May 25, 2021 with the balance of all unpaid principal and interest due May 21, 2050. On June 4, 2020, GRID Alternatives was authorized loan proceeds in the amount of $150,000 at an interest rate of 2.75% per annum. Installment payments, including principal and interest, of $641 become due starting June 4, 2021 with the balance of all unpaid principal and interest due June 4, 2050. On June 14, 2020, GRID Alternatives Central Valley, Inc. was authorized loan proceeds in the amount of $150,000 at an interest rate of 2.75% per annum. Installment payments, including principal and interest, of $641 become due starting June 14, 2021 with the balance of all unpaid principal and interest due June 14, 2050. Proceeds from the loan are to be used solely as working capital to alleviate economic injury disaster occurring in the month of January 31, 2020 and continuing thereafter.

SUPPLEMENTARY INFORMATION

GRID Alternatives
Consolidating Statement of Financial Position
December 31, 2019

ASSETS

	Grid Alternatives, Inc.	Grid Alternatives Affiliates	Eliminating Entries	Total
Current assets				
Cash and cash equivalents	$ 795,727	$ 1,320,212	$ -	$ 2,115,939
Grants and contracts receivable	4,820,659	6,156,486	(232,980)	10,744,165
Intercompany receivable	15,673,620	16,818,070	(32,491,690)	-
Investments	1,541,155	-	-	1,541,155
Construction in process	2,431,044	2,394,593	-	4,825,637
Prepaid expenses	393,843	1,419,489	-	1,813,332
Total current assets	25,656,048	28,108,850	(32,724,670)	21,040,228
Property and equipment, net	102,777	510,620	-	613,397
Other assets				
Contributions receivable, net of current portion	100,000	200,000	-	300,000
Deposits	109,153	723,511	-	832,664
Note receivable	57,000	-	-	57,000
Total other assets	266,153	923,511	-	1,189,664
Total assets	$ 26,024,978	$ 29,542,981	$ (32,724,670)	$ 22,843,289

GRID Alternatives
Consolidating Statement of Financial Position
December 31, 2019

LIABILITIES AND NET ASSETS

	Grid Alternatives, Inc.	Grid Alternatives Affiliates	Eliminating Entries	Total
Current liabilities				
Accounts payable	$ 1,113,921	$ 1,809,756	$ (232,980)	$ 2,690,697
Accrued expenses	574,749	874,670	-	1,449,419
Deferred revenue	1,733,046	1,040,470	-	2,773,516
Intercompany payable	15,879,073	16,612,617	(32,491,690)	-
Line of credit	4,684,500	-	-	4,684,500
Total current liabilities	23,985,289	20,337,513	(32,724,670)	11,598,132
Warranty liability	11,594	632,689	-	644,283
Total liabilities	23,996,883	20,970,202	(32,724,670)	12,242,415
Net assets				
Without donor restrictions	(2,557,575)	6,975,085	-	4,417,510
With donor restrictions	4,585,670	1,597,694	-	6,183,364
Total net assets	2,028,095	8,572,779	-	10,600,874
Total liabilities and net assets	$ 26,024,978	$ 29,542,981	$ (32,724,670)	$ 22,843,289

GRID Alternatives
Consolidating Statement of Financial Position
December 31, 2018

ASSETS

	Grid Alternatives, Inc.	Grid Alternatives Affiliates	Eliminating Entries	Total
Current assets				
Cash and cash equivalents	$ 2,200,200	$ 929,001	$ -	$ 3,129,201
Grants and contracts receivable	7,137,921	4,816,359	(746,688)	11,207,592
Intercompany receivable	10,662,452	16,924,273	(27,586,725)	-
Investments	1,298,303	-	-	1,298,303
Construction in process	1,468,846	2,895,031	-	4,363,877
Prepaid expenses	531,441	2,114,670	-	2,646,111
Total current assets	23,299,163	27,679,334	(28,333,413)	22,645,084
Property and equipment, net	92,811	649,699	-	742,510
Other assets				
Contributions receivable, net of current portion	2,500,000	-	-	2,500,000
Deposits	78,567	391,173	-	469,740
Total other assets	2,578,567	391,173	-	2,969,740
Total assets	$ 25,970,541	$ 28,720,206	$ (28,333,413)	$ 26,357,334

GRID Alternatives
Consolidating Statement of Financial Position
December 31, 2018

LIABILITIES AND NET ASSETS

	Grid Alternatives, Inc.	Grid Alternatives Affiliates	Eliminating Entries	Total
Current liabilities				
Accounts payable	$ 246,443	$ 3,130,747	$ (746,688)	$ 2,630,502
Accrued expenses	398,033	728,095	-	1,126,128
Deferred revenue	947,641	-	-	947,641
Intercompany payable	16,287,908	11,298,817	(27,586,725)	-
Line of credit	1,000,000	-	-	1,000,000
Total current liabilities	18,880,025	15,157,659	(28,333,413)	5,704,271
Warranty liability	310,148	381,297	-	691,445
Total liabilities	19,190,173	15,538,956	(28,333,413)	6,395,716
Net assets				
Without donor restrictions	(2,101,051)	12,526,466	-	10,425,415
With donor restrictions	8,881,419	654,784	-	9,536,203
Total net assets	6,780,368	13,181,250	-	19,961,618
Total liabilities and net assets	$ 25,970,541	$ 28,720,206	$ (28,333,413)	$ 26,357,334

GRID Alternatives
Consolidating Statement of Activities
For The Year Ended December 31, 2019

	GRID Alternatives		GRID Affiliates			
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Eliminating Entries	Total
Revenues, gains, and other support						
Government grants	$ 4,271,931	$ -	$ 7,675,928	$ -	$ -	$ 11,947,859
Contributions	743,349	1,832,300	848,888	2,779,920	-	6,204,457
Service contracts	9,282,608	-	29,915,764	-	(7,705,570)	31,492,802
In-kind contributions	1,127,088	-	591,215	-	-	1,718,303
Investment income	280,514	-	122	-	-	280,636
Rental income	38,383	-	-	-	-	38,383
	15,743,873	1,832,300	39,031,917	2,779,920	(7,705,570)	51,682,440
Net assets released from restriction	6,128,050	(6,128,050)	1,837,008	(1,837,008)	-	-
Total revenues, gains, and other support	21,871,923	(4,295,750)	40,868,925	942,912	(7,705,570)	51,682,440
Functional expenses						
Program services	14,424,614	-	33,393,845	-	772,346	48,590,805
General and administrative	6,558,636	-	11,306,327	-	(8,477,916)	9,387,047
Fundraising	1,345,198	-	1,720,134	-	-	3,065,332
Total functional expenses	22,328,448	-	46,420,306	-	7,705,570	61,043,184
Changes in net assets	(456,525)	(4,295,750)	(5,551,381)	942,912	-	(9,360,744)
Net assets, beginning of year	(2,101,050)	8,881,420	12,526,464	654,784	-	19,961,618
Net assets, end of year	$ (2,557,575)	$ 4,585,670	$ 6,975,083	$ 1,597,696	$ -	$ 10,600,874

GRID Alternatives
Consolidating Statement of Activities
For The Year Ended December 31, 2018

	GRID Alternatives		GRID Affiliates			
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions	Eliminating Entries	Total
Revenues, gains, and other support						
Government grants	$ 2,853,744	$ -	$ 5,772,950	$ -	$ -	$ 8,626,694
Contributions	1,994,662	6,147,486	1,135,964	945,444	-	10,223,556
Service contracts	4,433,903	-	36,701,178	-	(8,750,593)	32,384,488
In-kind contributions	2,203,265	-	833,843	-	-	3,037,108
Investment income	(63,814)	-	-	-	-	(63,814)
Rental income	36,165	-	-	-	-	36,165
	11,457,925	6,147,486	44,443,935	945,444	(8,750,593)	54,244,197
Net assets released from restriction	5,655,785	(5,655,785)	494,344	(494,344)	-	-
Total revenues, gains, and other support	17,113,710	491,701	44,938,279	451,100	(8,750,593)	54,244,197
Functional expenses						
Program services	16,978,750	-	32,227,728	-	(7,532,314)	41,674,164
General and administrative	5,520,761	-	3,277,138	-	(345,309)	8,452,590
Fundraising	1,727,353	-	1,971,915	-	(872,970)	2,826,298
Total functional expenses	24,226,864	-	37,476,781	-	8,750,593	52,953,052
Changes in net assets	(7,113,154)	491,701	7,461,498	451,100	-	1,291,145
Net assets, beginning of year	5,012,103	8,389,718	5,064,968	203,684	-	18,670,473
Net assets, end of year	$ (2,101,051)	$ 8,881,419	$ 12,526,466	$ 654,784	$ -	$ 19,961,618

GRID Alternatives
Schedules of Financial Position - GRID Alternatives Greater Los Angeles, Inc.
December 31, 2019 and 2018

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	$ 165,293	$ 170,644
Grants and contracts receivables	370,606	554,639
Intercompany receivable	88,157	420,747
Construction in process	316,719	332,927
Prepaid expenses	220,085	196,337
Total current assets	1,160,860	1,675,294
Property and equipment, net	30,915	57,742
Other assets		
Deposits	17,366	17,366
Total other assets	17,366	17,366
Total assets	$ 1,209,141	$ 1,750,402

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	$ 156,061	$ 292,522
Accrued expenses	86,057	85,697
Intercompany payable	1,635,474	105,147
Total current liabilities	1,877,592	483,366
Warranty liability	12,755	38,664
Total liabilities	1,890,347	522,030
Net assets		
Without donor restriction	(1,062,946)	716,587
With donor restrictions	381,740	511,785
Total net assets	(681,206)	1,228,372
Total liabilities and net assets	$ 1,209,141	$ 1,750,402

GRID Alternatives
Schedule of Activities - GRID Alternatives Greater Los Angeles, Inc.
For The Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Contributions	$ 179,566	$ 640,540	$ 820,106
Program revenue	3,144,099	-	3,144,099
In-kind contributions	42,425	-	42,425
Net assets released from restriction	770,585	(770,585)	-
Total revenues, gains, and other support	4,136,675	(130,045)	4,006,630
Functional expenses			
Program services	5,083,868	-	5,083,868
General and administrative	612,101	-	612,101
Fundraising	220,237	-	220,237
Total functional expenses	5,916,206	-	5,916,206
Changes in net assets	(1,779,531)	(130,045)	(1,909,576)
Net assets, beginning of year	716,587	511,785	1,228,372
Net assets, end of year	$ (1,062,944)	$ 381,740	$ (681,204)

GRID Alternatives
Schedule of Activities - GRID Alternatives Greater Los Angeles, Inc.
For The Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 271,440	$ -	$ 271,440
Contributions	244,012	581,444	825,456
Program revenue	4,282,748	-	4,282,748
In-kind contributions	102,442	-	102,442
Net assets released from restriction	197,444	(197,444)	-
Total revenues, gains, and other support	5,098,086	384,000	5,482,086
Functional expenses			
Program services	5,220,866	-	5,220,866
General and administrative	560,189	-	560,189
Fundraising	238,147	-	238,147
Total functional expenses	6,019,202	-	6,019,202
Changes in net assets	(921,116)	384,000	(537,116)
Net assets, beginning of year	1,637,703	127,785	1,765,488
Net assets, end of year	$ 716,587	$ 511,785	$ 1,228,372

GRID Alternatives
Schedules of Financial Position - GRID Alternatives Colorado, Inc.
December 31, 2019 and 2018

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	$ 100,908	$ 156,989
Grants and contracts receivable	946,248	433,706
Intercompany receivable	63,613	8,171
Construction in process	148,509	113,291
Prepaid expenses	13,727	13,037
Total current assets	1,273,005	725,194
Property and equipment, net	22,824	40,701
Other assets		
Deposits	146,749	97,052
Total other assets	146,749	97,052
Total assets	$ 1,442,578	$ 862,947

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	$ 366,135	$ 140,951
Accrued expenses	75,295	64,054
Intercompany payable	4,283,328	3,562,971
Total current liabilities	4,724,758	3,767,976
Warranty liability	124,915	73,020
Total liabilities	4,849,673	3,840,996
Net assets		
Without donor restrictions	(3,651,594)	(3,011,049)
With donor restrictions	202,000	33,000
Total net assets	(3,449,594)	(2,978,049)
Total liabilities and net assets	$ 1,400,079	$ 862,947

GRID Alternatives
Schedule of Activities - GRID Alternatives Colorado, Inc.
For the Year Ended December 31, 2019

	Without Donor Restriction	With Donor Restriction	Total
Revenues, gains, and other support			
Government grants	$ 1,667,871	$ -	$ 1,667,871
Contributions	120,185	286,000	406,185
Program revenue	2,420,351	-	2,420,351
In-kind Contributions	36,089	-	36,089
Net assets released from restriction	117,000	(117,000)	-
Total revenues, gains, and other support	4,361,496	169,000	4,530,496
Functional expenses			
Program services	4,547,519	-	4,547,519
General and administrative	312,942	-	312,942
Fundraising	99,081	-	99,081
Total functional expenses	4,959,542	-	4,959,542
Changes in net assets	(598,046)	169,000	(429,046)
Net assets, beginning of year	(3,011,049)	33,000	(2,978,049)
Net assets, end of year	$ (3,609,095)	$ 202,000	$ (3,407,095)

GRID Alternatives
Schedule of Activities - GRID Alternatives Colorado, Inc.
For the Year Ended December 31, 2018

	Without Donor Restriction	With Donor Restriction	Total
Revenues, gains, and other support			
Government grants	$ 798,411	$ -	$ 798,411
Contributions	215,340	106,000	321,340
Program revenue	1,544,912	-	1,544,912
In-kind Contributions	65,283	-	65,283
Net assets released from restriction	73,000	(73,000)	-
Total revenues, gains, and other support	2,696,946	33,000	2,729,946
Functional expenses			
Program services	2,849,902	-	2,849,902
General and administrative	416,250	-	416,250
Fundraising	239,153	-	239,153
Total functional expenses	3,505,305	-	3,505,305
Changes in net assets	(808,359)	33,000	(775,359)
Net assets, beginning of year	(2,202,690)	-	(2,202,690)
Net assets, end of year	$ (3,011,049)	$ 33,000	$ (2,978,049)

GRID Alternatives
Schedules of Financial Position - GRID Alternatives San Diego, Inc.
December 31, 2019 and 2018

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	$ 95,547	$ 86,958
Grants and contracts receivable	715,428	473,545
Intercompany receivable	99,236	93,422
Construction in process	197,703	170,319
Prepaid expenses	94,484	279,069
Total current assets	1,202,398	1,103,313
Property and equipment, net	26,575	32,225
Other assets		
Deposits	8,250	8,250
Total other assets	8,250	8,250
Total assets	$ 1,237,223	$ 1,143,788

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	$ 137,507	$ 153,954
Accrued expenses	75,579	61,180
Deferred revenue	230,634	-
Intercompany payable	962,232	651,025
Total current liabilities	1,405,952	866,159
Warranty liability	20,883	32,012
Total liabilities	1,426,835	898,171
Net assets		
Without donor restriction	(313,069)	245,617
With donor restriction	123,457	-
Total net assets	(189,612)	245,617
Total liabilities and net assets	$ 1,237,223	$ 1,143,788

GRID Alternatives
Schedule of Activities - GRID Alternatives San Diego, Inc.
For The Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 316,354	$ -	$ 316,354
Contributions	152,379	357,580	509,959
Program revenue	1,718,933	-	1,718,933
In-kind contributions	34,908	-	34,908
Net assets released from restriction	234,123	(234,123)	-
Total revenues, gains, and other support	2,456,697	123,457	2,580,154
Functional expenses			
Program services	2,661,211	-	2,661,211
General and administrative	242,280	-	242,280
Fundraising	111,893	-	111,893
Total functional expenses	3,015,384	-	3,015,384
Changes in net assets	(558,687)	123,457	(435,230)
Net assets, beginning of year	245,617	-	245,617
Net assets, end of year	$ (313,070)	$ 123,457	$ (189,613)

GRID Alternatives
Schedule of Activities - GRID Alternatives San Diego, Inc.
For The Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 745,709	$ -	$ 745,709
Contributions	109,413	65,000	174,413
Program revenue	2,083,741	-	2,083,741
In-kind contributions	20,536	-	20,536
Net assets released from restriction	85,900	(85,900)	-
Total revenues, gains, and other support	3,045,299	(20,900)	3,024,399
Functional expenses			
Program services	2,674,958	-	2,674,958
General and administrative	218,686	-	218,686
Fundraising	103,827	-	103,827
Total functional expenses	2,997,471	-	2,997,471
Changes in net assets	47,828	(20,900)	26,928
Net assets, beginning of year	197,789	20,900	218,689
Net assets, end of year	$ 245,617	$ -	$ 245,617

GRID Alternatives
Schedules of Financial Position - GRID Alternatives North Valley, Inc.
December 31, 2019

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	$ 212,255	$ 30,020
Grants and contracts receivable	896,539	437,756
Intercompany receivable	527,669	384,027
Construction in process	371,449	422,876
Prepaid expenses	304,225	465,658
Total current assets	2,312,137	1,740,337
Property and equipment, net	91,632	136,432
Other assets		
Contributions receivable, net of current portion	100,000	-
Deposits	19,695	19,695
Total other assets	119,695	19,695
Total assets	$ 2,523,464	$ 1,896,464

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	$ 80,986	$ 459,375
Accrued expenses	154,996	136,770
Intercompany payable	2,909,294	1,679,513
Total current liabilities	3,145,276	2,275,658
Warranty liability	69,220	61,456
Total liabilities	3,214,496	2,337,114
Net assets		
Without donor restriction	(936,032)	(465,650)
With donor restriction	245,000	25,000
Total net assets	(691,032)	(440,650)
Total liabilities and net assets	$ 2,523,464	$ 1,896,464

GRID Alternatives
Schedule of Activities - GRID Alternatives North Valley, Inc.
For The Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 852,863	$ -	$ 852,863
Contributions	36,036	513,000	549,036
Program revenue	4,468,111	-	4,468,111
In-kind contributions	26,018	-	26,018
Net assets released from restriction	293,000	(293,000)	-
Total revenues, gains, and other support	5,676,028	220,000	5,896,028
Functional expenses			
Program services	4,899,880	-	4,899,880
General and administrative	746,488	-	746,488
Fundraising	500,042	-	500,042
Total functional expenses	6,146,410	-	6,146,410
Changes in net assets	(470,382)	220,000	(250,382)
Net assets, beginning of year	(465,650)	25,000	(440,650)
Net assets, end of year	$ (936,032)	$ 245,000	$ (691,032)

GRID Alternatives
Schedule of Activities - GRID Alternatives North Valley, Inc.
For The Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 1,629,489	$ -	$ 1,629,489
Contributions	116,259	107,000	223,259
Program revenue	3,857,630	-	3,857,630
In-kind contributions	102,821	-	102,821
Net assets released from restriction	137,000	(137,000)	-
Total revenues, gains, and other support	5,843,199	(30,000)	5,813,199
Functional expenses			
Program services	5,359,586	-	5,359,586
General and administrative	624,827	-	624,827
Fundraising	461,698	-	461,698
Total functional expenses	6,446,111	-	6,446,111
Changes in net assets	(602,912)	(30,000)	(632,912)
Net assets, beginning of year	137,262	55,000	192,262
Net assets, end of year	$ (465,650)	$ 25,000	$ (440,650)

GRID Alternatives
Schedules of Financial Position - GRID Alternatives Mid-Atlantic, Inc.
December 31, 2019 and 2018

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	$ 8,504	$ 97,468
Grants and contracts receivable	1,607,481	1,359,703
Intercompany receivable	105,222	47,697
Construction in process	170,237	477,498
Prepaid expenses	24,947	33,176
Total current assets	1,916,391	2,015,542
Property and equipment, net	21,146	29,867
Other assets		
Deposits	514,094	237,500
Total other assets	514,094	237,500
Total assets	$ 2,451,631	$ 2,282,909

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	$ 414,198	$ 603,906
Accrued expenses	104,586	76,959
Intercompany payable	6,395,290	5,101,441
Total current liabilities	6,914,074	5,782,306
Warranty liability	53,095	66,947
Total liabilities	6,967,169	5,849,253
Net assets		
Without donor restriction	(4,515,538)	(3,566,344)
Total net assets	(4,515,538)	(3,566,344)
Total liabilities and net assets	$ 2,451,631	$ 2,282,909

GRID Alternatives
Schedule of Activities - GRID Alternatives Mid-Atlantic, Inc.
For The Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 2,984,128	$ -	$ 2,984,128
Contributions	52,131	5,300	57,431
Program revenue	1,955,655	-	1,955,655
In-kind contributions	30,544	-	30,544
Net assets released from restriction	5,300	(5,300)	-
Total revenues, gains, and other support	5,027,758	-	5,027,758
Functional expenses			
Program services	4,913,229	-	4,913,229
General and administrative	822,399	-	822,399
Fundraising	241,325	-	241,325
Total functional expenses	5,976,953	-	5,976,953
Changes in net assets	(949,195)	-	(949,195)
Net assets, beginning of year	(3,566,344)	-	(3,566,344)
Net assets, end of year	$ (4,515,539)	$ -	$ (4,515,539)

GRID Alternatives
Schedule of Activities - GRID Alternatives Mid-Atlantic, Inc.
For The Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 1,442,704	$ -	$ 1,442,704
Contributions	122,295	-	122,295
Program revenue	1,653,676	-	1,653,676
In-kind contributions	271,068	-	271,068
Total revenues, gains, and other support	3,489,743	-	3,489,743
Functional expenses			
Program services	3,455,662	-	3,455,662
General and administrative	889,105	-	889,105
Fundraising	246,196	-	246,196
Total functional expenses	4,590,963	-	4,590,963
Changes in net assets	(1,101,220)	-	(1,101,220)
Net assets, beginning of year	(2,465,124)	-	(2,465,124)
Net assets, end of year	$ (3,566,344)	$ -	$ (3,566,344)

GRID Alternatives
Schedules of Financial Position - GRID Alternatives Central Valley, Inc.
December 31, 2019 and 2018

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	$ 45,162	$ 86,732
Grants and contracts receivable	458,055	219,301
Intercompany receivable	7,950,171	8,537,459
Construction in process	373,053	382,553
Prepaid expenses	186,110	498,503
Total current assets	9,012,551	9,724,548
Property and equipment, net	181,419	189,140
Other assets		
Deposits	17,357	11,310
Total other assets	17,357	11,310
Total assets	$ 9,211,327	$ 9,924,998

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	$ 277,508	$ 421,774
Accrued expenses	136,439	105,968
Intercompany payable	285,942	140,993
Total current liabilities	699,889	668,735
Warranty liability	100,503	108,020
Total liabilities	800,392	776,755
Net assets		
Without donor restriction	8,360,935	9,148,243
With donor restriction	50,000	-
Total net assets	8,410,935	9,148,243
Total liabilities and net assets	$ 9,211,327	$ 9,924,998

GRID Alternatives
Schedule of Activities - GRID Alternatives Central Valley, Inc.
For The Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 211,024	$ -	$ 211,024
Contributions	(3,517)	60,000	56,483
Program revenue	5,992,830	-	5,992,830
In-kind contributions	133,920	-	133,920
Total grant	6,334,257	60,000	6,394,257
Net assets released from restriction	10,000	(10,000)	-
Total revenues, gains, and other support	6,344,257	50,000	6,394,257
Functional expenses			
Program services	6,600,474	-	6,600,474
General and administrative	287,943	-	287,943
Fundraising	243,150	-	243,150
Total functional expenses	7,131,567	-	7,131,567
Changes in net assets	(787,310)	50,000	(737,310)
Net assets, beginning of year	9,148,243	-	9,148,243
Net assets, end of year	$ 8,360,933	$ 50,000	$ 8,410,933

GRID Alternatives
Schedule of Activities - GRID Alternatives Central Valley, Inc.
For The Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 655,165	$ -	$ 655,165
Contributions	59,225	1,000	60,225
Program revenue	8,352,406	-	8,352,406
In-kind contributions	151,246	-	151,246
Total grant	9,218,042	1,000	9,219,042
Net assets released from restriction	1,000	(1,000)	-
Total revenues, gains, and other support	9,219,042	-	9,219,042
Functional expenses			
Program services	7,438,308	-	7,438,308
General and administrative	225,578	-	225,578
Fundraising	166,940	-	166,940
Total functional expenses	7,830,826	-	7,830,826
Changes in net assets	1,388,216	-	1,388,216
Net assets, beginning of year	7,760,027	-	7,760,027
Net assets, end of year	$ 9,148,243	$ -	$ 9,148,243

GRID Alternatives
Schedules of Financial Position - GRID Alternatives Bay Area, Inc.
December 31, 2019 and 2018

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	$ 467,189	$ 104,029
Grants and contracts receivable	398,964	717,195
Intercompany receivable	3,670,095	2,647,886
Construction in process	235,488	401,801
Prepaid expenses	173,648	165,442
Total current assets	4,945,384	4,036,353
Property and equipment, net	64,729	87,583
Other assets		
Contributions receivable, net of current portion	100,000	-
Total other assets	100,000	-
Total assets	$ 5,110,113	$ 4,123,936

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	$ 78,613	$ 375,091
Accrued expenses	116,832	85,378
Deferred revenue	414,633	-
Intercompany payable	51,847	31,229
Total current liabilities	661,925	491,698
Warranty liability	77,808	1,178
Total liabilities	739,733	492,876
Net assets		
Without donor restriction	3,965,380	3,616,060
With donor restriction	405,000	15,000
Total net assets	4,370,380	3,631,060
Total liabilities and net assets	$ 5,110,113	$ 4,123,936

GRID Alternatives
Schedule of Activities - GRID Alternatives Bay Area, Inc.
For The Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 374,705	$ -	$ 374,705
Contributions	244,790	600,000	844,790
Program revenue	4,608,785	-	4,608,785
In-kind contributions	118,181	-	118,181
Investment income (loss)	21	-	21
Net assets released from restriction	210,000	(210,000)	-
Total revenues, gains, and other support	5,556,482	390,000	5,946,482
Functional expenses			
Program services	4,464,533	-	4,464,533
General and administrative	393,081	-	393,081
Fundraising	349,546	-	349,546
Total functional expenses	5,207,160	-	5,207,160
Changes in net assets	349,322	390,000	739,322
Net assets, beginning of year	3,616,060	15,000	3,631,060
Net assets, end of year	$ 3,965,382	$ 405,000	$ 4,370,382

GRID Alternatives
Schedule of Activities - GRID Alternatives Bay Area, Inc.
For The Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 198,497	$ -	$ 198,497
Contributions	225,769	15,000	240,769
Program revenue	5,709,029	-	5,709,029
In-kind contributions	85,940	-	85,940
Total revenues, gains, and other support	6,219,235	15,000	6,234,235
Functional expenses			
Program services	2,369,823	-	2,369,823
General and administrative	117,269	-	117,269
Fundraising	116,083	-	116,083
Total functional expenses	2,603,175	-	2,603,175
Changes in net assets	3,616,060	15,000	3,631,060
Net assets, beginning of year	-	-	-
Net assets, end of year	$ 3,616,060	$ 15,000	$ 3,631,060

GRID Alternatives
Schedules of Financial Position - GRID Alternatives Central Coast, Inc.
December 31, 2019 and 2018

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	$ 122,534	$ 96,291
Grants and contracts receivable	287,097	343,385
Intercompany receivable	1,018,097	646,323
Construction in process	105,915	245,756
Prepaid expenses	99,300	204,666
Total current assets	1,632,943	1,536,421
Property and equipment, net	34,024	40,080
Other assets		
Total assets	$ 1,666,967	$ 1,576,501

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	$ 70,267	$ 68,209
Accrued expenses	46,470	46,558
Intercompany payable	35,691	5,673
Total current liabilities	152,428	120,440
Warranty liability	69,182	-
Total liabilities	221,610	120,440
Net assets		
Without donor restriction	1,446,357	1,456,061
With donor restriction	(1,000)	-
Total net assets	1,445,357	1,456,061
Total liabilities and net assets	$ 1,666,967	$ 1,576,501

GRID Alternatives
Schedule of Activities - GRID Alternatives Central Coast, Inc.
For The Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 269,372	$ -	$ 269,372
Contributions	38,527	67,500	106,027
Program revenue	2,473,265	-	2,473,265
In-kind contributions	21,728	-	21,728
Net assets released from restriction	68,500	(67,500)	1,000
Total revenues, gains, and other support	2,871,392	-	2,871,392
Functional expenses			
Program services	2,432,791	-	2,432,791
General and administrative	303,266	-	303,266
Fundraising	145,041	-	145,041
Total functional expenses	2,881,098	-	2,881,098
Changes in net assets	(9,706)	-	(9,706)
Net assets, beginning of year	1,456,061	-	1,456,061
Net assets, end of year	$ 1,446,355	$ -	$ 1,446,355

GRID Alternatives
Schedule of Activities - GRID Alternatives Central Coast, Inc.
For The Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 24,158	$ -	$ 24,158
Contributions	40,627	-	40,627
Program revenue	2,695,852	-	2,695,852
In-kind contributions	1,400	-	1,400
Total revenues, gains, and other support	2,762,037	-	2,762,037
Functional expenses			
Program services	1,130,196	-	1,130,196
General and administrative	108,631	-	108,631
Fundraising	67,149	-	67,149
Total functional expenses	1,305,976	-	1,305,976
Changes in net assets	1,456,061	-	1,456,061
Net assets, beginning of year	-	-	-
Net assets, end of year	$ 1,456,061	$ -	$ 1,456,061

GRID Alternatives
Schedule of Financial Position - GRID Alternatives Inland Empire, Inc.
December 31, 2019

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	$ 102,820	$ 99,870
Grants and contracts receivable	476,068	277,129
Intercompany receivable	3,295,810	4,138,541
Construction in process	475,520	348,010
Prepaid expenses	302,963	258,782
Total current assets	4,653,181	5,122,332
Property and equipment, net	37,356	35,929
Total assets	$ 4,690,537	$ 5,158,261

LIABILITIES AND NET ASSETS

Accounts payable	$ 228,481	$ 614,965
Accrued expenses	78,416	65,531
Deferred revenue	395,203	-
Intercompany payable	53,517	20,825
Warranty liability	104,328	-
Total liabilities	859,945	701,321
Net assets		
Without donor restriction	3,640,092	4,386,940
With donor restriction	190,500	70,000
Total net assets	3,830,592	4,456,940
Total liabilities and net assets	$ 4,690,537	$ 5,158,261

GRID Alternatives
Schedule of Activities - GRID Alternatives Inland Empire, Inc.
For The Year Ended December 31, 2019

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 999,611	$ -	$ 999,611
Contributions	28,791	250,000	278,791
Program revenue	3,133,735	-	3,133,735
In-kind contributions	147,402	-	147,402
Investment income (loss)	101	-	101
Net assets released from restriction	129,500	(129,500)	-
Total revenues, gains, and other support	4,439,140	120,500	4,559,640
Functional expenses			
Program services	4,719,135	-	4,719,135
General and administrative	268,103	-	268,103
Fundraising	198,750	-	198,750
Total functional expenses	5,185,988	-	5,185,988
Changes in net assets	(746,848)	120,500	(626,348)
Net assets, beginning of year	4,386,940	70,000	4,456,940
Net assets, end of year	$ 3,640,092	$ 190,500	$ 3,830,592

GRID Alternatives
Schedule of Activities - GRID Alternatives Inland Empire, Inc.
For The Year Ended December 31, 2018

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues, gains, and other support			
Government grants	$ 7,377	$ -	$ 7,377
Contributions	3,024	70,000	73,024
Program revenue	6,521,184	-	6,521,184
In-kind contributions	33,107	-	33,107
Total revenues, gains, and other support	6,564,692	70,000	6,634,692
Functional expenses			
Program services	1,728,427	-	1,728,427
General and administrative	116,603	-	116,603
Fundraising	332,722	-	332,722
Total functional expenses	2,177,752	-	2,177,752
Changes in net assets	4,386,940	70,000	4,456,940
Net assets, beginning of year	-	-	-
Net assets, end of year	$ 4,386,940	$ 70,000	$ 4,456,940

GRID Alternatives
California Public Utilities Commission - Single-Family Affordable Solar Homes Program
SASH Expenditures, Advances and Incentives
Years Ended December 31, 2019 and 2018

		FISCAL YEAR ENDED DECEMBER 31, 2019						FISCAL YEAR ENDED DECEMBER 31, 2018						TOTAL CONTRACT PERIOD TO DECEMBER 31, 2019	
BUDGET		Q1	Q2	Q3	Q4		TOTAL	Q1	Q2	Q3	Q4		TOTAL		
CONTRACT PERIOD: 12/12/08-12/31/2022															
ADMINISTRATION		**ADMINISTRATION EXPENSE**						**ADMINISTRATION EXPENSE**						**TOTAL EXPENDED CONTRACT FROM 12/08 to 12/31/19**	**UNEXPENDED ADMINISTRATIVE EXPENSE AS OF DECEMBER 31, 2019**
TASK 1														14,478	
TASK 2		295,719	208,827	213,765	202,016		920,327	303,537	309,510	290,054	261,518		1,164,621	14,624,615	
TASK 4		-	-	-	-		-	-	-	-	-		-	577,483	
SASH Program Administration Services	16,230,000	**295,719**	**208,827**	**213,765**	**202,016**		**920,327**	**303,537**	**309,510**	**290,054**	**261,518**		**1,164,621**	$15,216,575	1,013,425
Marketing & Outreach (M&O)	6,490,000	70,366	55,050	175,671	179,834		$480,921	10,843	15,100	5,084	737		$31,764	5,277,923	1,212,077
TOTAL	$ 22,720,000	**$366,085**	**$ 263,878**	**$ 389,436**	**$ 381,850**		**$ 1,401,249**	**$314,380**	**$ 324,611**	**$ 295,138**	**$ 262,255**		**$ 1,196,385**	**$20,494,498**	**$2,225,502**
		ADMINISTRATION ADVANCE RECEIVED						**ADMINISTRATION ADVANCE RECEIVED**						**TOTAL ADVANCE RECEIVED FROM 12/08 -12/31/19**	
		$ -	$ 32,283	$ 429,454	$ 308,480		$ 770,217	$ 134,057	$ 16,014	$ 531,152	$ 841,696		$ 1,522,919	**$ 20,811,107**	
		EARNED & UNEARNED PORTION OF ADVANCE						**EARNED & UNEARNED PORTION OF ADVANCE**						**TOTAL UNEARNED INCOME AS OF DECEMBER 31,2019**	
		$ 366,085	$ 231,595	$ (40,018)	$ 73,370		$ 631,032	$ 180,323	$ 308,597	$ (236,014)	$ (579,441)		$ (326,534)	$ (316,609)	
BUDGET															
CONTRACT PERIOD: 12/12/08-12/31/2022															
INCENTIVES		**INCENTIVES INVOICED**						**INCENTIVES INVOICED**						**TOTAL INCENTIVES INVOICED**	**UNEXPENDED INCENTIVES AS OF DECEMBER 31, 2019**
PG&E	60,297,300	1,080,666	1,417,635	1,167,999	575,067		4,241,367	1,366,992	2,106,048	1,799,427	1,322,622		6,595,089	60,002,124	295,176
SDG&E	14,247,700	166,065	235,200	53,367	501,105		955,737	232,788	309,294	121,650	219,648		883,380	13,789,587	458,113
SCE	63,444,000	1,053,024	1,375,968	1,535,922	776,718		4,741,632	469,737	596,703	1,041,261	965,382		3,073,083	54,776,716	8,667,284
TOTAL	$ 137,989,000	**$ 2,299,755**	**$ 3,028,803**	**$ 2,757,288**	**$ 1,852,890**		**$ 9,938,736**	**$ 2,069,517**	**$ 3,012,045**	**$ 2,962,338**	**$ 2,507,652**		**$ 10,551,552**	**$128,568,426**	**$ 9,420,574**
TOTAL BUDGET	**$ 160,709,000**	**INCENTIVES PAID**						**INCENTIVES PAID**							
		408,942	2,286,513	993,489	937,203		4,626,147	833,010	2,358,765	2,281,377	1,091,112		6,564,264		
		243,711	70,089	288,567	38,343		640,710	175,863	261,147	217,848	90,861		745,719		
		997,545	513,564	2,501,115	811,452		4,823,676	500,319	496,875	739,194	1,373,796		3,110,184		
		$ 1,650,198	**$ 2,870,166**	**$ 3,783,171**	**$ 1,786,998**		**$ 10,090,533**	**$ 1,509,192**	**$ 3,116,787**	**$ 3,238,419**	**$ 2,555,769**		**$ 10,420,167**		

Notes:
Initial agreement amended by $54M as a result of Assembly Bill (AB) 217, until 2022.
Task 1 Develop and Execute Comprehensive Program Implementation Plan
Task 2 Identify, Establish Relationships, and Generate Partnership With Stakeholders
Task 3 Create and Execute a Targeted Marketing and Outreach Campaign
Task 4 Develop and Regularly Update a System for Program Monitoring and Evaluation

GRID Alternatives
California Public Utilities Commission - Disadvantaged Communities Single-Family Solar Homes Program (DAC-SASH)
DAC-SASH Expenditures, Advances and Incentives
Year Ended December 31, 2019

BUDGET
CONTRACT PERIOD: 04/2019-12/31/2032

ADMINISTRATION and MARKETING AND OUTREACH (M&O)

Budget	*Annual*	*Total Contract Period*
Administration	$ 1,000,000	$ 12,000,000
M&O	$ 400,000	$ 4,800,000
TOTAL	**$ 1,400,000**	**$ 16,800,000**

FISCAL YEAR ENDED DECEMBER 31, 2019

ADMINISTRATION AND M&O EXPENSE

	Q1	Q2	Q3	Q4	Total
Administration		$ 104,274	$ 153,308	498,067	**755,649**
M&O		$ 251	$ 22,499	247,184	**269,933**
TOTAL	$ -	$ 104,525	$ 175,806	$ 745,250	**$ 1,025,582**

ADMINISTRATION AND M&O PAYMENT OR ADVANCE RECEIVED

-	104,525	175,806	846,023	**1,126,354**

Difference

$ -	$ -	$ -	$ 100,773	**$ (100,773)**

TOTAL CONTRACT PERIOD TO DECEMBER 31, 2019

TOTAL EXPENDED CONTRACT FROM 03/19 to 12/31/2032	UNEXPENDED ADMINISTRATIVE AND M&O YEAR ONE BUDGET AS OF DECEMBER 31, 2019
755,649	244,352
269,933	$ 130,067
$ 1,025,582	**$ 374,418**

TOTAL ADVANCE RECEIVED FROM 04/19 -12/31/19
$ 846,023

TOTAL UNEARNED INCOME AS OF DECEMBER 31,2019
$ (100,773)

BUDGET
CONTRACT PERIOD: 04/2019-12/31/2032

INCENTIVES

	Annual	*Total Contract Period*
PG&E	3,714,500	44,574,000
SDG&E	875,500	10,506,000
SCE	3,910,000	46,920,000
TOTAL	**$ 8,500,000**	**$ 102,000,000**

TOTAL BUDGET: **$ 9,900,000** **$ 118,800,000**

INCENTIVES INVOICED

PG&E				1,714,252	**1,714,252**
SDG&E				28,878	**28,878**
SCE				392,736	**392,736**
				2,135,866	**2,135,866**

INCENTIVES PAID

PG&E				1,315,744	**1,315,744**
SDG&E				-	**-**
SCE				234,939	**234,939**
				1,550,683	**1,550,683**

TOTAL INCENTIVES INVOICED

TOTAL INCENTIVES INVOICED	UNEXPENDED YEAR ONE INCENTIVES AS OF DECEMBER 31, 2019
1,714,252	2,000,248
28,878	846,622
392,736	3,517,264
$ 2,135,866	**$ 6,364,134**

Notes:

Unused annual allocations "roll over" to subsequent calendar year
GRID did not receive an Advance payment for Administrative and Marketing/Outreach expenses until Q4 2019 as it was developing invoice procedures with the CPUC
Administration = all work performed by GRID staff to deliver on the administrative functions of the program, including financial tracking, reporting, program requirements, QC, etc.
Marketing and Outreach = all work performed by GRID staff to market and conduct outreach for the program statewide including developing marketing collateral and working with clients
The %s of the program budget dedicated to Incentives by utility, Administration, M&O and Program Evaluation was determined in Decision 18-06-028 that created the program.
The program budget is set at 85% Incentives; 10% Administration; 4% M&O, 1% Program Evaluation
The 1% of the program budget for "Program Evaluation" is managed by the CPUC and not included in GRID's budget tables above

SINGLE AUDIT REPORTS AND SCHEDULES

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
GRID Alternatives
Oakland, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of GRID Alternatives (a California nonprofit corporation) (the "Organization"), which comprise the consolidated statement of financial position as of December 31, 2019, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated September 30, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies.

Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Armanino LLP

Armanino[LLP]
San Francisco, California

September 30, 2020

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
GRID Alternatives
Oakland, California

Report on Compliance for Each Major Federal Program

We have audited GRID Alternatives (a California nonprofit corporation) (the "Organization")'s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2019. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, *Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Organization's compliance.

Opinion on Each Major Federal Program

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2019.

Report on Internal Control Over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Organization's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weakness or significant deficiencies.

We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Armanino LLP
San Francisco, California

September 30, 2020

GRID Alternatives
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2019

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Total Federal Expenditures
Expenditures of Federal Awards			
Department of Housing and Urban Development (HUD)			
Community Development Block Grants			
Pass-through program from:			
Stone Soup Fresno	14.218	77-0430680	$ 42,405
City of Thornton	14.218	84-6009903	112,004
City of Salinas	14.218	94-6000412	73,455
City of Santa Cruz	14.218	94-6000427	16,090
County of Monterey	14.218	94-6000524	91,124
City of Moreno Valley	14.218	95-3786047	54,792
City of San Diego	14.218	95-6000776	301,744
City of Santa Maria	14.218	95-6000788	38,703
County of San Luis Obispo	14.218	95-6000939	50,000
Total Department of Housing and Urban Development (HUD)			780,317
Department of Transportation			
Highway Planning and Construction			
Pass-through program from:			
Bay Area Air Quality Management District - Clean Cars For All	20.205	94-2761976	26,154
Total Department of Transportation			26,154
Department of Energy (DOE)			
Renewable Energy Research and Development			
Direct awards			
Revolving PRI Energy Savings Fund	81.087		161,310
Pass-through program from:			
Tribal and SWA Housing Authority	81.087	46-0248724	357,196
Ute Mountain Ute Tribe	81.087	84-0404385	101,906
Bishop Paiute Tribe	81.087	95-1905064	180,342
National Renewable Energy Lab	81.087	26-1939342	15,000
Total Department of Energy (DOE)			815,754
Corporation for National and Community Service			
Direct awards			
AmeriCorps	94.006		537,200
Total Corporation for National and Community Service			537,200
Total Expenditures of Federal Awards			$ 2,159,425

The accompanying notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

GRID Alternatives
Notes to Schedule of Expenditures of Federal Awards
December 31, 2019

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of GRID Alternatives (the "Organization") under programs of the federal government for the year ended December 31, 2019. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*, *Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Organization, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Organization.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or limited as to reimbursement. Pass-through entity identifying numbers are presented where available and applicable.

3. INDIRECT COSTS

The Organization has elected to not use the 10% de minimis indirect cost rate. The Organization applies indirect costs in accordance with the specific terms of its federal award agreement. For certain federal contracts, the Organization did not calculate or charge any administrative costs.

GRID Alternatives
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2019

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major programs:	

Name of Federal Program or Cluster	CFDA Number
Renewable Energy Research and Development	81.087
Corporation for National and Community Service	94.006

Dollar threshold used to distinguish between Type A and Type B programs	$750,000
Auditee qualified as low-risk auditee?	No

GRID Alternatives
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2019

SECTION II - SUMMARY OF FINANCIAL STATEMENT FINDINGS

There are no financial statement findings to be reported.

SECTION III - SUMMARY OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no federal award findings to be reported.

GRID Alternatives
Summary Schedule of Prior Audit Findings
For the Year Ended December 31, 2019

Finding number: **2018-001**

Condition: The Organization was recommended to improve its controls over financial reporting in order to prepare an accurate Schedule of Expenditures of Federal Awards (SEFA) that is in compliance with federal regulations. This can be accomplished through monitoring and analyzing grant funding received on an ongoing basis to determine whether the funds represent federal funding that should be reflected on the SEFA.

Status Corrective action was taken.