THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH, EDUCATION AND CONSERVATION AND RELATED ENTITY

AUDIT REPORT

FINANCIAL AND FEDERAL AWARD COMPLIANCE EXAMINATION

FOR THE YEAR ENDED DECEMBER 31, 2016
THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH, EDUCATION AND CONSERVATION AND RELATED ENTITY

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<td>Combined Statement of Financial Position, as of December 31, 2016, with Summarized Financial Information for 2015</td>
<td>I-(3 - 4)</td>
</tr>
<tr>
<td>EXHIBIT B</td>
<td>Combined Statement of Activities and Change in Net Assets, for the Year Ended December 31, 2016, with Summarized Financial Information for 2015</td>
<td>I-5</td>
</tr>
<tr>
<td>EXHIBIT C</td>
<td>Combined Statement of Functional Expenses, for the Year Ended December 31, 2016, with Summarized Financial Information for 2015</td>
<td>I-(7 - 8)</td>
</tr>
<tr>
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<td>Combined Statement of Cash Flows, for the Year Ended December 31, 2016, with Summarized Financial Information for 2015</td>
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<th>Description</th>
<th>Page No.</th>
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<tbody>
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<td>Schedule of Expenditures of Federal Awards, for the Year Ended December 31, 2016</td>
<td>I-(21 - 22)</td>
</tr>
<tr>
<td>SCHEDULE 2</td>
<td>Schedule of Findings and Questioned Costs, for the Year Ended December 31, 2016</td>
<td>I-(22 - 29)</td>
</tr>
</tbody>
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
The Jane Goodall Institute for Wildlife Research, Education and
Conservation and Related Entity
Vienna, Virginia

Report on the Financial Statements

We have audited the accompanying combined financial statements of The Jane Goodall Institute for Wildlife Research, Education and Conservation and Related Entity (the Institute), which comprise the combined statement of financial position as of December 31, 2016, and the related combined statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined 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 combined 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined 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 combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Institute as of December 31, 2016, and the combined change in its net assets and its combined cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.
Report on Summarized Comparative Information

We have previously audited the Institute's 2015 combined financial statements, and we expressed an unmodified audit opinion on those audited combined financial statements in our report dated August 23, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015, is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The Schedule of Expenditures of Federal Awards on pages I-21 and I-22, 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 (Uniform Guidance), is presented for purposes of additional analysis and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined 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 November 14, 2017 on our consideration of the Institute'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 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 Institute's internal control over financial reporting and compliance.

November 14, 2017, except for Schedule 1, for which the Date is January 19, 2018.
EXHIBIT A

THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH, EDUCATION AND CONSERVATION AND RELATED ENTITY

COMBINED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2016
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2015

ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and cash equivalents:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funds held in United States</td>
<td>$253,944</td>
<td>$277,769</td>
</tr>
<tr>
<td>Funds held in foreign countries</td>
<td>543,173</td>
<td>721,032</td>
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<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td>797,117</td>
<td>998,801</td>
</tr>
<tr>
<td><strong>Investments (Notes 2, 8 and 9)</strong></td>
<td>5,206,215</td>
<td>4,601,947</td>
</tr>
<tr>
<td><strong>Grants receivable</strong></td>
<td>2,591,760</td>
<td>3,051,519</td>
</tr>
<tr>
<td><strong>Other receivables</strong></td>
<td>808,878</td>
<td>156,262</td>
</tr>
<tr>
<td><strong>Prepaid expenses</strong></td>
<td>95,440</td>
<td>796,146</td>
</tr>
<tr>
<td><strong>Property, equipment and leasehold improvements, net of accumulated depreciation and amortization (Note 3)</strong></td>
<td>2,481,940</td>
<td>2,334,851</td>
</tr>
<tr>
<td><strong>Security deposit</strong></td>
<td>18,477</td>
<td>18,477</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>$12,006,853</td>
<td>$11,972,688</td>
</tr>
</tbody>
</table>

LIABILITIES AND NET ASSETS

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Line of credit (Note 9)</td>
<td>$2,231,375</td>
<td>$800,000</td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>809,635</td>
<td>723,326</td>
</tr>
<tr>
<td>Deferred rent abatement (Note 4)</td>
<td>136,590</td>
<td>149,703</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>3,177,600</td>
<td>1,673,029</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>3,444,924</td>
<td>5,377,786</td>
</tr>
<tr>
<td>Temporarily restricted (Note 5)</td>
<td>4,156,551</td>
<td>4,694,095</td>
</tr>
<tr>
<td>Permanently restricted (Note 6)</td>
<td>1,227,778</td>
<td>227,778</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>8,829,253</td>
<td>10,299,659</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND NET ASSETS</strong></td>
<td>$12,006,853</td>
<td>$11,972,688</td>
</tr>
</tbody>
</table>

See accompanying notes to combined financial statements.
### EXHIBIT B

**THE JANE GOODALL INSTITUTE FOR WILDLIFE RESEARCH, EDUCATION AND CONSERVATION AND RELATED ENTITY**

**COMBINED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS**

**FOR THE YEAR ENDED DECEMBER 31, 2016**

**WITH SUMMARIZED FINANCIAL INFORMATION FOR 2015**

### REVENUE

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Unrestricted</td>
<td>Temporarily Restricted</td>
<td>Permanently Restricted</td>
<td>Total</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Contributions and grants</td>
<td>$4,927,794</td>
<td>$5,198,527</td>
<td>$1,000,000</td>
<td>$11,126,321</td>
<td>$10,857,832</td>
<td></td>
</tr>
<tr>
<td>Bequests</td>
<td>542,428</td>
<td>-</td>
<td>-</td>
<td>542,428</td>
<td>1,025,917</td>
<td></td>
</tr>
<tr>
<td>Lecture tour and honorariums</td>
<td>332,704</td>
<td>-</td>
<td>-</td>
<td>332,704</td>
<td>693,162</td>
<td></td>
</tr>
<tr>
<td>Donor trip</td>
<td>23,400</td>
<td>-</td>
<td>-</td>
<td>23,400</td>
<td>34,755</td>
<td></td>
</tr>
<tr>
<td>Merchandise sales</td>
<td>3,948</td>
<td>-</td>
<td>-</td>
<td>3,948</td>
<td>10,359</td>
<td></td>
</tr>
<tr>
<td>Royalties, license fees and other income</td>
<td>212,289</td>
<td>-</td>
<td>-</td>
<td>212,289</td>
<td>293,512</td>
<td></td>
</tr>
<tr>
<td>Investment income (Note 2)</td>
<td>220,039</td>
<td>-</td>
<td>-</td>
<td>220,039</td>
<td>205,723</td>
<td></td>
</tr>
<tr>
<td>In-kind contributions</td>
<td>2,024,590</td>
<td>-</td>
<td>-</td>
<td>2,024,590</td>
<td>2,103,679</td>
<td></td>
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<tr>
<td>Net assets released from restriction - satisfaction of donor restrictions (Note 5)</td>
<td>5,736,071</td>
<td>(5,736,071)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>14,023,263</td>
<td>(537,544)</td>
<td>1,000,000</td>
<td>14,485,719</td>
<td>15,224,939</td>
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</tbody>
</table>

### EXPENSES

<table>
<thead>
<tr>
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<th></th>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Program Services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Animal Welfare and Conservation</td>
<td>10,746,761</td>
<td>-</td>
<td>-</td>
<td>10,746,761</td>
<td>9,549,317</td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>2,154,329</td>
<td>-</td>
<td>-</td>
<td>2,154,329</td>
<td>1,836,996</td>
<td></td>
</tr>
<tr>
<td>Communications and Membership</td>
<td>597,891</td>
<td>-</td>
<td>-</td>
<td>597,891</td>
<td>433,719</td>
<td></td>
</tr>
<tr>
<td><strong>Total program services</strong></td>
<td>13,498,981</td>
<td>-</td>
<td>-</td>
<td>13,498,981</td>
<td>11,820,032</td>
<td></td>
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<tr>
<td>Supporting Services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising</td>
<td>1,570,697</td>
<td>-</td>
<td>-</td>
<td>1,570,697</td>
<td>1,112,162</td>
<td></td>
</tr>
<tr>
<td>Management and General</td>
<td>983,458</td>
<td>-</td>
<td>-</td>
<td>983,458</td>
<td>1,069,912</td>
<td></td>
</tr>
<tr>
<td><strong>Total supporting services</strong></td>
<td>2,554,155</td>
<td>-</td>
<td>-</td>
<td>2,554,155</td>
<td>2,182,074</td>
<td></td>
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<tr>
<td><strong>Total expenses</strong></td>
<td>16,053,136</td>
<td>-</td>
<td>-</td>
<td>16,053,136</td>
<td>14,002,106</td>
<td></td>
</tr>
<tr>
<td>Change in net assets from operating activities before other items</td>
<td>(2,029,873)</td>
<td>(537,544)</td>
<td>1,000,000</td>
<td>(1,567,417)</td>
<td>1,222,833</td>
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### OTHER ITEMS

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<tr>
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<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Exchange rate gain (loss)</td>
<td>3,157</td>
<td>-</td>
<td>-</td>
<td>3,157</td>
<td>(79,759)</td>
<td></td>
</tr>
<tr>
<td>Unrealized gain (loss) on investments (Note 2)</td>
<td>93,854</td>
<td>-</td>
<td>-</td>
<td>93,854</td>
<td>(250,232)</td>
<td></td>
</tr>
<tr>
<td><strong>Total other items</strong></td>
<td>97,011</td>
<td>-</td>
<td>-</td>
<td>97,011</td>
<td>(329,991)</td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>(1,932,862)</td>
<td>(537,544)</td>
<td>1,000,000</td>
<td>(1,470,406)</td>
<td>892,842</td>
<td></td>
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<tr>
<td>Net assets at beginning of year</td>
<td>5,377,786</td>
<td>4,694,095</td>
<td>227,778</td>
<td>10,299,659</td>
<td>9,406,817</td>
<td></td>
</tr>
<tr>
<td><strong>NET ASSETS AT END OF YEAR</strong></td>
<td><strong>$3,444,924</strong></td>
<td><strong>$4,156,551</strong></td>
<td><strong>$1,227,778</strong></td>
<td><strong>$8,829,253</strong></td>
<td><strong>$10,299,659</strong></td>
<td></td>
</tr>
</tbody>
</table>

See accompanying notes to combined financial statements.
<table>
<thead>
<tr>
<th></th>
<th>Animal Welfare and Conservation</th>
<th>Education</th>
<th>Communications and Membership</th>
<th>Total Program Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>$ 2,688,439</td>
<td>$ 696,192</td>
<td>$ 254,661</td>
<td>$ 3,639,292</td>
</tr>
<tr>
<td>Taxes and benefits (Note 7)</td>
<td>514,558</td>
<td>182,679</td>
<td>52,290</td>
<td>749,527</td>
</tr>
<tr>
<td>Other personnel costs</td>
<td>615,528</td>
<td>136,119</td>
<td>54,657</td>
<td>806,304</td>
</tr>
<tr>
<td>Professional services</td>
<td>70,373</td>
<td>57,972</td>
<td>18,911</td>
<td>147,256</td>
</tr>
<tr>
<td>Telephone and fax</td>
<td>86,604</td>
<td>14,859</td>
<td>1,340</td>
<td>102,803</td>
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<tr>
<td>Postage and delivery</td>
<td>5,193</td>
<td>7,240</td>
<td>1,184</td>
<td>13,617</td>
</tr>
<tr>
<td>Printing and photocopying</td>
<td>33,407</td>
<td>4,933</td>
<td>4,039</td>
<td>42,379</td>
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<tr>
<td>Equipment, depreciation,</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>repairs and maintenance</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>247,431</td>
<td>24,656</td>
<td>9,893</td>
<td>281,980</td>
</tr>
<tr>
<td>Travel</td>
<td>438,623</td>
<td>228,611</td>
<td>49,564</td>
<td>716,798</td>
</tr>
<tr>
<td>Bank fees, insurance and</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>registration fees</td>
<td>111,187</td>
<td>75,993</td>
<td>13,822</td>
<td>201,002</td>
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<tr>
<td>Direct Mail</td>
<td>26,577</td>
<td>69,602</td>
<td>12,648</td>
<td>108,827</td>
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<tr>
<td>Supplies</td>
<td>75,419</td>
<td>15,638</td>
<td>5,719</td>
<td>96,776</td>
</tr>
<tr>
<td>Dues, fees, and subscriptions</td>
<td>2,050,032</td>
<td>4,414</td>
<td>10,467</td>
<td>2,064,913</td>
</tr>
<tr>
<td>Field expense</td>
<td>2,778,773</td>
<td>340,576</td>
<td>-</td>
<td>3,119,349</td>
</tr>
<tr>
<td>Occupancy costs (Note 4)</td>
<td>215,346</td>
<td>111,980</td>
<td>34,455</td>
<td>361,781</td>
</tr>
<tr>
<td>Event expense</td>
<td>54,070</td>
<td>12,207</td>
<td>17,796</td>
<td>84,073</td>
</tr>
<tr>
<td>Database management and</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>fulfillment</td>
<td>10,338</td>
<td>23,984</td>
<td>15,739</td>
<td>50,061</td>
</tr>
<tr>
<td>Subtotal</td>
<td>10,021,898</td>
<td>2,007,655</td>
<td>557,185</td>
<td>12,586,738</td>
</tr>
<tr>
<td>Allocation of joint costs (Note 10)</td>
<td>724,863</td>
<td>146,674</td>
<td>40,706</td>
<td>912,243</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$ 10,746,761</strong></td>
<td><strong>$ 2,154,329</strong></td>
<td><strong>$ 597,891</strong></td>
<td><strong>$ 13,498,981</strong></td>
</tr>
</tbody>
</table>

See accompanying notes to combined financial statements.
<table>
<thead>
<tr>
<th>Supporting Services</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fundraising</td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td></td>
</tr>
<tr>
<td>General</td>
<td></td>
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<tr>
<td>Total</td>
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<td>Supporting Services</td>
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<td>Total</td>
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<td>Expenses</td>
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<td></td>
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<tr>
<td>Expenses</td>
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<table>
<thead>
<tr>
<th></th>
<th>2015</th>
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<tr>
<td></td>
<td>$421,414</td>
<td>$655,776</td>
<td>$1,077,190</td>
<td>$4,716,482</td>
<td>$3,843,935</td>
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<tr>
<td></td>
<td>99,610</td>
<td>177,787</td>
<td>277,397</td>
<td>1,026,924</td>
<td>834,551</td>
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<tr>
<td></td>
<td>25,660</td>
<td>21,374</td>
<td>47,034</td>
<td>853,338</td>
<td>1,122,929</td>
<td></td>
</tr>
<tr>
<td></td>
<td>96,045</td>
<td>26,337</td>
<td>122,382</td>
<td>269,638</td>
<td>314,064</td>
<td></td>
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<tr>
<td></td>
<td>9,004</td>
<td>3,345</td>
<td>12,349</td>
<td>115,152</td>
<td>135,124</td>
<td></td>
</tr>
<tr>
<td></td>
<td>147,936</td>
<td>417</td>
<td>148,353</td>
<td>161,970</td>
<td>32,583</td>
<td></td>
</tr>
<tr>
<td></td>
<td>149,735</td>
<td>964</td>
<td>150,699</td>
<td>193,078</td>
<td>73,388</td>
<td></td>
</tr>
<tr>
<td></td>
<td>16,070</td>
<td>8,930</td>
<td>25,000</td>
<td>306,980</td>
<td>184,652</td>
<td></td>
</tr>
<tr>
<td></td>
<td>74,824</td>
<td>4,420</td>
<td>79,244</td>
<td>796,042</td>
<td>755,816</td>
<td></td>
</tr>
<tr>
<td></td>
<td>44,331</td>
<td>34,517</td>
<td>78,848</td>
<td>279,850</td>
<td>351,821</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,216,324</td>
<td>31,621</td>
<td>1,247,945</td>
<td>1,356,772</td>
<td>1,269,751</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,465</td>
<td>2,054</td>
<td>4,519</td>
<td>101,295</td>
<td>66,807</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,317</td>
<td>1,930</td>
<td>4,247</td>
<td>2,069,160</td>
<td>2,111,028</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6,376</td>
<td>-</td>
<td>6,376</td>
<td>3,125,725</td>
<td>2,198,133</td>
<td></td>
</tr>
<tr>
<td></td>
<td>64,604</td>
<td>4,307</td>
<td>68,911</td>
<td>430,692</td>
<td>557,806</td>
<td></td>
</tr>
<tr>
<td></td>
<td>17,560</td>
<td>645</td>
<td>18,205</td>
<td>102,278</td>
<td>98,943</td>
<td></td>
</tr>
<tr>
<td></td>
<td>88,665</td>
<td>9,034</td>
<td>97,699</td>
<td>147,760</td>
<td>50,775</td>
<td></td>
</tr>
<tr>
<td></td>
<td>2,482,940</td>
<td>983,458</td>
<td>3,466,398</td>
<td>16,053,136</td>
<td>14,002,106</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(912,243)</td>
<td>-</td>
<td>(912,243)</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$1,570,697</td>
<td>$983,458</td>
<td>$2,554,155</td>
<td>$16,053,136</td>
<td>$14,002,106</td>
<td></td>
</tr>
</tbody>
</table>

See accompanying notes to combined financial statements.
### Combined Statement of Cash Flows

**For the Year Ended December 31, 2016**

**With Summarized Financial Information for 2015**

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows from Operating Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$ (1,470,406)</td>
<td>$ 892,842</td>
</tr>
<tr>
<td>Adjustments to reconcile change in net assets to net cash used by operating activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>143,610</td>
<td>34,026</td>
</tr>
<tr>
<td>Realized (gain) loss on sale of investments</td>
<td>(39,853)</td>
<td>172</td>
</tr>
<tr>
<td>Unrealized (gain) loss on investments</td>
<td>(93,854)</td>
<td>250,232</td>
</tr>
<tr>
<td>(Increase) decrease in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants receivable</td>
<td>459,759</td>
<td>(1,908,356)</td>
</tr>
<tr>
<td>Other receivables</td>
<td>(12,732)</td>
<td>(65,426)</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>60,822</td>
<td>51,898</td>
</tr>
<tr>
<td>Inventory</td>
<td>7,659</td>
<td>15,404</td>
</tr>
<tr>
<td>Security deposit</td>
<td>-</td>
<td>18,477</td>
</tr>
<tr>
<td>Increase (decrease) in:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued liabilities</td>
<td>86,309</td>
<td>266,006</td>
</tr>
<tr>
<td>Deferred rent abatement</td>
<td>(13,113)</td>
<td>(6,576)</td>
</tr>
<tr>
<td><strong>Net cash used by operating activities</strong></td>
<td>(871,799)</td>
<td>(555,097)</td>
</tr>
<tr>
<td><strong>Cash Flows from Investing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchases of property and equipment</td>
<td>(290,699)</td>
<td>(795,719)</td>
</tr>
<tr>
<td><strong>Net sales of investments</strong></td>
<td>(470,561)</td>
<td>394,542</td>
</tr>
<tr>
<td><strong>Net cash used by investing activities</strong></td>
<td>(761,260)</td>
<td>(401,177)</td>
</tr>
<tr>
<td><strong>Cash Flows from Financing Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrowings (payments) on line of credit</td>
<td>1,431,375</td>
<td>800,000</td>
</tr>
<tr>
<td><strong>Net cash provided by financing activities</strong></td>
<td>1,431,375</td>
<td>800,000</td>
</tr>
<tr>
<td>Net decrease in cash and cash equivalents</td>
<td>(201,684)</td>
<td>(156,274)</td>
</tr>
<tr>
<td>Cash and cash equivalents at beginning of year</td>
<td>998,801</td>
<td>1,155,075</td>
</tr>
<tr>
<td><strong>Cash and Cash Equivalents at End of Year</strong></td>
<td>$ 797,117</td>
<td>$ 998,801</td>
</tr>
</tbody>
</table>

**Supplemental Information**

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Paid</td>
<td>$32,017</td>
<td>$14,162</td>
</tr>
</tbody>
</table>

See accompanying notes to combined financial statements.
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

The Jane Goodall Institute for Wildlife Research, Education and Conservation (the Institute) was incorporated as a nonprofit organization under the laws of the State of California in 1977. The Institute contributes to the preservation of great apes and their habitats through conservation, education and promotion of sustainable livelihoods in local communities; improves global understanding and treatment of great apes through research, public education and advocacy; and engages a worldwide network of young people who take responsible action on behalf of humans, animals and the environment.

The Jane Goodall Institute, Inc. - Tanzania (JGI-Tanzania) is a legally registered organization located in Tanzania and receives the majority of its support from The Jane Goodall Institute for Wildlife Research, Education and Conservation. The current programs are funded by various public and private donors.

Program services -

Program services are segregated by type of activity within the Combined Statement of Activities and Change in Net Assets. The following indicates the specific activities that are included in each program area and promoted by the Institute:

• Animal Welfare and Conservation
  Conservation activities ensure the long-term preservation of wildlife habitats, including reforestation and an extensive community-centered conservation program. Expenses include those related to the TACARE (Lake Tanganyika Catchment Reforestation and Education) program in Tanzania and similar initiatives in other African countries, as well as the Institute's Tanzanian Roots & Shoots program. Animal welfare activities ensure the physical and psychological well-being of animals in general, particularly chimpanzees. Animal welfare and conservation activities include the Institute's sanctuary in the Republic of Congo. In the United States, the Institute lends assistance to organizations seeking to address the welfare of captive chimpanzees kept for pets, entertainment and medical testing.

• Education
  Education efforts heighten global awareness of the issues facing wild and captive great apes, particularly chimpanzees, and foster an awareness and understanding of the interdependence of all life, and empower youth to take action on behalf of people, animals and the environment. These types of expenses include those related to the Dr. Goodall's United States tours, including efforts to educate policy makers, and Jane Goodall's Roots & Shoots program, the Institute's global environmental and humanitarian youth program.

• Communications and Membership
  Communication efforts promote the Institute’s work to the general public, inform in regular updates the progress and outcomes of its efforts in conservation and development, wildlife research, and humanitarian and environmental education, and seek to heighten global awareness of the threats facing chimpanzees and other conservation issues. Communication efforts also entail creation of educational materials and their distribution to Institute members and the general public. This work is done through the Institute's website, print materials, videos and promotion of Dr. Jane Goodall's lecture tour and media appearances.
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Basis of presentation -

The accompanying combined financial statements are presented on the accrual basis of accounting, and in accordance with FASB ASC 958-810, Not-for-Profit Entities, Consolidation. All intercompany transactions have been eliminated during combination.

The combined financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Institute’s combined financial statements for the year ended December 31, 2015, from which the summarized information was derived.

Cash and cash equivalents -

The Institute considers all cash and other highly liquid investments with maturities of three months or less to be cash equivalents, excluding money market funds held by investment managers in the amount of $1,310,577 at December 31, 2016.

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (“FDIC”) up to a limit of $250,000. At times during the year, the Institute maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

At December 31, 2016, the Institute maintained cash and cash equivalents of $543,173 in foreign countries. The majority of these funds are uninsured.

Foreign operations -

The Institute maintains field offices in Tanzania, Uganda, the Republic of Congo and the Democratic Republic of Congo.

Assets and liabilities denominated in each respective countries' functional currency are converted into U.S. Dollars at year-end exchange rates, and revenue and expense accounts are translated at the average rates in effect during the year. Exchange gains and losses are reported in the Combined Statement of Activities and Change in Net Assets.

Grants receivable -

Grants receivable approximate fair value. Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Other receivables -

Other receivables consist of contributions, travel advances, accrued interest and other miscellaneous receivables that are stated at their net realizable value. Management considers all amounts to be collectible. Accordingly, an allowance for doubtful accounts has not been established.

Property, equipment and leasehold improvements -

Furniture and equipment costing in excess of $2,500 are capitalized and depreciated over the life of the asset ranging from three to seven years. Leasehold improvements are capitalized and amortized over the life of the lease and buildings are amortized over the life of the building.
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Property, equipment and leasehold improvements (continued) -

All costs (direct and indirect) associated with construction of the chimpanzee reserve are capitalized.

Inventory -

Inventory, consisting of books, videotapes, brochures and other resource materials held for resale, is stated at the lower of cost or net realized value. Cost is determined on the first-in, first-out basis.

Investments -

Investments are presented in the combined financial statements at their readily determinable fair value. Interest and dividend income is recorded as revenue when earned. Realized gains and losses from investments are included in investment income, which is reflected in the Combined Statement of Activities and Change in Net Assets. Unrealized gains and losses are reflected as an other item in the Combined Statement of Activities and Change in Net Assets.

Net asset classification -

The net assets are reported in three self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of the Institute.

- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of the Institute and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Combined Statement of Activities and Change in Net Assets as net assets released from restrictions.

- **Permanently restricted net assets** represent funds restricted by the donor to be maintained in-perpetuity by the Institute.

Income taxes -

The Institute is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying combined financial statements. The Institute is not a private foundation.

As an independently registered non-governmental organization (NGO), The Jane Goodall Institute, Inc. - Tanzania (JGI-Tanzania) is subject to taxes on its net investment income. JGI-Tanzania did not earn any investment income. Accordingly, no provision for income taxes has been made in the accompanying combined financial statements.

Uncertain tax positions -

For the year ended December 31, 2016, the Institute has documented its consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and has determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Contributions and grants -

Contributions and grants are recorded as revenue in the year notification is received from the donor. Contributions and grants are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions.

Contributions and grants received in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying combined financial statements. Contributions and grants with donor-imposed restrictions that are met in the same accounting period are reported as unrestricted net assets.

In-kind contributions -

In-kind contributions are recorded as revenue and expense at the fair market value on the date of donation. During the year ended December 31, 2016, the Institute received donated software licenses valued at $2,024,590. The revenue is shown as an in-kind contribution and the corresponding expense is recorded within dues, fees and subscriptions under the Animal Welfare and Conservation program.

The Institute makes extensive use of volunteers in many of their programs, have a volunteer Board of Directors, and does not attempt to place a dollar value on these donated services. The contribution benefited the animal welfare and conservation program.

Functional allocation of expenses -

The costs of providing the various programs and other activities have been summarized on a functional basis in the Combined Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Use of estimates -

The preparation of the combined financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the combined financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Investment risks and uncertainties -

The Institute invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market, foreign exchange, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the combined financial statements.

Fair value measurement -

The Institute adopted the provisions of FASB ASC 820, Fair Value Measurement.
1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)

Fair value measurement (continued) -

FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes
a fair value hierarchy based on the quality of inputs (assumptions that market participants would
use in pricing assets and liabilities, including assumptions about risk) used to measure fair
value, and enhances disclosure requirements for fair value measurements. The Institute
accounts for a significant portion of its financial instruments at fair value or considers fair value
in their measurement.

Reclassification -

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

New accounting pronouncements -

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting
Standards Update (ASU) 2016-14, Presentation of Financial Statements of Not-for-Profit
Entities (Topic 958), intended to improve financial reporting for not-for-profit entities. The ASU
will reduce the current three classes of net assets into two: with and without donor restrictions.
The change in each of the classes of net assets must be reported on the Combined Statement
of Activities and Change in Net Assets.

The ASU also requires various enhanced disclosures around topics such as board
designations, liquidity, functional classification of expenses, investment expenses, donor
restrictions, and underwater endowments. The ASU is effective for years beginning after
December 15, 2017. Early adoption is permitted, although the Institute has not elected to early
adopt. The ASU should be applied on a retrospective basis in the year the ASU is first applied.

While the ASU will change the presentation of the Institute's combined financial statements, it is
not expected to alter the Institute's reported financial position. Institute has elected to defer
implementation until the applicable required date.

2. INVESTMENTS

Investments are recorded at their readily determinable fair value. Investments at December 31,
2016 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Fair Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money market funds</td>
<td>$ 1,310,577</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>1,367,681</td>
</tr>
<tr>
<td>Stocks</td>
<td>829,295</td>
</tr>
<tr>
<td>Bonds</td>
<td>1,626,462</td>
</tr>
<tr>
<td>Exchange Traded Funds</td>
<td>72,200</td>
</tr>
<tr>
<td><strong>TOTAL INVESTMENTS</strong></td>
<td><strong>$ 5,206,215</strong></td>
</tr>
</tbody>
</table>

An unrealized gain of $93,854 is reported as an other item in the Combined Statement of Activities
and Change in Net Assets.
2. INVESTMENTS (Continued)

Investment income for the year ended December 31, 2016 consisted of the following:

- Interest and dividends $ 180,186
- Realized gain 39,853

**TOTAL INVESTMENT INCOME** $ 220,039

3. PROPERTY, EQUIPMENT AND LEASEHOLD IMPROVEMENTS

Property, equipment and leasehold improvements at December 31, 2016 are comprised of the following:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture</td>
<td>$ 40,592</td>
</tr>
<tr>
<td>Software</td>
<td>370,748</td>
</tr>
<tr>
<td>Computer hardware</td>
<td>51,134</td>
</tr>
<tr>
<td>Equipment</td>
<td>59,720</td>
</tr>
<tr>
<td>Leasehold improvements and buildings</td>
<td>162,708</td>
</tr>
<tr>
<td>Construction in progress-chimpanzee reserve</td>
<td>2,324,928</td>
</tr>
<tr>
<td>Vehicles</td>
<td>151,761</td>
</tr>
</tbody>
</table>

Less: Accumulated depreciation and amortization (679,651)

**PROPERTY, EQUIPMENT AND LEASEHOLD IMPROVEMENTS, NET** $ 2,481,940

4. LEASE COMMITMENTS

Beginning September 1, 2012, the Institute entered into an eight-year lease for office space, which expires April 30, 2021, with one five-year option to renew at prevailing market rates. The lease includes a rent abatement for the first eight months.

Rent expense (including operating expenses and real estate taxes) under these agreements for the year ended December 31, 2016 totaled $334,484. Accounting principles generally accepted in the United States of America require that the total rent commitment should be recognized on a straight-line basis over the term of the lease. Accordingly, the difference between the actual monthly payments and the rent expense being recognized for financial statement purposes is recorded as a deferred rent abatement.

Future minimum lease payments, excluding operating expenses and real estate taxes, are as follows:

<table>
<thead>
<tr>
<th>Year Ending December 31.</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$ 249,586</td>
</tr>
<tr>
<td>2018</td>
<td>256,465</td>
</tr>
<tr>
<td>2019</td>
<td>263,515</td>
</tr>
<tr>
<td>2020</td>
<td>270,764</td>
</tr>
<tr>
<td>2021</td>
<td>91,903</td>
</tr>
</tbody>
</table>

**$ 1,132,233**
4. **LEASE COMMITMENTS (Continued)**

The Institute also leases office space in foreign countries under short-term lease agreements.

5. **TEMPORARILY RESTRICTED NET ASSETS**

Temporarily restricted net assets consisted of the following at December 31, 2016:

| Animal Welfare and Conservation | $ 4,156,551 |

The following temporarily restricted net assets were released from donor restrictions by incurring expenses, which satisfied the restricted purposes specified by the donors:

| Animal Welfare and Conservation | $ 5,736,071 |

6. **PERMANENTLY RESTRICTED NET ASSETS**

Permanently restricted net assets represent $1,227,778 of contributions restricted by the donors to be invested in perpetuity. Interest earned on the invested balance is to be used to support the general operations of the Institute.

The Institute's permanently restricted net assets consist of donor-restricted endowment funds. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary.

In accordance with SPMIFA, Institute considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund;
- The purpose of the organization and the donor-restricted endowment fund;
- General economic conditions and the possible effect of inflation and deflation;
- The expected total return from income and the appreciation of investments; and
- Investment policies of the organization.

Changes in endowment net assets for the year ended December 31, 2016:

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Permanently Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Endowment net assets, beginning of year</strong></td>
<td>$ -</td>
<td>$ -</td>
<td>$ 227,778</td>
<td>$ 227,778</td>
</tr>
<tr>
<td>Contributions</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 1,000,000</td>
<td>$ 1,000,000</td>
</tr>
<tr>
<td><strong>ENDOWMENT NET ASSETS, END OF YEAR</strong></td>
<td>$ -</td>
<td>$ -</td>
<td>$ 1,227,778</td>
<td>$ 1,227,778</td>
</tr>
</tbody>
</table>
6. \textbf{PERMANENTLY RESTRICTED NET ASSETS (Continued)}

Funds with Deficiencies -

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or SPMIFA requires the organization to retain as fund of perpetual duration. In accordance with GAAP, there were no deficiencies of this nature reported in unrestricted net assets as of December 31, 2016.

Return Objectives and Risk Parameters -

Institute has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the organization must hold in-perpetuity or for a donor-specified period(s). Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that exceed the price and yield results of the S&P 500 index while assuming a moderate level of investment risk. Institute expects its endowment funds, over time, to provide an average rate of return of approximately 5% annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives -

To satisfy its long-term rate-of-return objectives, Institute relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Institute targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to Spending Policy -

The Board of Directors authorizes the appropriations of spending during the Board approval of the budget. Institute considers the long-term expected return on its endowment. Accordingly, over the long-term, Institute expects the current spending policy to allow its endowment to grow annually. This is consistent with Institute's objective to maintain the purchasing power of the endowment assets held in-perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

7. \textbf{RETIREMENT PLAN}

Retirement benefits are available for all regular, full-time employees. Eligible employees are covered by a 401(k) pension plan. The Institute contributes five percent of an employee's base salary annually. Contributions made by the Institute during the year ended December 31, 2016, amounted to $113,417.

8. \textbf{FAIR VALUE MEASUREMENT}

In accordance with FASB ASC 820, \textit{Fair Value Measurement}, the Institute has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy.
8. FAIR VALUE MEASUREMENT (Continued)

The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument. Investments recorded in the Combined Statement of Financial Position are categorized based on the inputs to valuation techniques as follows:

**Level 1.** These are investments where values are based on unadjusted quoted prices for identical assets in an active market the Institute has the ability to access.

**Level 2.** These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

**Level 3.** These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2016.

- **Money market funds** - Fair value is equal to the reported net asset value of the fund.
- **Mutual funds** - Fair value is equal to the reported net asset value of the fund, which is the price at which additional shares can be obtained.
- **Stocks** - Valued at the closing price reported on the active market in which the individual securities are traded.
- **Exchange traded funds** - A marketable security that tracks an index, a commodity, bonds, or a basket of assets like an index fund, and trades like a common stock on a stock exchange. Valued at the closing price reported on the active market in which the individual securities are traded.
- **Bonds** - Fair value is based upon current yields available on comparable securities of issuers with similar ratings, the security’s terms and conditions, and interest rate and credit risk.

The table below summarizes, by level within the fair value hierarchy, the Institute's investments as of December 31, 2016:

<table>
<thead>
<tr>
<th>Investments</th>
<th>Quoted Prices in Active Markets for Identical Assets (Level 1)</th>
<th>Significant Other Observable Inputs (Level 2)</th>
<th>Significant Unobservable Inputs (Level 3)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money market funds</td>
<td>$1,310,577</td>
<td>$</td>
<td>$</td>
<td>$1,310,577</td>
</tr>
<tr>
<td>Mutual funds</td>
<td>1,367,681</td>
<td>-</td>
<td>-</td>
<td>1,367,681</td>
</tr>
<tr>
<td>Stocks</td>
<td>829,295</td>
<td>-</td>
<td>-</td>
<td>829,295</td>
</tr>
<tr>
<td>Exchange traded funds</td>
<td>72,200</td>
<td>-</td>
<td>1,626,462</td>
<td>1,626,462</td>
</tr>
<tr>
<td>Bonds</td>
<td>-</td>
<td>1,626,462</td>
<td>-</td>
<td>1,626,462</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$3,579,753</strong></td>
<td><strong>$1,626,462</strong></td>
<td><strong>$</strong></td>
<td><strong>$5,206,215</strong></td>
</tr>
</tbody>
</table>

The Jane Goodall Institute for Wildlife Research, Education and Conservation and Related Entity

NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2016

I-18
9. **LINE OF CREDIT**

The Institute has a $2,399,615 revolving line of credit with the financial institution that manages its investments. The line of credit is secured by the Institute's investment portfolio. Borrowings on the line of credit bear interest at the LIBOR rate (0.77% at December 31, 2016) plus 2.75%. As of December 31, 2016, outstanding borrowings on the line of credit totaled $2,231,375.

10. **ALLOCATION OF JOINT COSTS**

The Institute conducts direct mail campaigns and special events that have a programmatic and fundraising content. Accordingly, $912,243 of the fundraising costs associated with the direct mail campaigns and the special events have been allocated among the programs and supporting services benefited.

The method of allocating costs was based primarily on the programmatic and fundraising content of the activities.

The joint costs were allocated as follows:

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Animal Welfare and Conservation</td>
<td>$724,863</td>
</tr>
<tr>
<td>Education</td>
<td>$146,674</td>
</tr>
<tr>
<td>Communications and Membership</td>
<td>$40,706</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$912,243</strong></td>
</tr>
</tbody>
</table>

11. **CONTINGENCY**

The Institute receives grants from various agencies of the United States Government. Such grants are subject to audit under the provisions of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The ultimate determination of amounts received under the United States Government grants is based upon the allowance of costs reported to and accepted by the United States Government as a result of the audits. Audits in accordance with the applicable provisions have been completed for all required fiscal years through 2016. Until such audits have been accepted by the United States Government, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

13. **SUBSEQUENT EVENTS**

In preparing these combined financial statements, the Institute has evaluated events and transactions for potential recognition or disclosure through November 14, 2017, the date the combined financial statements were issued.
# The Jane Goodall Institute for Wildlife Research, Education and Conservation and Related Entity

## Schedule of Expenditures of Federal Awards

For the Year Ended December 31, 2016

<table>
<thead>
<tr>
<th>Federal Granting Agency and Program Title</th>
<th>Pass-Through Entity</th>
<th>Pass-Through ID Number</th>
<th>CFDA or Award Number</th>
<th>Total 2016 Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>United States Agency for International Development</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Greater Gombe Ecosystem</td>
<td>N/A</td>
<td>N/A</td>
<td>98.001</td>
<td>$ -</td>
</tr>
<tr>
<td>JGI - Uganda: Tourism for Biodiversity</td>
<td>African Wildlife Foundation</td>
<td>13-JGI01</td>
<td>98.001</td>
<td>-</td>
</tr>
<tr>
<td>Central Africa Forest Ecosystems Conservation (CAFEC)</td>
<td>Wildlife Conservation Society</td>
<td>NONE</td>
<td>98.001</td>
<td>-</td>
</tr>
<tr>
<td>Africa Biodiversity Collaborative Group (ABCG)</td>
<td>Wildlife Conservation Society</td>
<td>ABCG110223 JGI</td>
<td>98.001</td>
<td>-</td>
</tr>
<tr>
<td>Developing &amp; Institutionalizing TZ N-CCAP</td>
<td>International Resources Group</td>
<td>PRO-STD-2016004</td>
<td>98.001</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Sub-total CFDA 98.001</td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td><strong>United States Department of the Interior</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>US Fish &amp; Wildlife Services-Conservation Education</td>
<td>N/A</td>
<td>N/A</td>
<td>15.629</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Sub-total CFDA 15.629</td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td><strong>Research and Development Cluster</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Aeronautics and Space Administration</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chimpanzee Habitat Health in Africa - NASA</td>
<td>N/A</td>
<td>N/A</td>
<td>43.001</td>
<td>96,088</td>
</tr>
<tr>
<td></td>
<td>Sub-total CFDA 43.001</td>
<td></td>
<td>96,088</td>
<td>212,387</td>
</tr>
<tr>
<td><strong>National Science Foundation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female Settlement Patterns and Social Relationships in Chimpanzees</td>
<td>Duke University</td>
<td>16-NSF-1036</td>
<td>47.074</td>
<td>-</td>
</tr>
<tr>
<td>Female Settlement Patterns and Social Relationships in Chimpanzees</td>
<td>Duke University</td>
<td>11-NSF-1068</td>
<td>47.074</td>
<td>-</td>
</tr>
<tr>
<td>Improving collaborative research infrastructure at Gombe</td>
<td>NONE</td>
<td>N/A</td>
<td>47.074</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>Sub-total CFDA 47.074</td>
<td></td>
<td>-</td>
<td>107,327</td>
</tr>
<tr>
<td>Federal Granting Agency and Program Title</td>
<td>Pass-Through Entity</td>
<td>Pass-Through ID Number</td>
<td>CFDA or Award Number</td>
<td>Pass-Through to Sub-Recipients</td>
</tr>
<tr>
<td>------------------------------------------</td>
<td>---------------------</td>
<td>------------------------</td>
<td>----------------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Research and Development Cluster (Continued)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United States Department of Health and Human Services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GSRC - SIV Research/Hahn Grant</td>
<td>Trustees of the University of PA</td>
<td>568080</td>
<td>93.855</td>
<td>$ -</td>
</tr>
<tr>
<td>Sub-total CFDA 93.855</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Total Research and Development Cluster</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>TOTAL EXPENDITURES OF FEDERAL AWARDS</td>
<td></td>
<td></td>
<td></td>
<td>-</td>
</tr>
</tbody>
</table>

**Note 1. Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the Federal award activity of the Institute under programs of the federal government for the year ended December 31, 2016. 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 Institute, it is not intended to and does not present the financial position, changes in net assets or cash flows of the Institute.

**Note 2. Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-122, Cost Principles for Non-Profit Organizations, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The Institute has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Note 3. Reconciliation to Exhibit B**

Amounts released for use on government funded programs $ 2,237,449
Amounts released for use on programs funded by non-government sources 3,498,622

**TOTAL NET ASSETS RELEASED FROM RESTRICTION (EXHIBIT B)** $ 5,736,071
Section I - Summary of Audit Results

Financial Statements

1.) Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP on the accrual basis of accounting:  
   Unmodified

2.) Internal control over financial reporting:
   - Material weakness(es) identified? __ Yes  X No
   - Significant deficiency(ies) identified that are not considered to be material weakness(es)? X Yes  __ None Reported

3.) Noncompliance material to financial statements noted? __ Yes  X No

Federal Awards

4.) Internal control over major programs:
   - Material weakness(es) identified? __ Yes  X No
   - Significant deficiency(ies) identified that are not considered to be material weakness(es)? X Yes  __ None Reported

5.) Type of auditor's report issued on compliance for major programs:  
   Unmodified

6.) Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  
   X Yes  __ No

7.) Identification of major programs:

<table>
<thead>
<tr>
<th>Federal Awarding Agency</th>
<th>CFDA Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States Agency for International Development</td>
<td>98.001</td>
</tr>
</tbody>
</table>

8.) Dollar threshold used to distinguish between type A and type B programs: $750,000

9.) Auditee qualified as a low-risk auditee? __ Yes  X No
Section II - Financial Statement Findings

Finding 2016-001 Preparation of the Schedule of Federal Expenditures (SEFA)

Information on the Federal Program: All

Condition: During the audit we experienced delays because an accurate and complete Schedule of Expenditures of Federal Awards (SEFA) was not prepared. There were instances where there were unresolved variances between actual expenses per Navision and what was provided as the SEFA amounts, and JGI also failed to identify required information such as CFDA numbers, pass through entities, a program cluster and pass through award numbers. Finally, there were multiple grants that were not included on the SEFA which were federal funding pass through grants discovered and added to the schedule as a result of our audit procedures.

Criteria: In accordance with 2 CFR 200.302 (Financial Management) the auditee must be able to identify all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the CFDA title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.

Questioned Costs: None.

Context and Effect: Without a properly prepared schedule, there is an increased potential for inaccurate reporting.

Cause: The schedule was not prepared at the commencement of the audit.

Identification as a Repeat Finding, if Applicable: This was not a prior year finding.

Recommendation: We recommend that JGI implement procedures to ensure that the Schedule of Expenditures of Federal Awards is properly prepared prior to the commencement of the annual audit.

Views of Responsible Officials and Planned Corrective Actions: We agree with the auditors' finding and recommendation, and the following action will be taken to improve the items. We are in the process of updating our accounting system. This will allow us to move away from manual reconciliations of the schedule. We have also hired a new grants manager to ensure we are compliant on grant agreements. In addition all restricted pledges and grants recordings will be supported by donor documentation that will be maintained in the finance department. These steps will result in a much higher level of accuracy and efficiency in this area.

We are also in the process of updating the grants manual for the organization. With the addition of our new grants manager, this will ensure the policies and procedures are consistent within the organization.

Finding 2016-002 Maintenance of Grants Schedule (Restricted Funds)

Information on the Federal Program: All
Section II - Financial Statement Findings (Continued)

Finding 2016-002 Maintenance of Grants Schedule (Restricted Funds) (continued)

**Condition:** JGI currently maintains a grants schedule to track the activity of restricted funds. Our review of the grants schedule revealed the following:

- Instances where awards are increased based upon receipts (deposits received) and instances where awards are increased based upon grant awards or modifications;

- Instances where the amount of funds being released from restrictions (recognized as current year revenue) did not agree with the expenses in the general ledger for the specific program code.

Based upon discussions with management it is our understanding that the amounts released on the grants schedule was adjusted to correct coding errors identified within the general ledger, however, such errors were not corrected within the general ledger. This resulted in accurate reporting of project expenses which delayed the completion of the SEFA as noted in our comment titled "Preparation of the Schedule of Expenditures of Federal Awards (SEFA)."

- Instances where copies of formal grant/pledge agreements were not properly distributed to the finance department (It should be noted that there was one significant pledge of $1,000,000 where the only documentation that finance received was an e-mail chain indicating that the contribution was for JGI’s endowment, but the exact nature of the pledge was unknown; therefore the pledge was placed as an addition on the grants schedule).

- There were numerous corrections to the schedule (release of additional funds) made during the current year to update old or prior year awards. However, while we had discussions about the potential corrections, and ultimately agreed with the decision to make such corrections, the underlying documentation to support the corrections was inconsistent.

**Criteria:** In accordance with CFR 200.302 the financial management system of each non-Federal entity must provide for effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes.

**Questioned Costs:** None.

**Context and Effect:** The grants schedule is used by program staff to manage the Institute’s restricted resources. Accordingly, an inaccurate schedule may result in the mismanagement of donor restricted funds.

**Cause:** Causes include inconsistencies in recording grants, the lapse in communication of grant info by donor and between departments, and errors in coding.

**Identification as a Repeat Finding, if Applicable:** This was not a prior year finding.
Section II - Financial Statement Findings (Continued)

Finding 2016-002 Maintenance of Grants Schedule (Restricted Funds) (continued)

Recommendation: Based upon the aforementioned, we strongly recommend that the Institute implement policies and procedures that would ensure the grants schedule is accurate. At a minimum the procedures must include a monthly review between the finance department and the program department to ensure that all additions to the schedule are properly recorded. In addition, all release amounts should agree with the figures from the monthly financial statements (e.g. expenses per donor code as reported in the general ledger). All restricted pledges and grants should be supported by written documentation copies of which should be maintained in the finance department.

Views of Responsible Officials and Planned Corrective Actions: Several new hires have been made in 2017. One key position is the Grants Manager. This position will ensure that the grants schedule is accurate and up to date and that all release amounts are properly recorded. The project managers will now be reviewing the grant schedule on a monthly basis and all restricted pledges and grant agreements documentation will be maintained in the finance department.

Finding 2016-003: Documentation over Payroll Process and Allocation of Salary Expense

Information on the Federal Programs: 98.001

Condition: During our test of the payroll cycle we noted the following:

- Several instances where the salary expense allocated to certain projects within the general ledger did not agree to the time reported on the timesheets.

With respect to the allocation of salary expense, it is our understanding that there are times when the allocation entries are modified due to errors noted by the employee’s supervisor; however, such corrections are not noted on the timesheets.

Our audit procedures consisted of statistical sampling. We consider our sample to be representative of the population.

Criteria: In accordance with CFR 200.430, charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must support the distribution of the employee’s salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.

Questioned Costs: None noted (for items sampled, the program was under-charged by approximately $200).

Context and Effect: Documentation of correct payroll allocation is required to support charges to the Federal grants.

Cause: The Institute did not adequately document payroll allocations.
Section II - Financial Statement Findings (Continued)

Finding 2016-003: Documentation over Payroll Process and Allocation of Salary Expense (continued)

Identification as a Repeat Finding, if Applicable: This was a prior year finding (2015-002).

Recommendation: We strongly recommend that all changes related to the payroll cycle (allocation of salary expense within the general ledger) be properly documented in writing. All changes/corrections should be made by an authorized individual.

Views of Responsible Officials and Planned Corrective Actions: When our new accounting system and timekeeping module is in place, this will support the allocation process as it will be automated and the need to do manual allocations will be eliminated. With new leadership in place, we will ensure that the policies and procedures are enforced and that all timesheet modifications are fully documented in the finance department. We will continue to work with the program staff to code time correctly to projects in a timely and accurate manner.

Finding 2016-004 Field Office Asset and Liability Reconciliations

Information on the Federal Programs: All

Condition: Our audit revealed improvement with respect to the documentation maintained to support field office asset and liability accounts; however, certain schedules were again not immediately available and had to be requested from the field, and we were ultimately unable to obtain detail for some balances (i.e. a severance schedule by individual for a balance of $17,000). Some accounts were not totally reconciled and were based on general ledger detail vs. a concise schedule. In the Congo office we noted large cash balances on hand at year end (approximately $80,000 including petty cash and cash held by staff), which were not immediately liquidated subsequent to year-end. A cash count in the format indicated in the field manual was not available (only an indication of end balance with sign off).

Criteria: In accordance with CFR 200.302 the financial management system of each non-Federal entity must provide for effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes.

Questioned Costs: None noted.

Context and Effect: The lack of accurate schedules indicates a lack of oversight, allowing for the possibility of fraud, waste or abuse to occur and not be properly detected by the Institute’s system of internal controls.

Cause: The field offices are not sending complete, timely and adequate information to HQ for review.

Identification as a Repeat Finding, if Applicable: This was a prior year finding (2015-003).
Finding 2016-004 Field Office Asset and Liability Reconciliations (continued)

**Recommendation:** We recommend that the HQ finance office implement proper procedures to ensure all field office asset and liability accounts are properly reviewed and approved on a monthly basis, and minimize as much as possible the maintenance of excessive cash on hand balances for several weeks at a time.

In addition, we recommend the Institute modify their current method of posting activity to the field office advance accounts (currently recording only cash received by the field office and disbursed by the field office), so that the changes in the other asset and liability accounts are also recorded.

The result of this change will enhance the accuracy of the reporting of all expenditures incurred at the field office level.

**Views of Responsible Officials and Planned Corrective Actions:** In 2017 and through 2018 the accounting staff will be adopting formal policies and procedures to ensure account reconciliations are conducted on a monthly basis between the field offices. The asset and liabilities accounts will have desk reviews on a monthly basis. Also, as we formalize the severance account reconciliation schedule throughout our country program offices we will ensure everything is appropriately monitored. We will also be reviewing total cash on hand at the field level to ensure with mitigate the risk factor. The Director of Finance will continue to work with Field Office Executive Directors and finance staff to improve/implement reconciliation processes to meet requirements though the end of 2017 and moving forward.

Finding 2016-005 Field Office Monitoring

**Information on the Federal Program:** All

**Condition:** During fiscal year 2016, JGI developed a field office manual, which primarily focuses on the procedures to be followed within a field office. The manual briefly touches on the responsibilities of headquarters towards monitoring, however, due to staffing changes, we noted that two of the three positions charged with monitoring the field offices do not currently exist at JGI.

We also noted that the manual did not provide specifics on monitoring procedures, such as frequency and procedures for site visits, detailed review of asset and liability schedules (most importantly is cash) on a monthly basis, and any requirement for headquarters periodic review of actual supporting documentation for purchases. The only asset or liability reconciliation noted as required monthly is cash, with all other asset and liability schedules required annually per the manual. In addition, we noted that the manual should be updated to reference the United States Government’s Uniform Guidance as opposed to the old OMB circulars.

We also noted that the procurement thresholds listed in the field office manual differed from the organization-wide procurement memo provided during the audit.

**Criteria:** In accordance with CFR 200.302 the financial management system of each non-Federal entity must provide for effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes.
Section II - Financial Statement Findings (Continued)

Finding 2016-005 Field Office Monitoring (continued)

Questioned Costs: None.

Context and Effect: Complete field office monitoring policies and procedures are essential to ensuring that field office activity is accurately tracked and recorded.

Cause: The field office manual is in process but still in need of review and revision to be effective.

Identification as a Repeat Finding, if Applicable: This was not a prior year finding.

Recommendation: We recommend further review to ensure that a robust monitoring policy is in place and accurately reflect the current staff and procedures, and are consistent with JGI-wide policy.

Views of Responsible Officials and Planned Corrective Actions: Throughout 2016, the HQ finance staff experienced significant turnover. In 2017 new finance leadership and staff were hired. The department will ensure we appropriately train and monitor the reconciliation of the asset and liability accounts going forward. The Director of Finance will continue to work with Field Office Executive Directors and finance staff to improve/implement reconciliation processes to meet requirements though the end of 2017 and beyond.

Finding 2016-006: Compliance with Procurement Policies and Procedures

Information on the Federal Programs: 98.001

Condition: During our current year testwork, we noted instances where procurement documentation was not available in accordance with JGI policy, and instances where only an Excel sheet summarizing bids was available (not the actual bids or documentation of the decision). We also noted continuing relationships with several vendors (thus no procurement or sole source justification was provided). Our audit procedures consisted of statistical sampling as well as substantive testwork over a sample of expenditures that were selected based on a threshold. We consider our sample to be representative of the population.

Criteria: CFR 200.320 specifies methods of procurement that must be used including competitive bidding where applicable, and limits the use of procurement by noncompetitive proposals to specific instances or situations including 1) the item is available only from a single source, 2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation, 3) the Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity, or 4) after solicitation of a number of sources, competition is determined inadequate.

Questioned Costs: None noted.

Context and Effect: The Institute is not fully compliant with federal requirements.

Cause: The Institute has not performed procedures in accordance with its procurement policies for certain purchases.
Section II - Financial Statement Findings (Continued)

Finding 2016-006: Compliance with Procurement Policies and Procedures (continued)

Identification as a Repeat Finding, if Applicable: This was a prior year finding (2015-001).

Recommendation: We continue to recommend the Institute strengthen their procurement policies and procedures to ensure that vendor/consultant selections are documented and reviewed periodically.

Views of Responsible Officials and Planned Corrective Actions: JGI will review and enforce the current policies and procedures in place as it deals with compliance and procurement. We will ensure that any deviations are adequately documented as it relates to sourcing to ensure that vendor/consultant selections are in line with the organization's policies and procedures.

Section III - Federal Award Findings and Questioned Costs (2 CFR 200.516(a))

Please see Section II Findings 2016-001, 2016-002, 2016-003, 2016-004, 2016-005, 2016-006
Independent Auditor's Report

To the Board of Directors
The Jane Goodall Institute for Wildlife Research, Education and Conservation and Related Entity
Vienna, Virginia

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 financial statements of The Jane Goodall Institute for Wildlife Research, Education and Conservation and Related Entity (the Institute) as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Institute's basic financial statements, and have issued our report thereon dated November 14, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Institute'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control. Accordingly, we do not express an opinion on the effectiveness of the Institute'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 Institute'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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. We did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs as Findings 2016-001, 2016-002, 2016-003, 2016-004, 2016-005 and 2016-006 that we consider to be significant deficiencies.
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Institute’s 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 instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying Schedule of Findings and Questioned Costs as Findings 2016-001, 2016-002, 2016-003, 2016-004, 2016-005 and 2016-006.

The Institute’s Responses to Findings

The Institute’s responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The Institute’s responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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 result of that testing, and not to provide an opinion on the effectiveness of the entity’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 entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

November 14, 2017
Independent Auditor's Report

To the Board of Directors
The Jane Goodall Institute for Wildlife Research, Education and Conservation and Related Entity
Vienna, Virginia

Report on Compliance for Each Major Federal Program

We have audited The Jane Goodall Institute for Wildlife Research, Education and Conservation and Related Entity'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 Institute's major federal programs for the year ended December 31, 2016. The Institute'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 the 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 Institute'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 (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 Institute'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 Institute's compliance.

Opinion on Each Major Federal Program

In our opinion, the Institute 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, 2016.
Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2016-001, 2016-002, 2016-003, 2016-004, 2016-005 and 2016-006. Our opinion on each major federal program is not modified with respect to these matters.

The Institute's responses to the noncompliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The Institute's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the Institute 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 Institute'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 Institute'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 weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying Schedule of Findings and Questioned Costs as items 2016-001, 2016-002, 2016-003, 2016-004, 2016-005 and 2016-006, that we consider to be significant deficiencies.

The Institute's responses to the internal control over compliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. The Institute's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

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.

November 14, 2017