



**CENTER FOR RESPONSIVE POLITICS**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2020**

**CENTER FOR RESPONSIVE POLITICS**

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DECEMBER 31, 2020**

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## Independent Auditors' Report

Board of Directors  
Center for Responsive Politics  
Washington, D.C.

We have audited the accompanying financial statements of Center for Responsive Politics (the Center), which comprise the statement of financial position as of December 31, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

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

### *Auditors' Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 auditors consider 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 Center as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*Councilor, Buchanan + Mitchell, P.C.*

Certified Public Accountants

Washington, D.C.  
November 15, 2021

**CENTER FOR RESPONSIVE POLITICS**

**STATEMENT OF FINANCIAL POSITION  
DECEMBER 31, 2020**

**Assets**

**Current Assets**

|                           |            |
|---------------------------|------------|
| Cash and Cash Equivalents | \$ 789,532 |
| Investments               | 1,202,133  |
| Accounts Receivable       | 2,742      |
| Contributions Receivable  | 543,700    |
| Prepaid Expenses          | 33,479     |

|                      |           |
|----------------------|-----------|
| Total Current Assets | 2,571,586 |
|----------------------|-----------|

**Property and Equipment, at Cost**

|                         |         |
|-------------------------|---------|
| Furniture and Equipment | 375,726 |
| Leasehold Improvements  | 445,436 |

|  |           |
|--|-----------|
| Total Property and Equipment                   | 821,162   |
| Less Accumulated Depreciation and Amortization | (432,357) |

|                             |         |
|-----------------------------|---------|
| Property and Equipment, Net | 388,805 |
|-----------------------------|---------|

**Bank Certificate of Deposit**

29,000

|                     |                     |
|---------------------|---------------------|
| <b>Total Assets</b> | <b>\$ 2,989,391</b> |
|---------------------|---------------------|

**Liabilities and Net Assets**

**Current Liabilities**

|                       |           |
|-----------------------|-----------|
| Accounts Payable      | \$ 15,156 |
| Accrued Payroll       | 79,774    |
| Deferred Rent         | 32,385    |
| Capital Lease Payable | 5,034     |
| Refundable Advances   | 285,100   |

|                           |         |
|---------------------------|---------|
| Total Current Liabilities | 417,449 |
|---------------------------|---------|

**Noncurrent Liabilities**

|   |         |
|---|---------|
| Capital Lease Payable, Net of Current Portion | 3,944   |
| Deferred Rent, Net of Current Portion         | 305,953 |

|                              |         |
|------------------------------|---------|
| Total Noncurrent Liabilities | 309,897 |
|------------------------------|---------|

|                   |         |
|-------------------|---------|
| Total Liabilities | 727,346 |
|-------------------|---------|

**Net Assets**

|                            |           |
|----------------------------|-----------|
| Without Donor Restrictions | 1,427,670 |
| With Donor Restrictions    | 834,375   |

|                  |           |
|------------------|-----------|
| Total Net Assets | 2,262,045 |
|------------------|-----------|

|   |                     |
|---|---------------------|
| <b>Total Liabilities and Net Assets</b> | <b>\$ 2,989,391</b> |
|---|---------------------|

*See accompanying Notes to Financial Statements.*

**CENTER FOR RESPONSIVE POLITICS**

**STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

|                                       | Without Donor<br>Restrictions | With Donor<br>Restrictions | Total               |
|---------------------------------------|-------------------------------|----------------------------|---------------------|
| <b>Revenue and Support</b>            |                               |                            |                     |
| Contributions                         | \$ 934,310                    | \$ 475,000                 | \$ 1,409,310        |
| Contract Fees                         | 52,914                        | -                          | 52,914              |
| Library Services and Other Income     | 14,100                        | -                          | 14,100              |
| Investment Income                     | 87,825                        | -                          | 87,825              |
| Net Assets Released from Restrictions | 966,125                       | (966,125)                  | -                   |
| <b>Total Revenue and Support</b>      | <b>2,055,274</b>              | <b>(491,125)</b>           | <b>1,564,149</b>    |
| <b>Expenses</b>                       |                               |                            |                     |
| Program Services                      |                               |                            |                     |
| Research and Analysis                 | 903,645                       | -                          | 903,645             |
| Education and Outreach                | 976,412                       | -                          | 976,412             |
| <b>Total Program Services</b>         | <b>1,880,057</b>              | <b>-</b>                   | <b>1,880,057</b>    |
| Supporting Services                   |                               |                            |                     |
| Management and General                | 116,392                       | -                          | 116,392             |
| Fundraising                           | 178,475                       | -                          | 178,475             |
| <b>Total Supporting Services</b>      | <b>294,867</b>                | <b>-</b>                   | <b>294,867</b>      |
| <b>Total Expenses</b>                 | <b>2,174,924</b>              | <b>-</b>                   | <b>2,174,924</b>    |
| Change in Net Assets                  | (119,650)                     | (491,125)                  | (610,775)           |
| Net Assets, Beginning of Year         | 1,547,320                     | 1,325,500                  | 2,872,820           |
| <b>Net Assets, End of Year</b>        | <b>\$ 1,427,670</b>           | <b>\$ 834,375</b>          | <b>\$ 2,262,045</b> |

*See accompanying Notes to Financial Statements.*

**CENTER FOR RESPONSIVE POLITICS**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2020**

|                               | Program Services            |                              |                              | Supporting Services          |                   |                                 | Total               |
|-------------------------------|-----------------------------|------------------------------|------------------------------|------------------------------|-------------------|---------------------------------|---------------------|
|                               | Research<br>and<br>Analysis | Education<br>and<br>Outreach | Total<br>Program<br>Services | Management<br>and<br>General | Fundraising       | Total<br>Supporting<br>Services |                     |
| Accounting                    | \$ 16,321                   | \$ 17,681                    | \$ 34,002                    | \$ 3,029                     | \$ 2,856          | \$ 5,885                        | \$ 39,887           |
| Computer Expense              | 20,348                      | 22,044                       | 42,392                       | 2,669                        | 3,561             | 6,230                           | 48,622              |
| Consulting Fees               | 64,530                      | 69,908                       | 134,438                      | -                            | 31,835            | 31,835                          | 166,273             |
| Contract Service Bureaus      | 3,569                       | 3,866                        | 7,435                        | 468                          | 625               | 1,093                           | 8,528               |
| Depreciation and Amortization | 26,377                      | 28,575                       | 54,952                       | 3,461                        | 4,616             | 8,077                           | 63,029              |
| Employee Benefits             | 60,757                      | 65,820                       | 126,577                      | 7,970                        | 10,633            | 18,603                          | 145,180             |
| Insurance                     | 3,783                       | 4,098                        | 7,881                        | 496                          | 662               | 1,158                           | 9,039               |
| Meetings and Conferences      | 2,462                       | 130                          | 2,592                        | 163                          | 218               | 381                             | 2,973               |
| Occupancy                     | 52,576                      | 56,958                       | 109,534                      | 6,897                        | 9,201             | 16,098                          | 125,632             |
| Office                        | -                           | -                            | -                            | 5,594                        | -                 | 5,594                           | 5,594               |
| Online Service                | 31,710                      | 34,352                       | 66,062                       | 4,159                        | 5,550             | 9,709                           | 75,771              |
| Payroll Taxes                 | 45,404                      | 49,188                       | 94,592                       | 5,956                        | 7,946             | 13,902                          | 108,494             |
| Postage and Delivery          | 562                         | 608                          | 1,170                        | 74                           | 98                | 172                             | 1,342               |
| Printing and Production       | 1,300                       | 1,408                        | 2,708                        | 171                          | 227               | 398                             | 3,106               |
| Repairs and Maintenance       | 173                         | 187                          | 360                          | 23                           | 30                | 53                              | 413                 |
| Retirement                    | 9,005                       | 9,756                        | 18,761                       | 1,181                        | 1,576             | 2,757                           | 21,518              |
| Salaries                      | 560,720                     | 607,446                      | 1,168,166                    | 73,551                       | 98,132            | 171,683                         | 1,339,849           |
| Supplies                      | 1,002                       | 1,086                        | 2,088                        | 131                          | 175               | 306                             | 2,394               |
| Telephone                     | 2,335                       | 2,530                        | 4,865                        | 306                          | 409               | 715                             | 5,580               |
| Travel                        | 711                         | 771                          | 1,482                        | 93                           | 125               | 218                             | 1,700               |
| <b>Total Expenses</b>         | <b>\$ 903,645</b>           | <b>\$ 976,412</b>            | <b>\$ 1,880,057</b>          | <b>\$ 116,392</b>            | <b>\$ 178,475</b> | <b>\$ 294,867</b>               | <b>\$ 2,174,924</b> |

*See accompanying Notes to Financial Statements.*

**CENTER FOR RESPONSIVE POLITICS**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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|   |                   |
|---|-------------------|
| <b>Cash Flows from Operating Activities</b>   |                   |
| Change in Net Assets  | \$ (610,775)      |
| Adjustments to Reconcile Change in Net Assets<br>to Net Cash Provided by Operating Activities |                   |
| Depreciation and Amortization   | 63,029            |
| Unrealized Gain on Investments  | (69,419)          |
| <u>(Increase) Decrease in Assets</u>  |                   |
| Accounts Receivable   | 2,254             |
| Contributions Receivable  | 606,300           |
| Prepaid Expenses  | (570)             |
| <u>Increase (Decrease) in Liabilities</u>   |                   |
| Refundable Advances   | 285,100           |
| Accounts Payable  | 3,246             |
| Accrued Payroll   | 19,991            |
| Deferred Rent   | (55,812)          |
|   | <hr/>             |
| Net Cash Provided by Operating Activities   | 243,344           |
| <br><b>Cash Flows from Investing Activities</b>   |                   |
| Purchases of Investments  | (17,966)          |
| Redemptions of Investments  | 100,000           |
| Purchases of Property and Equipment   | (6,549)           |
|   | <hr/>             |
| Net Cash Provided by Investing Activities   | 75,485            |
| <br><b>Cash Flows from Financing Activities</b>   |                   |
| Principal Payments on Capital Lease   | (4,794)           |
|   | <hr/>             |
| Net Increase in Cash and Cash Equivalents   | 314,035           |
| Cash and Cash Equivalents, Beginning of Year  | 475,497           |
|   | <hr/>             |
| <b>Cash and Cash Equivalents, End of Year</b>   | <b>\$ 789,532</b> |
|   | <hr/> <hr/>       |
| <br><b>Supplementary Disclosure of Cash Flow Information</b>                                  |                   |
| Cash Paid during the Year for Interest  | \$ 578            |

*See accompanying Notes to Financial Statements.*

CENTER FOR RESPONSIVE POLITICS

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020

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1. ORGANIZATION

The Center for Responsive Politics (the Center) is a nonprofit corporation that educates the American public on money's role in politics and policy by conducting and distributing its nonpartisan research and reporting on campaign finance and other money-in-politics issues. In June 2021, the Center changed its name to OpenSecrets. The Center derives its support primarily from contributions. The Center's program areas are:

*Research and Analysis* - The Center's research and reporting teams compile the Center's data and put it into context, pointing out trends in campaign finance and lobbying, and adding a money-in-politics angle to ongoing news stories and policy debates.

*Education and Outreach* - The Center's website ([www.opensecrets.org](http://www.opensecrets.org)) allows users to explore connections between money, politics and policy. Freely available, easy-to-use databases track federal campaign contributions, lobbying and other data sets in a variety of illuminating ways, such as by industry and interest group.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Method of Accounting*

The accompanying financial statements are presented on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses when incurred.

*Cash and Cash Equivalents*

The Center considers all short-term investments with original maturities of three months or less to be cash and cash equivalents, excluding amounts held as investments.

*Investments*

The Center's investments are stated at fair market value. The valuation of marketable securities is based upon quotations obtained from national securities exchanges. The bank issued certificate of deposit is stated at cost plus accrued interest.

*Accounts Receivable*

Accounts receivable consists primarily of amounts unconditionally due for services for which payment had not been received at year end. If needed, an allowance for doubtful accounts has been provided for potentially uncollectible amounts. Management estimates the allowance for doubtful accounts based on aging of receivables. If actual collection experience changes, revisions to the allowance may be necessary. Amounts are charged off against the allowance in the period in which they are deemed uncollectible. At December 31, 2020, management considered all receivables collectible and determined there was no allowance for doubtful accounts necessary.

*Contributions Receivable*

Contributions receivable are recorded at their net realizable value. Receivables due over multiple years are discounted to their net present value using the applicable interest rate if such discount would be material. Management estimates the allowance for doubtful accounts based on periodic

CENTER FOR RESPONSIVE POLITICS

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020

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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Contributions Receivable (Continued)*

reviews. If actual collection experience changes, revisions to the allowance may be necessary. Amounts are charged off against the allowance in the period in which they are deemed uncollectible. At December 31, 2020, management considered all receivables collectible and determined there was no allowance for doubtful accounts necessary.

*Property and Equipment*

Property and equipment are stated at cost. Depreciation is calculated on a straight-line basis over a three-year or five-year estimated useful life. Leasehold improvements are amortized over the life of the lease. The Center capitalizes property and equipment purchases of \$500 or more.

*Classes of Net Assets*

The Center is required to report its financial position and activities according to two classes of net assets; net assets without donor-imposed restrictions and net assets with donor-imposed restrictions.

Net assets without donor restrictions are net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Center. These net assets may be used at the discretion of the Center's management and Board of Directors.

Net assets with donor restrictions are subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Center. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

*Contributions*

Unconditional contributions and grants are recorded as net assets without donor restrictions or net assets 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 restrictions.

Conditional grants and contributions are not recorded as revenue until the related conditions have been satisfied. Amounts received for conditional grants are recorded as refundable advances until the conditions have been met.

*Contract Fees*

Contract fees are earned over time as performance obligations are satisfied.

*Income Taxes*

The Center is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code (the Code) and has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code. The Center is exempt from the payment of taxes on income other than net unrelated business income.

CENTER FOR RESPONSIVE POLITICS

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020

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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

*Accounting for Uncertain Tax Positions*

The Center requires that a tax position be recognized or derecognized based on a “more-likely-than-not” threshold. This applies to positions taken or expected to be taken in a tax return. The Center does not believe its financial statements include, or reflect, any uncertain tax positions. The Center’s Form 990 is subject to examination by the taxing authorities for three years after filing.

*Use of Estimates*

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

*Functional Allocation of Expenses*

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statement of functional expenses and the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. These expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, fringe benefits, rent, and depreciation and amortization. These expenses are allocated on the basis of management’s estimates of time and effort by employees. Expenses directly identifiable to specific programs and supporting activities are presented accordingly.

*Accounting Standards Codification Topic 606*

During the year ended December 31, 2020, the Center adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*. Management believes that the adoption of this standard provides better consistency and comparability across non-profit and for-profit entities. The standard requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard replaces most existing revenue recognition guidance in U.S. GAAP. This change in accounting principle was adopted using the modified retrospective method as of January 1, 2020, to all contracts open at the adoption date. Analysis of the various provisions of this standard resulted in no significant changes in the way the Center recognizes revenue; however, the presentation and disclosure of revenue has been enhanced.

**3. REFUNDABLE ADVANCE**

In 2020, the Center received a Small Business Administration (SBA) loan under the Paycheck Protection Program (PPP) in the amount of \$285,100. PPP provides cash-flow assistance through 100% federally guaranteed loans to eligible recipients to maintain payroll during the COVID-19 public health emergency and cover certain other expenses. If the Center maintains its workforce and meets certain requirements, up to 100% of the loan may be forgiven by the SBA. No more than 40% of the forgiven amount may be for non-payroll costs. Loans under PPP have an interest rate of 1% and may be negotiated to a five-year maturity date, if not forgiven. At December 31, 2020, the Center is accounting for this SBA loan as a conditional contribution since repayment had not yet been waived, and as such, the loan proceeds are included in refundable advances on the statement of financial position.

**CENTER FOR RESPONSIVE POLITICS**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**4. CONCENTRATIONS**

The Center's demand deposits with financial institutions, at certain times, exceeded federally insured limits. The Center has not experienced any losses in such accounts and management believes the Center is not exposed to any significant credit risk.

As of December 31, 2020, one donor comprised 73% of accounts and contributions receivable.

**5. LIQUIDITY AND AVAILABILITY OF RESOURCES**

The Center's cash flows have seasonal variations due to the timing of contributions and vendor payments. The Center manages its liquidity to meet general expenditures, liabilities, and other obligations as they become due.

As of December 31, 2020, the following financial assets and liquidity sources were available for general operating expenditure in the year ended 2021:

*Financial Assets*

|  |                            |
|--|----------------------------|
| Cash and Cash Equivalents  | \$ 789,532                 |
| Investments  | 1,202,133                  |
| Accounts Receivable  | 2,742                      |
| Contributions Receivable   | <u>543,700</u>             |
| Total Financial Assets and Liquidity Resources Available                               | 2,538,107                  |
| Less Amounts Unavailable for General Expenditures Due to Purpose Restrictions by Donor | <u>(190,625)</u>           |
| Total Financial Assets and Liquidity Resources Available                               | <u><u>\$ 2,347,482</u></u> |

**6. FAIR VALUE OF MEASUREMENTS**

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

**Level 1** - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets (examples include equity securities);

**Level 2** - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability other than quoted prices, either directly or indirectly, including inputs in markets that are not considered to be active (examples include corporate or municipal bonds);

**Level 3** - inputs to the valuation methodology are unobservable and significant to the fair value measurement. The inputs to the determination of fair value require significant management judgment (examples include certain private equity securities).

The following presents investments carried at fair value as of December 31, 2020:

|                             | Fair Value                 | Level 1<br>Inputs          | Level 2<br>Inputs  | Level 3<br>Inputs  |
|-----------------------------|----------------------------|----------------------------|--------------------|--------------------|
| Cash and Money Market Funds | \$ 101,836                 | \$ 101,836                 | \$ -               | \$ -               |
| Mutual Funds                | 204,253                    | 204,253                    | -                  | -                  |
| Equities                    | <u>896,043</u>             | <u>896,043</u>             | -                  | -                  |
| Total                       | <u><u>\$ 1,202,133</u></u> | <u><u>\$ 1,202,133</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

**CENTER FOR RESPONSIVE POLITICS**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

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**7. OPERATING LEASE**

The Center has a lease agreement for office space that continues until June 1, 2028. The lease includes provisions for annual rent increases, periods of rent abatement, and a landlord-provided improvement allowance. The lease is supported by a bank issued irrevocable letter of credit for approximately \$29,000. The letter of credit is secured by the Center's certificate of deposit in the same amount. Under accounting principles generally accepted in the United States of America (GAAP) all rental payments are recognized on a straight-line basis over the term of the lease. The difference between the GAAP rent expense and the required lease payment is reflected as deferred rent in the accompanying statement of financial position.

Future minimum payments for the lease are as follows:

For the Years Ending December 31,

|                                |                            |
|--------------------------------|----------------------------|
| 2021                           | \$ 188,049                 |
| 2022                           | 143,660                    |
| 2023                           | 181,208                    |
| 2024                           | 202,525                    |
| 2025                           | 207,599                    |
| 2026 and Thereafter            | <u>523,388</u>             |
| Future Minimum Rental Payments | <u><u>\$ 1,446,429</u></u> |

**8. CAPITAL LEASE**

The Center leases computer equipment under a capital lease. The economic substance of the lease is that the Center is financing the acquisition of the asset through the lease, and accordingly, it is recorded in the Center's assets and liabilities. The lease agreement contains a bargain purchase option at the end of the lease term.

The following is a schedule by years of future minimum payments required under the lease together with their present value as of December 31, 2020:

For the Years Ending December 31,

|   |                        |
|---|------------------------|
| 2021                                    | \$ 5,368               |
| 2022                                    | <u>4,024</u>           |
| Total Minimum Lease Payments            | 9,392                  |
| Less Amounts Representing Interest      | <u>(414)</u>           |
| Present Value of Minimum Lease Payments | <u><u>\$ 8,978</u></u> |

Amortization of assets held under the capital lease is included with depreciation expense.

**9. NET ASSETS WITH DONOR RESTRICTIONS**

As of December 31, 2020, net assets with donor restrictions were available for the following purposes:

|                                  |                          |
|----------------------------------|--------------------------|
| Research and Analysis            | \$ 190,625               |
| General Support, Time Restricted | <u>643,750</u>           |
| Total                            | <u><u>\$ 834,375</u></u> |

**CENTER FOR RESPONSIVE POLITICS**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

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**9. NET ASSETS WITH DONOR RESTRICTIONS (CONTINUED)**

For the year ended December 31, 2020, net assets released from donor restrictions were as follows:

|                                  |                          |
|----------------------------------|--------------------------|
| Research and Analysis            | \$ 359,875               |
| General Support, Time Restricted | <u>606,250</u>           |
| Total                            | <u><u>\$ 966,125</u></u> |

**10. RETIREMENT PLAN**

The Center maintains a qualified defined contribution retirement plan for its employees. All employees of the Center are eligible to participate by electing to make salary deferrals up to the maximum allowed by law. Employees completing six months of service qualify for employer contributions up to 2% of employee's salary. The employer contributions are at the discretion of the Board of Directors. The retirement expense for the year ended December 31, 2020, was approximately \$21,500 and is included in employee benefits in the accompanying statement of functional expenses.

**11. CONTINGENCIES**

The spread of COVID-19 (coronavirus disease) has had a disruptive impact on the daily life and operations of individuals, businesses, and not-for-profits around the world. There is uncertainty about financial and economic impacts in all sectors of the economy. The financial markets have experienced significant volatility, and this may continue for an extended period of time. In light of these circumstances, the Center continues to assess how best to adapt changed circumstances.

**12. SUBSEQUENT EVENTS**

In August 2021, the SBA waived repayment of the first PPP loan in the amount of \$285,100. In February 2021, the Center received a second PPP loan in the amount of \$323,288.

The Center entered into a Transition Agreement, effective February 1, 2021, to acquire certain assets and assume certain liabilities of the National Institute of Money in State Politics (NIMP), another 501(c)(3) organization, to further both organizations' highly aligned and complimentary missions. Net assets to be acquired, for no consideration, are estimated to be approximately \$700,000. The Center will also hire certain employees of NIMP, be assigned an office lease, and will assume several ongoing grants. In addition, the Center changed its name to OpenSecrets in 2021.

The Center evaluated subsequent events through November 15, 2021, which is the date the financial statements were available to be issued.