

The Orianne Society

Financial Statements

December 31, 2019 and 2018

The Orianne Society

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Independent Auditors' Report

To the Board of Directors of
The Orienne Society

Report on the Financial Statements

We have audited the accompanying financial statements of The Orienne Society, which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities and changes in net assets, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Orienne Society as of December 31, 2019 and 2018, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Baker Tilly Virchow Krause, LLP

New York, New York
April 24, 2020

The Orianne Society

Statements of Financial Position

December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 500,620	\$ 822,393
Contributions receivable	50	50
Accounts receivable	49,291	25,612
Prepaid expenses and other current assets	<u>37,902</u>	<u>30,065</u>
Total current assets	587,863	878,120
Noncurrent Assets		
Fixed assets, net	<u>4,347,412</u>	<u>4,390,183</u>
Total assets	<u>\$ 4,935,275</u>	<u>\$ 5,268,303</u>
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	<u>\$ 20,411</u>	<u>\$ 26,101</u>
Net Assets		
Net assets without donor restrictions	4,841,112	5,113,127
Net assets with donor restrictions	<u>73,752</u>	<u>129,075</u>
Total net assets	<u>4,914,864</u>	<u>5,242,202</u>
Total liabilities and net assets	<u>\$ 4,935,275</u>	<u>\$ 5,268,303</u>

See notes to financial statements

The Orianne Society

Statements of Activities and Changes in Net Assets
Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Changes in Net Assets Without Donor Restrictions		
Operating Revenue		
Contributions	\$ 388,992	\$ 403,891
Governmental and pass-through grants	302,483	342,318
Net assets released from donor restrictions	131,870	189,650
Other income	31,575	2,362
	<u>854,920</u>	<u>938,221</u>
Operating Expenses		
Programs	786,245	821,337
Support services	340,690	328,925
	<u>1,126,935</u>	<u>1,150,262</u>
Net operating loss	<u>(272,015)</u>	<u>(212,041)</u>
Changes in net assets without donor restrictions	<u>(272,015)</u>	<u>(212,041)</u>
Changes in Net Assets With Donor Restrictions		
Contributions	76,547	83,118
Net assets released from donor restrictions	<u>(131,870)</u>	<u>(189,650)</u>
Changes in net assets with donor restrictions	<u>(55,323)</u>	<u>(106,532)</u>
Changes in net assets	(327,338)	(318,573)
Net Assets, Beginning	<u>5,242,202</u>	<u>5,560,775</u>
Net Assets, Ending	<u>\$ 4,914,864</u>	<u>\$ 5,242,202</u>

See notes to financial statements

The Orianne Society

Statement of Functional Expenses
Year Ended December 31, 2019

	Programs				Support Services			Total Expenses
	Communications, Education and Other	Longleaf Savannas Initiative	Great Northern Forests Initiative	Total Program Services	Management and General	Fundraising	Total Support Services	
Salaries and benefits	\$ 51,784	\$ 286,384	\$ 101,007	\$ 439,175	\$ 62,998	\$ 142,891	\$ 205,889	\$ 645,064
Contracted staff	17,310	-	-	17,310	60,000	-	60,000	77,310
Supplies and equipment	4,452	29,221	8,229	41,902	18	1,090	1,108	43,010
Travel/lodging/meals	5,932	33,354	6,688	45,974	3,885	5,704	9,589	55,563
Occupancy	3,229	31,703	3,229	38,161	3,229	3,229	6,458	44,619
Technology/telephone	3,410	3,796	347	7,553	2,441	4,439	6,880	14,433
Professionals and consultants	2,550	46,000	-	48,550	24,500	-	24,500	73,050
Insurance	470	50,907	839	52,216	2,327	2,162	4,489	56,705
Depreciation	-	42,771	-	42,771	-	-	-	42,771
Other	1,827	43,056	7,750	52,633	6,966	14,811	21,777	74,410
Total	\$ 90,964	\$ 567,192	\$ 128,089	\$ 786,245	\$ 166,364	\$ 174,326	\$ 340,690	\$ 1,126,935

See notes to financial statements

The Orianne Society

Statement of Functional Expenses
Year Ended December 31, 2018

	Programs				Support Services			Total Expenses
	Communications, Education and Other	Longleaf Savannas Initiative	Great Northern Forests Initiative	Total Program Services	Management and General	Fundraising	Total Support Services	
Salaries and benefits	\$ 56,163	\$ 291,689	\$ 109,125	\$ 456,977	\$ 57,752	\$ 132,630	\$ 190,382	\$ 647,359
Contracted staff	15,500	1,473	1,130	18,103	66,000	-	66,000	84,103
Supplies and equipment	9,972	83,073	8,472	101,517	1,424	3,363	4,787	106,304
Travel/lodging/meals	11,921	43,708	2,913	58,542	610	11,965	12,575	71,117
Occupancy	3,138	28,919	3,138	35,195	3,138	3,138	6,276	41,471
Technology/telephone	5,901	2,657	341	8,899	2,677	4,430	7,107	16,006
Professionals and consultants	1,950	64,313	573	66,836	23,000	-	23,000	89,836
Insurance	512	26,985	1,558	29,055	3,156	2,074	5,230	34,285
Depreciation	-	42,027	-	42,027	-	-	-	42,027
Other	1,342	2,392	452	4,186	5,721	7,847	13,568	17,754
Total	\$ 106,399	\$ 587,236	\$ 127,702	\$ 821,337	\$ 163,478	\$ 165,447	\$ 328,925	\$ 1,150,262

See notes to financial statements

The Orianne Society

Statements of Cash Flows

Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash Flows From Operating Activities		
Changes in net assets	\$ (327,338)	\$ (318,573)
Adjustments to reconcile changes in net assets to net cash flows from operating activities:		
Depreciation	42,771	42,027
Changes in operating assets and liabilities:		
Contributions receivable	-	23,527
Accounts receivable	(23,679)	49,606
Prepaid expenses and other current assets	(7,837)	5,180
Accounts payable and accrued expenses	(5,690)	(17,837)
Total adjustments	<u>5,565</u>	<u>102,503</u>
Net cash flows from operating activities	(321,773)	(216,070)
Cash and Cash Equivalents, Beginning	<u>822,393</u>	<u>1,038,463</u>
Cash and Cash Equivalents, Ending	<u><u>\$ 500,620</u></u>	<u><u>\$ 822,393</u></u>

See notes to financial statements

The Orianne Society

Notes to Financial Statements
December 31, 2019 and 2018

1. Description of Organization and Summary of Significant Accounting Policies

The Orianne Society (Orianne) is a not-for-profit wildlife conservation organization incorporated in the State of Delaware as a 501(c)(3) not-for-profit organization whose mission is the conservation of imperiled reptiles and amphibians and their habitats. Orianne identifies declining reptile and amphibian species that are representative of the ecosystems they inhabit. Orianne conducts scientific research to determine what factors are causing these species' decline and what steps need to be taken to mitigate those factors and then develops conservation programs to address these factors.

Following is a brief summary of the major conservation initiatives of Orianne:

Longleaf Savannas Initiative

The primary focus of the Longleaf Savannas Initiative is within the longleaf pine ecosystem, one of the most biologically diverse regions in the world. A long history of conversion of native forests to agriculture and commercial timberland, road construction and fire suppression has resulted in less than 3 percent of the original range of longleaf pine remaining. In addition to having some of the highest biodiversity in North America, this ecosystem is home to many endangered species of plants and wildlife, including many reptiles and amphibians, such as the Eastern Indigo Snake and Gopher Tortoise. Orianne owns and manages the Orianne Preserve System (OPS) (which consists of one of the ten most critical sand hill areas in Georgia) for endangered species. The OPS is in the process of restoration of the land to that of the original habitat of longleaf pine and other grasslands. In addition to the OPS, Orianne also has extensive land restoration/stewardship programs and research/inventory/monitoring programs on governmental and private lands focused primarily on conservation and improvement of the environment, upland snakes, Gopher Tortoises and freshwater turtles.

Great Northern Forests Initiative

The primary focus of our Great Northern Forests Initiative, which was started in 2017, is the conservation of species and habitats in the Boreal-Northern Hardwood forest from upstate New York east through the Gaspé Peninsula in Quebec. The region it is home to many rare species that have adapted to survive in the transitional zone between two ecoregions. Turtles are especially important components of this region that has three globally endangered species of freshwater turtles. Orianne has been actively involved in projects to inventory and monitor rare turtles, conserve timber rattlesnakes and to work with landowners on habitat restoration projects.

Communications, Education and Other

Orianne is working to educate, inspire and inform local communities, the general public and decision makers by communicating practical area-wide and local solutions that are needed to save and preserve species such as, among others, Gopher Tortoises, Eastern Indigo Snakes, Wood Turtles, Timber Rattlesnakes and their related environments. As part of this process, we utilize various written, pictorial and electronic media to document the endangered and threatened species and other cohabitants in their environments. We utilize such data to communicate to the scientific, political and other concerned individuals the current state and future needs for conservation efforts to save the endangered and threatened and imperiled species.

Involving the public in scientific and conservation projects is an important initiative for Orianne. It provides a direct link between our projects and citizens interested in conserving reptiles, amphibians and environments. It allows us to collect important data from a wider area than we would be able to simply using Orianne staff and, at the same time, enhance the conservation understanding of the participants. Orianne's Longleaf Savannas and Great Northern Forests Initiatives include special place-based events and broader-scale data solicitation projects. Furthermore, we are developing comprehensive herpetological databases that will allow the public to enter data at any time and be able to continually interact with Orianne. Our events provide an opportunity to show participants what we do on a day-to-day basis to survey and conserve these species, including land restoration. Our place-based events allow us to get out into the field with the participants to educate them and to collect valuable data.

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We conduct specific projects on a smaller scale that, due to their size or location, have not been designated as a separate major program. Such projects are included as part of Communications, Education and Other.

Basis of Financial Statement Presentation

Orianne's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Orianne and changes therein are classified and reported as net assets without donor restrictions and net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reflected in the statements of activities and changes in net assets as net assets released from donor restrictions.

Use of Estimates

The preparation of 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 disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Revenue

Orianne's primary sources of financial support consist of donations and governmental and private grants.

Operating Indicator

The statements of activities and changes in net assets include the caption net operating income (loss) which is deemed by Orianne to be its operating indicator. Transactions deemed by management to be ongoing, major or central to the programs and support services are reported as operating revenue and operating expenses and are included in the operating indicator.

Fair Value Measurements

Orianne establishes a framework for measuring the fair value of financial assets and liabilities and nonfinancial assets and liabilities which are measured at fair value on a recurring (annual) basis in the form of a fair value hierarchy organized into three levels based upon the input assumptions used for pricing assets and liabilities that prioritizes the inputs into valuation techniques used to measure fair value into three broad levels. Level 1 inputs have the highest reliability and are related to assets with quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices that are observable, either directly or indirectly, with fair value being determined through the use of models or other valuation methodologies. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Orianne classifies its equity securities that have readily determinable fair values as available for sale securities. Available for sale securities are recorded at fair value. Unrealized holding gains and losses on available for sale securities are excluded from the operating indicator and are reported as a separate component of net assets without donor restrictions within the caption nonoperating activities until realized. Realized gains and losses from the sale of available for sale securities are determined on a first-in, first-out basis. A decline in the market value of any available for sale securities below cost deemed to be other than temporary results in an impairment to reduce the carrying amount to fair value and is treated as a realized loss at time of other than temporary impairment. To determine if impairment is other than temporary, Orianne considers all available information relevant to the collectability of the security, including past events, current conditions and reasonable and supportable forecasts when developing estimates of cash flows expected to be collected.

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Donor-Imposed Restrictions

Orianne reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. All donor-restricted contributions are reported in the first instance as an increase in net assets with 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 operating revenue section of the statements of activities and changes in net assets as net assets released from donor restrictions.

Orianne reports gifts of land, buildings and equipment as without donor restriction support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as additions to net assets with donor restrictions. Expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Unconditional Promises to Give (Contributions Receivable)

When Orianne receives unconditional promises to give that are expected to be collected within one year, they are recorded as contributions at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using average risk-free interest rates (adjusted for any risk premiums, when applicable) applicable to the year in which the promises are received. Amortization of the discounts is included in contribution revenue as an increase in net assets without donor restrictions or net assets with donor restrictions, as appropriate.

Unconditional Promises to Give to Others

When Orianne makes unconditional promises to give to others a liability is recorded at the time of promise.

Conditional Promises to Give to Others

When Orianne makes conditional promises to give to others they are not included as contribution expense by Orianne until the conditions have been substantially met.

Statements of Cash Flows

For purposes of the statements of cash flows, Orianne considers all highly liquid debt instruments with an original maturity of three months or less, at the date of purchase, to be cash equivalents.

Allowance for Doubtful Accounts

Periodically, the individual accounts and contributions receivable balances are reviewed and evaluated as to their collectability, and a provision for doubtful accounts is estimated based on the amounts Orianne expects to collect on the receivable balances. Receivables are charged to the allowance for doubtful accounts when management has determined that further collection efforts are not warranted.

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Fixed Assets

Fixed assets are carried at cost or fair value and depreciated over their estimated useful life or the term of the related lease, whichever is less, using the straight-line method starting the month in which the asset is put into use. Orianne's capitalization policy is to capitalize all fixed asset purchases in excess of \$5,000. The carrying amounts of assets and the related accumulated depreciation are removed from the accounts when such assets are disposed of and any resulting gain or loss is included in the operating activities section of the statements of activities and changes in net assets in the year of disposal. Estimated useful lives consist of: buildings - 10 to 20 years; furniture and fixtures - 5 years; and equipment - 3 to 5 years.

Impairment of Long-Lived Assets

Orianne assesses the recoverability of its long-lived assets, such as property and equipment, whenever events or changes in circumstances indicate that the carrying value of the assets may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future net cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

Income Taxes

Orianne qualifies as a tax-exempt organization under the existing provisions of Internal Revenue Code Section 501(c)(3) and donations to Orianne are tax-deductible to the donor. Orianne filed with the Internal Revenue Service (IRS) for a change in status from a private operating foundation to public charity status in 2014 and received a 60 month time period to document the amount of public support. The 60 month period ended June 30, 2019. Orianne submitted the necessary forms and documentation to the IRS in August 2019 and requested termination of its historical status as a private operating foundation as of June 30, 2019, with the goal of receiving status as a publicly supported charity effective July 1, 2019. While the submission to the IRS in August 2019 clearly indicates that Orianne has met the public support test, a final determination of tax status classification by the IRS has not yet been received.

Orianne's accounting policy is to provide liabilities for uncertain tax positions when a liability is probable and estimable. Orianne recognizes the effect of income tax positions only when the tax positions are more likely than not of being sustained. Management has determined that Orianne had no uncertain tax positions that would require financial statement recognition or disclosure. Management is also not aware of any violations of its tax status as an organization exempt from income taxes.

Allocated Expenses

Orianne's expenses have been summarized on a functional basis in accordance with U.S. GAAP. Most expenses may be identified to their related program or support service and are recorded accordingly. Certain salaries and other expenses have been allocated based on estimated time spent, the percentage of each program's direct expenses over total program costs or usage of fixed assets based on estimated time of usage. Management believes the allocation methods utilized are appropriate to properly reflect program and support expenses.

Government Grants and Pass-Through Contracts

Orianne receives various government grants and pass-through contracts and records revenue when earned. Advance payments received for grants and contracts which have not yet been earned are reflected as deferred revenue. Amounts earned but not yet paid under the grants and contracts are included in accounts receivable. Unrecorded amounts relating to government and contracts awarded as of December 31, 2019 and 2018 amounted to approximately \$497,000 and \$118,000, respectively.

New Accounting Standards

During 2019, Orianne adopted the Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)* using a full retrospective method of adoption to all contracts with customers as of January 1, 2018. The core principle of ASU 2014-09 requires recognition of revenue to depict the transfer of goods or services to customers at an amount that reflects the consideration for what an organization expects it will receive in association with this exchange. The adoption of ASU 2014-09 did not impact Orianne's revenue recognition methodologies.

During 2019, Orianne adopted FASB ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The guidance is intended to clarify and improve accounting guidance for contributions received and contributions made. The amendments in this ASU assists entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal transactions) subject to other guidance and (2) determining whether a contribution is conditional. The adoption of ASU 2018-08 did not impact Orianne's revenue recognition methodologies.

In 2018, Orianne adopted FASB ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. The following summarizes the applicable financial reporting items reflected in Orianne's financial statements as required by ASU 2016-14:

- The unrestricted net asset class was renamed net assets without donor restrictions.
- The temporarily and permanently restricted net asset classes were combined into a single net asset class called net assets with donor restrictions.
- The financial statements included a disclosure about liquidity and availability of resources (Note 3).
- Expenses were reported by both nature and function; as well as the disclosure of specific methodologies used to allocate costs among program and support functions.

2. Fair Value Measurement

Orianne did not have any Level 1, Level 2 or Level 3 financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2019 and 2018. Orianne's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer. There were no transfers into or out of Level 1, Level 2 or Level 3 for the years ended December 31, 2019 and 2018.

As of December 31, 2019 and 2018, Orianne's other financial instruments consist of cash and cash equivalents, receivables, accounts payable and other current liabilities. The carrying amounts of these financial instruments approximate fair value due to their short maturities.

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Notes to Financial Statements
December 31, 2019 and 2018

3. Liquidity and Availability of Resources

The following table reflects Orianne's financial assets as of December 31, 2019 and 2018. Orianne defines general expenditures as expenses related to program and support services.

	<u>2019</u>	<u>2018</u>
Current assets, excluding nonfinancial assets	\$ 549,961	\$ 848,055
Total financial assets available to meet cash needs for general expenditures within one year	<u>\$ 549,961</u>	<u>\$ 848,055</u>

4. Fixed Assets, Net

Fixed assets consist of the following:

	<u>2019</u>	<u>2018</u>
Land	\$ 4,012,100	\$ 4,012,100
Buildings	658,950	658,950
Furniture and fixtures	28,297	28,297
Equipment	449,409	449,409
	5,148,756	5,148,756
Less accumulated depreciation	<u>(801,344)</u>	<u>(758,573)</u>
Fixed assets, net	<u>\$ 4,347,412</u>	<u>\$ 4,390,183</u>

Depreciation expense was approximately \$43,000 and \$42,000 for the years ended December 31, 2019 and 2018, respectively.

5. Net Assets With Donor Restrictions

Net assets with donor restrictions as of December 31, 2019 and 2018 were comprised of contributions received that were restricted by the donors for specific purposes:

	<u>2019</u>	<u>2018</u>
Longleaf Savannas Initiative	\$ 73,532	\$ 32,286
Great Northern Forests Initiative	220	96,789
Total	<u>\$ 73,752</u>	<u>\$ 129,075</u>

Net assets released from donor restrictions for the years ended December 31, 2019 and 2018 were as follows:

	<u>2019</u>	<u>2018</u>
Longleaf Savannas Initiative	\$ 31,801	\$ 97,724
Great Northern Forests Initiative	100,069	91,926
Total	<u>\$ 131,870</u>	<u>\$ 189,650</u>

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6. Related-Party Transactions

During 2019 and 2018, approximately 48 percent and 31 percent, respectively, of contributions without donor restrictions was received from members of Orianne's Board of Directors.

7. Retirement Plan

The Orianne Society 401(k) Retirement Plan (the Plan) has a calendar year-end and under the Plan provisions, employees may make elective contributions of amounts up to the federal limitations. Employee elective contributions are matched by employer contributions to the Plan on, at a minimum, an annual Plan year basis. Orianne matches employee elective contributions at a rate of 100 percent up to 3 percent of the employee's gross pay and 50 percent of the excess of compensation above 3 percent but not to exceed 5 percent of total compensation. Orianne's matching employee elective contributions vest immediately. Total pension expense approximately \$13,000 for each of the years ended December 31, 2019 and 2018.

8. Commitments and Contingencies

Office Leases

Orianne has a month-to-month lease for office space. Rent expense under the lease aggregated approximately \$11,000 for each of the years ended December 31, 2019 and 2018.

Concentration of Credit Risk

Financial instruments that potentially subject Orianne to concentrations of credit risk consist principally of temporary cash investments and receivables. Orianne places its temporary cash investments with high credit quality financial institutions; however, in the event of the financial institution's insolvency, recovery of Orianne's assets on deposit may be limited to account insurance by the Federal Deposit Insurance Corporation or other protection afforded such deposits.

9. Subsequent Events

Management has evaluated subsequent events for disclosure and/or recognition in the financial statements through the date that the financial statements were available to be issued, which date is April 24, 2020.

In the first quarter of 2020, the outbreak of the coronavirus (COVID-19) pandemic began in the United States. In March 2020, various federal, state and local governments have instituted a number of actions, including declaring a temporary suspension of operations of all non-essential businesses, which resulted in a temporary suspension of operations of certain Orianne programs. Certain of Orianne's projects are considered "critical need" in nature and continue; however, other work and projects have been stopped until such time as permission is granted by the various governmental organizations to resume operations. In April 2020, Orianne applied for a Small Business Agency loan of \$127,000 under the provisions of the Federal Paycheck Protection Program; however, there is no assurance that the loan will be granted. The impact on 2020 donor donations and governmental grants cannot be determined at this time due to the uncertainties on the nation's overall economy. Orianne has in place various strategies to reduce staff, operations and expenditures, if necessary, should adequate funding not be achieved. As of April 24, 2020, the extent to which COVID-19 may impact Orianne's financial condition or results of operations is uncertain.