UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2016

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________________________

000-54987
(Commission File Number)

Strategic Environmental & Energy Resources, Inc.
(Exact name of registrant as specified in its charter)

Nevada	**02-0565834**
(State or other jurisdiction of incorporation)	*(IRS Employer Identification Number)*

751 Pine Ridge Road, Golden, CO 80403
(Address of principal executive offices including zip code)

303-277-1625
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Date File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer" and "small reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 31, 2016 the Registrant had 54,525,079 shares outstanding of its $.001 par value common stock.

Strategic Environmental & Energy Resources, Inc.

Quarterly Report on FORM 10-Q For The Period Ended

June 30, 2016

TABLE OF CONTENTS

Part I. FINANCIAL INFORMATION
Item 1. Financial Statements

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2016 Unaudited	December 31, 2015 *
ASSETS		
Current assets:		
Cash	$ 255,100	$ 257,100
Accounts receivable, net of allowance for doubtful accounts of $311,800 and $246,500, respectively	1,085,500	1,298,900
Costs and estimated earnings in excess billings on uncompleted contracts	89,300	204,000
Prepaid expenses and other current assets	894,100	534,000
Total current assets	2,324,000	2,294,000
Property and equipment, net	4,116,900	4,331,300
Intangible assets, net	771,700	786,600
Asset related to pending settlement (Note 10)	720,000	—
Other assets	51,900	37,500
TOTAL ASSETS	$ 7,984,500	$ 7,449,400
LIABILITIES & STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 985,200	$ 1,382,200
Accrued liabilities	925,100	889,500
Billings in excess of costs and estimated earnings on uncompleted contracts	950,800	587,900
Deferred revenue	144,400	133,900
Payroll taxes payable	981,900	970,500
Customer deposits	330,000	330,000
Current portion of notes payable and capital lease obligations	763,800	660,100
Notes payable - related parties, including accrued interest	11,800	31,800
Total current liabilities	5,093,000	4,985,900
Deferred revenue, non-current	304,500	337,200
Notes payable and capital lease obligations, net of current portion	1,083,500	1,161,400
Total liabilities	6,481,000	6,484,500
Commitments and contingencies		
Stockholders' Equity):		
Preferred stock; $.001 par value; 5,000,000 shares authorized; -0- shares issued		
Common stock; $.001 par value; 70,000,000 shares authorized; 54,5250,079 and 52,375,079 shares issued and outstanding 2016 and 2015, respectively	54,500	52,400
Common stock subscribed	25,000	50,000
Additional paid-in capital	19,058,300	17,690,900
Stock subscription receivable	(25,000)	(25,000)
Accumulated deficit	(16,053,600)	(15,387,100)
Total stockholders' equity	3,059,200	2,381,200
Non-controlling interest	(1,555,700)	(1,416,300)
Total equity	1,503,500	964,900
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 7,984,500	$ 7,449,400

**These numbers were derived from the audited financial statements for the year ended December 31, 2015. See accompanying notes*

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30	
	2016	2015	2016	2015
Revenue:				
Products	$ 1,132,600	$ 941,500	$ 1,705,400	$ 1,830,500
Services	1,372,400	1,993,800	4,232,500	4,570,500
Solid waste	56,500	43,900	128,100	71,900
Total revenue	2,561,500	2,979,200	6,066,000	6,472,900
Operating expenses:				
Products costs	697,400	588,800	1,065,500	1,254,700
Services costs	1,371,000	1,740,700	3,061,300	3,607,100
Solid waste costs	61,700	167,200	165,600	295,500
General and administrative expenses	480,600	606,900	1,050,600	1,276,200
Salaries and related expenses	681,500	751,900	1,372,200	1,475,500
Total operating expenses	3,292,200	3,855,500	6,715,200	7,909,000
Income (loss) from operations	(730,700)	(876,300)	(649,200)	(1,436,100)
Other income (expense):				
Interest expense	(154,600)	(22,000)	(202,300)	(39,500)
Other	16,800	2,900	29,800	2,900
Total non-operating expense, net	(137,800)	(19,100)	(172,500)	(36,600)
Net loss before earnings from equity method joint ventures	(868,500)	(895,400)	(821,700)	(1,472,700)
Income from equity method joint ventures	15,700	—	15,700	—
Net income (loss)	(852,800)	(895,400)	(806,000)	(1,472,700)
Less: Net loss attributable to non-controlling interest	(56,900)	(151,400)	(139,500)	(272,800)
Net income (loss) attributable to SEER common stockholders	$ (795,900)	$ (744,000)	$ (666,500)	$ (1,199,900)
Net loss per share, basic and diluted	$ (.02)	$ (.01)	$ (.01)	$ (.02)
Weighted average shares outstanding – basic and diluted	54,470,134	52,362,000	54,131,672	52,275,400

- Less than $(.01) per share

See accompanying notes.

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

	For the Six Months Ended June 30, 2016	2015
Cash flows from operating activities:		
Net income (loss)	$ (806,000)	$ (1,472,700)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Provision for doubtful accounts receivable	65,300	(17,200)
Depreciation and amortization	380,100	293,300
Stock-based compensation expense	72,500	148,600
Non-cash expense for interest, warrants – accretion of debt discount	99,500	—
Gain on disposition of assets	(25,600)	—
Changes in operating assets and liabilities:		
Accounts receivable	148,200	1,435,500
Costs in Excess of billings on uncompleted contracts	114,700	(124,300)
Prepaid expenses and other assets	(95,900)	176,400
Accounts payable and accrued liabilities	(361,400)	(331,100)
Billings in excess of revenue on uncompleted contracts	362,900	157,900
Deferred revenue	(22,200)	376,500
Payroll taxes payable	11,400	11,400
Net cash (used in) provided by operating activities	(56,500)	654,300
Cash flows from investing activities:		
Insurance proceeds from property damage	59,000	—
Purchase of property and equipment	(156,100)	(350,800)
Purchase of intangibles	(28,100)	(26,300)
Net cash used in investing activities	(125,200)	(377,100)
Cash flows from financing activities:		
Payments of notes and capital lease obligations	(455,200)	(242,800)
Payments of related party notes payable and accrued interest	(20,000)	(25,500)
Proceeds from short term financing	200,000	—
Proceeds from exercise of warrants	25,000	—
Proceeds from warrant extensions	29,900	—
Proceeds from the sale of common stock and warrants, net of expenses	400,000	—
Net cash provided by (used in) financing activities	179,700	(268,300)
Net increase (decrease) in cash	(2,000)	8,900
Cash at the beginning of period	257,100	443,000
Cash at the end of period	$ 255,100	$ 451,900
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 98,000	$ 46,600
Conversion of debt and accrued interest to equity	—	$ 257,400
Financing of prepaid insurance premiums	$ 278,600	$ 273,900
Capital lease additions	—	$ 214,400
Issuance of common stock for other asset	$ 720,000	—

See accompanying notes.

NOTE 1 - ORGANIZATION AND FINANCIAL CONDITION

Organization and Going Concern

Strategic Environmental & Energy Resources, Inc. ("SEER," "we," or the "Company"), a Nevada corporation, is a provider of next-generation clean-technologies, waste management innovations and related services. SEER has four wholly-owned operating subsidiaries and two majority-owned subsidiaries; all of which together provide technology solutions and services to companies primarily in the oil and gas, refining, landfill, food, beverage & agriculture and renewable fuel industries. The four wholly-owned subsidiaries include: 1) REGS, LLC (d/b/a Resource Environmental Group Services ("REGS")) provides industrial and proprietary cleaning services to refineries, oil fields and other private and governmental entities; 2) Tactical Cleaning Company, LLC ("Tactical"), provides proprietary cleaning services related to railcar tankers, tank trucks and frac tanks to customers from its sites in Colorado and Kansas; 3) MV, LLC (d/b/a MV Technologies) ("MV"), designs and builds biogas conditioning solutions for the production of renewable natural gas and odor control systems primarily for landfill operations, waste-water treatment facilities, oil and gas fields, refineries, municipalities and food, beverage & agriculture operations throughout the U.S.; 4) SEER Environmental Materials, LLC,("SEM"), a materials technology company focused on development of cost-effective chemical absorbents.

The two majority-owned subsidiaries include; 1) Paragon Waste Solutions, LLC ("PWS") and 2) ReaCH4Biogas ("Reach"). PWS is currently owned 54% by SEER (see Note 7) and Reach is owned 85% by SEER.

PWS is developing specific opportunities to deploy and commercialize patented technologies for a non-thermal plasma-assisted oxidation process that makes possible the clean and efficient destruction of solid hazardous chemical and biological waste (*i.e*., regulated medical waste, chemicals, pharmaceuticals and refinery tank waste, *etc*.) without landfilling or traditional incineration and without harmful emissions. Additionally, PWS' technology "cleans" and conditions emissions and gaseous waste streams (*i.e*., volatile organic compounds and other greenhouse gases) generated from diverse sources such as refineries, oil fields, and many others.

Reach (the trade name for BeneFuels, LLC), is currently owned 85% by SEER and focuses specifically on developing renewable biomethane projects that convert raw biogas to pipeline quality gas and/or compressed natural gas ("CNG") for fleet vehicle fuel. Reach had minimal operations for the three months and six months ended June 30, 2016 and 2015.

Principals of Consolidation

The accompanying consolidated financial statements include the accounts of SEER, its wholly-owned subsidiaries, REGS, TCC, MV and SEM and its majority-owned subsidiaries PWS and Reach, since their respective acquisition or formation dates. All material intercompany accounts, transactions, and profits have been eliminated in consolidation. The Company has non-controlling interest in joint ventures, which are reported on the equity method.

Going Concern

As shown in the accompanying consolidated financial statements, the Company has experienced recurring losses, and has accumulated a deficit of approximately $16.1 million as of June 30, 2016, and $15.4 million as of December 31, 2015. For the six months ended June 30, 2016 we had net loss before adjustment for losses attributable to non-controlling interest of approximately $806,000 and for the years ended December 31, 2015, and 2014, we incurred net losses before adjustment for losses attributable to non-controlling interest of approximately $3.4 million and $726,000, respectively. The Company had a working capital deficit of approximately $2.8 million at June 30, 2016, a decrease of approximately $100,000 in the working capital deficit of $2.7 million at December 31, 2015. REGS, a wholly owned subsidiary, was notified that effective April 1, 2016 it would no longer be providing routine maintenance services to its largest customer but would still be eligible to provide other industrial cleaning services. The projected loss of revenue from this customer is estimated to be between $2.5 and $3 million annually, but, as discussed below, the Company has already implemented remedial measures to offset some of this loss in revenue. These factors raise substantial doubt about the ability of the Company to continue to operate as a going concern.

NOTE 1 - ORGANIZATION AND FINANCIAL CONDITION, continued

Going Concern, continued

Realization of a major portion of our assets as of June 30, 2016 and December 31, 2015, is dependent upon our continued operations. The Company is dependent on generating additional revenue or obtaining adequate capital to fund operating losses until it becomes profitable. The Company opened an additional rail car cleaning facility in the Midwest (Illinois) and operations have commenced and revenue is being generated. This facility is projected to offset some of the lost service revenue previously derived from the oil refinery sector. Additionally, the Company was recently awarded approval for construction of flaring equipment at its Kansas rail facility. Revenue is expected to commence in the third quarter of 2016 and this new service offering is also projected to offset some of the lost service revenue previously derived from the oil refinery sector. For the six months ended June 30, 2016 we raised $425,000 from the sale of common stock and exercise of warrants and another $29,900 from the extension of warrants. In addition, we have undertaken a number of specific steps to improve operating efficiencies, revenues and income to continue to operate as a going concern. We continue to focus on developing organic growth in our operating companies and improving gross and net margins through increased attention to pricing, aggressive cost management and overhead reductions. Critical to achieving profitability will be our ability to license and or sell, permit and operate our CoronaLux™ waste destruction units either though our joint ventures and/or licensees. We have increased our business development efforts to address opportunities identified in expanding markets attributable to increased interest in energy conservation and emission control regulations, particularly the landfill gas and oil field emissions sectors. In addition, the Company is evaluating various forms of financing which may be available to it, i.e., debt and/or equity financing while carefully evaluating the impact on share dilution. There can be no assurance that the Company will secure additional financing for working capital, increase revenues and achieve the desired result of net income and positive cash flow from operations in future years. These financial statements do not give any effect to any adjustments that would be necessary should the Company be unable to report on a going concern basis.

Basis of Presentation - Unaudited Interim Financial Information

The accompanying interim condensed consolidated financial statements are unaudited. In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all of the normal recurring adjustments necessary to present fairly the financial position and results of operations as of and for the periods presented. The interim results are not necessarily indicative of the results to be expected for the full year or any future period.

Certain information and footnote disclosures normally included in the consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). The Company believes that the disclosures are adequate to make the interim information presented not misleading. These consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto included in the Company's Report on Form 10-K filed on April 14, 2016 for the years ended December 31, 2015 and 2014.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires management to make a number of estimates and assumptions related to the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amount of intangible assets; valuation allowances and reserves for receivables and inventory and deferred income taxes; revenue recognition related to contracts accounted for under the percentage of completion method; share-based compensation; and loss contingencies, including those related to litigation. Actual results could differ from those estimates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Reclassifications

Certain amounts in the prior period financial statements have been reclassified to conform to the current period presentation. These reclassifications had no effect on reported consolidated net income (loss).

Research and Development

Research and development ("R&D") costs are charged to expense as incurred. R&D expenses consist primarily of salaries, project materials, contract labor and other costs associated with ongoing product development and enhancement efforts. R&D expenses were $51,500 and $125,000 for the three months ended June 30, 2016 and 2015, respectively and $100,000 and $198,700 for the six months ended June 30, 2016 and 2015, respectively.

Income Taxes

The Company accounts for income taxes pursuant to *Accounting Standards Codification* ("ASC") 740, *Income Taxes,* which utilizes the asset and liability method of computing deferred income taxes. The objective of this method is to establish deferred tax assets and liabilities for any temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities at enacted tax rates expected to be in effect when such amounts are realized or settled.

ASC 740 also provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in the financial statements. Tax positions must meet a "more-likely-than-not" recognition threshold at the effective date to be recognized. During the three months and six months ended June 30, 2016 and 2015 the Company recognized no adjustments for uncertain tax positions.

The Company recognizes interest and penalties related to uncertain tax positions in income tax expense. No interest and penalties related to uncertain tax positions were recognized at June 30, 2016 and December 31, 2015. The Company expects no material changes to unrecognized tax positions within the next twelve months.

The Company has filed federal and state tax returns through December 31, 2014. The tax periods for the years ending December 31, 2008 through 2014 are open to examination by federal and state authorities.

Recently issued accounting pronouncements

Changes to accounting principles generally accepted in the United States of America (U.S. GAAP) are established by the Financial Accounting Standards Board (FASB) in the form of accounting standards updates (ASU's) to the FASB's Accounting Standards Codification. The Company considers the applicability and impact of all new or revised ASU's.

New Accounting Pronouncements Not Yet Adopted

In May 2014, the Financial Accounting Standards Board (FASB) issued guidance creating Accounting Standards Codification ("ASC") Section 606, "Revenue from Contracts with Customers". The new section will replace Section 605, "Revenue Recognition" and creates modifications to various other revenue accounting standards for specialized transactions and industries. The section is intended to conform revenue accounting principles with a concurrently issued International Financial Reporting Standards with previously differing treatment between United States practice and those of much of the rest of the world, as well as, to enhance disclosures related to disaggregated revenue information. The updated guidance was effective for annual reporting periods beginning on or after December 15, 2016, and interim periods within those annual periods. On July 9, 2015, the FASB approved a one year delay of the effective date. The Company will now adopt the new provisions of this accounting standard at the beginning of fiscal year 2018, unless it choose to early adopt in 2017. The Company will further study the implications of this statement in order to evaluate the expected impact on the consolidated financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

New Accounting Pronouncements Not Yet Adopted, continued

In July 2015, the FASB issued ASU 2015-11, “Simplifying the Measurement of Inventory.” Under this ASU, inventory will be measured at the “lower of cost and net realizable value” and options that currently exist for “market value” will be eliminated. The ASU defines net realizable value as the “estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation.” No other changes were made to the current guidance on inventory measurement. ASU 2015-11 is effective for interim and annual periods beginning after December 15, 2016. Early application is permitted and should be applied prospectively. Management is evaluating the provisions of this statement, including which period to adopt, and has not determined what impact the adoption of ASU 2015-11 will have on the Company’s financial position or results of operations.

In November 2015, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No.2015-17, “Balance Sheet Classification of Deferred Taxes”. The new guidance eliminates the requirement to separate deferred income tax liabilities and assets into current and noncurrent amounts. The amendments will require that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. The updated guidance will be effective for fiscal years beginning after December 15, 2016, including interim periods within those annual periods. Early adoption is permitted, and the amendments may be applied either prospectively to all deferred tax liabilities and assets or retrospectively to all periods presented. The Company is in the process of evaluating this guidance.

In January 2016, the FASB issued Accounting Standards Update No. 2016-01, *Financial Instruments-Overall: Recognition and Measurement of Financial Assets and Financial Liabilities* (“ASU 2016-01”), which requires that (i) all equity investments, other than equity-method investments, in unconsolidated entities generally be measured at fair value through earnings and (ii) when the fair value option has been elected for financial liabilities, changes in fair value due to instrument-specific credit risk will be recognized separately in other comprehensive income. Additionally, the ASU 2016-01 changes the disclosure requirements for financial instruments. The new standard will be effective for the Company starting in the first quarter of fiscal 2019. Early adoption is permitted for certain provisions. The Company is in the process of determining the effects the adoption will have on its consolidated financial statements as well as whether to adopt certain provisions early.

In February 2016, the FASB issued new guidance related to leases that outlines a comprehensive lease accounting model and supersedes the current lease guidance. The new guidance requires lessees to recognize lease liabilities and corresponding right-of-use assets for all leases with lease terms of greater than 12 months. It also changes the definition of a lease and expands the disclosure requirements of lease arrangements. The new guidance must be adopted using the modified retrospective approach and will be effective for the Company starting in the first quarter of fiscal 2019. Early adoption is permitted. The Company is in the process of determining the effects the adoption will have on its consolidated financial statements as well as whether to adopt the new guidance early.

In March 2016, the FASB issued Accounting Standards Update 2016-09, *Improvements to Employee Share-Based Payment Accounting* (“ASU 2016-09”), which amends ASC Topic 718, Compensation – Stock Compensation. ASU 2016-09 includes provisions intended to simplify various aspects related to how share-based payments are accounted for and presented in the financial statements. ASU 2016-09 is effective for public entities for annual reporting periods beginning after December 15, 2016, and interim periods within that reporting period. Early adoption is permitted in any interim or annual period, with any adjustments reflected as of the beginning of the fiscal year of adoption. The Company is evaluating the impact of this standard on its financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

Recently Adopted Accounting Standards

In June 2014, the FASB issued Accounting Standards Update No. 2014-12, "Compensation - Stock Compensation (Topic 718): Accounting for Share-Based Payments when the terms of an award provide that a performance target could be achieved after the requisite service period," ("ASU 2014-12"). Current U.S. GAAP does not contain explicit guidance on whether to treat a performance target that could be achieved after the requisite service period as a performance condition that affects vesting or as a nonvesting condition that affects the grant-date fair value of an award. The new guidance requires that a performance target that affects vesting and that could be achieved after the requisite service period is treated as a performance condition. As such, the performance target should not be reflected in estimating the grant-date fair value of the award. The updated guidance was effective January 1, 2016 and did not have a material effect on the consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03, "Simplifying the Presentation of Debt Issuance Costs," ("ASU 2015-03"). ASU 2015-03 requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. ASU 2015-03 is effective for the first interim period for fiscal years beginning after December 15, 2015. The guidance was effective January 1, 2016 and it did not have a material effect on the consolidated financial statements.

In September 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2015-16, "Simplifying the Accounting for Measurement-Period Adjustments". The new guidance eliminates the requirement to retrospectively account for adjustments to provisional amounts recognized in a business combination. Under the ASU, the adjustments to the provisional amounts will be recognized in the reporting period in which the adjustment amounts are determined. The updated guidance will be effective for fiscal years beginning after December 15, 2015, including interim periods within those fiscal years. The guidance was effective January 1, 2016 and did not have a material effect on the consolidated financial statements.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment was comprised of the following:

	June 30, 2016	December 31, 2015
Field and shop equipment	$ 2,303,300	$ 2,188,500
Vehicles	689,900	750,800
Waste destruction equipment, placed in service	1,283,600	1,276,600
Waste destruction equipment, not placed in service	1,521,100	1,521,100
Furniture and office equipment	322,800	321,400
Leasehold improvements	65,400	65,400
Building and improvements	21,200	18,600
Land	162,900	162,900
	6,370,200	6,305,300
Less: accumulated depreciation and amortization	(2,253,300)	(1,974,000)
Property and equipment, net	$ 4,116,900	$ 4,331,300

Depreciation expense for the three months ended June 30, 2016 and 2015 was $165,500 and $126,600, respectively and for the six months ended June 30, 2016, $337,100 and $253,200, respectively. For the three months ended June 30, 2016 depreciation expense included in cost of goods sold and selling, general and administrative expenses was $141,400 and $24,100 respectively. For the six months ended June 30, 2016 depreciation expense included in cost of goods sold and selling, general and administrative expenses was $288,800 and $48,300 respectively. For the three months ended June 30, 2015 depreciation expense included in cost of goods sold and selling, general and administrative expenses was $106,900 and $19,600 respectively. For the six months ended June 30, 2015 depreciation expense included in cost of goods sold and selling, general and administrative expenses was $213,900 and $39,300 respectively.

NOTE 3 - PROPERTY AND EQUIPMENT, continued

Accumulated depreciation on leased CoronaLux™ units included in accumulated depreciation and amortization above is $238,800 and $125,000 as of June 30, 2016 and 2015, respectively.

Property and equipment included the following amounts for leases that have been capitalized at:

	June 30, 2016	December 31, 2015
Vehicles, field and shop equipment	$ 462,700	$ 462,700
Less: accumulated amortization	(175,600)	(127,800)
	$ 287,100	$ 334,900

NOTE 4 – INTANGIBLE ASSETS

Intangible assets were comprised of the following:

	June 30, 2016		
	Gross carrying amount	Accumulated amortization	Net carrying value
Goodwill	$ 277,800	—	$ 277,800
Customer list	42,500	(42,500)	—
Technology	1,055,200	(561,300)	493,900
Trade name	54,600	(54,600)	—
	$ 1,430,100	$ (658,400)	$ 771,700

	December 31, 2015		
	Gross carrying amount	Accumulated amortization	Net carrying value
Goodwill	$ 277,800	—	$ 277,800
Customer list	42,500	(42,500)	—
Technology	1,027,100	(518,300)	508,800
Trade name	54,600	(54,600)	—
	$ 1,402,000	$ (615,400)	$ 786,600

The estimated useful lives of the intangible assets range from seven to ten years. Amortization expense was $22,800 and $20,000 for the three months ended June 30, 2016 and 2015, respectively and $43,000 and $40,000 for the six months ended June 30, 2016, respectively.

NOTE 5 - ACCRUED LIABILITIES

Accrued liabilities were comprised of the following:

	June 30, 2016	December 31, 2015
Accrued compensation and related taxes	$ 672,900	$ 579,800
Accrued interest	55,700	58,800
Other	196,500	250,900
Total Accrued Liabilities	$ 925,100	$ 889,500

NOTE 6 - UNCOMPLETED CONTRACTS

Costs, estimated earnings and billings on uncompleted contracts are as follows:

	June 30, 2016	December 31, 2015
Revenue Recognized	$ 888,800	$ 1,814,300
Less: Billings to date	(799,500)	(1,610,300)
Costs and estimated earnings in excess of billings on uncompleted contracts	$ 89,300	$ 204,000
Billings to date	$ 1,566,200	$ 2,273,400
Revenue recognized	(615,400)	(1,685,500)
Billings in excess of costs and estimated earnings on uncompleted contracts	$ 950,800	$ 587,900

NOTE 7– INVESTMENT IN PARAGON WASTE SOLUTIONS LLC

In 2010, the Company and Black Stone Management Services, LLC ("Black Stone") formed PWS, whereby a total of 1,000,000 membership units were issued, 600,000 membership units to the Company and 400,000 membership units to Black Stone. Fortunato Villamagna, who serves as President of our PWS subsidiary, is a managing member and Chairman of Black Stone. In June 2012, the Company and Blackstone each allocated 10% of their respective membership units in PWS to Mr. J John Combs III, an officer and shareholder of the Company and Mr. Michael Cardillo, a shareholder of the Company and an officer of a subsidiary. There was no value attributable to the units at the time of the allocation. At June 30, 2016 and December 31, 2015 the Company owned 54% of the membership units, Black Stone owned 26% of the membership units, an outside third party 10% of the membership units and two related parties (as noted above), each owned 5% of the membership units.

In August, 2011, we acquired certain intellectual property in regards to waste destruction technology (the "IP") from Black Stone in exchange for 1,000,000 shares of our common stock valued at $100,000. We estimated the useful life of the IP at ten years, which was consistent with the useful life of other technology included in our intangible assets, and management's initial assessment of the potential marketability of the IP.

In April 2016, the Company received Notice of Allowance of its application for a continuation patent. This patent continuation patent application incorporates all original and prior claims and will provide expanded and additional protection of the underlying and core waste destruction technology.

In March 2012, the Company entered into an Irrevocable License & Royalty Agreement with PWS that grants PWS an irrevocable world-wide license to the IP in exchange for a 5% royalty on all revenues from PWS and its affiliates. The term commenced as of the date of the Agreement and shall continue for a period not to exceed the life of the patent or patents filed by the Company. PWS may sub license the IP and any revenue derived from sub licensing shall be included in the calculation of Gross Revenue for purposes of determining royalty payments due the Company. Royalty payments are due 30 days after the end of each calendar quarter. PWS generated licensing revenues and sales of CoronaLux™ units of approximately $77,700 for the six months ended June 30, 2016 and $890,100 for the year ended December 31, 2015, as such, royalties of $52,300 and $48,400 were due at June 30, 2016 and December 31, 2015, respectively.

Since its inception through June 30, 2016, we have provided approximately $5.4 million in funding to PWS for working capital and the further development and construction of various prototypes and commercial waste destruction units. No members of PWS have made capital contributions or other funding to PWS other than SEER. The intent of the operating agreement is that we will provide the funding as an advance against future earnings distributions made by PWS.

NOTE 7– INVESTMENT IN PARAGON WASTE SOLUTIONS LLC, continued

Licensing Agreements

In September 2013, PWS entered into an Exclusive Use License and Joint Operations Agreement ("License Agreement") with Sterall Inc. ("Sterall"). The License Agreement granted Sterall the use of the PWS Technology and the CoronaLux™ waste destruction units for an initial five year term in the State of Florida and renewable for two additional five year terms, for the treatment and/or destruction of any and all regulated medical waste from any sources. The agreement required Sterall to pay a $300,000 License Initiation Fee and in order for Sterall to maintain its exclusive license for the State of Florida, a total of $200,000 was to be paid to PWS by May 23, 2014, regardless of net operating profits of Sterall ("NOP"). During the initial 5-year term, a minimum of $500,000 of total royalty payments to PWS must be made either from NOP or otherwise (in addition to the $300,000 Initial Fee, set forth below), in order for the second-phase five-year term to be exclusive. During the second-phase five-year term, a minimum of $750,000 of royalty must be paid, out of NOP or otherwise, in order for the third phase five-year term to be exclusive. PWS will receive a one-time license initiation fee of $300,000 payable from NOP of Sterall as a priority payment before any other distributions or payouts. Sterall can take delivery of additional CoronaLux™ waste destruction units upon payment of a placement fee per unit of either $168,000 or $207,000 depending upon the size of the unit. The unit placement fees do not include freight, start-up and commissioning costs, which shall be borne by the facility. PWS, at its sole discretion will select the installation, startup and commissioning teams. Sterall has not generated any NOP and has not paid any licensing fees to PWS as required by the License Agreement, including the minimum payments required under the agreement. Black Stone is a minority shareholder of Sterall.

For the year ended December 31, 2014, Sterall ordered a total of six CoronaLux™ units, of which one unit was been delivered after payment of a non-refundable placement fee of $236,250. The remaining five units have not been delivered as of June 30, 2016 as Sterall has defaulted on their purchase order for payment of the units ordered. The Company still retains a non-refundable deposit of $330,000 against the five units ordered.

On February 22, 2014, SEER and PWS entered into an Agreement with Daniel McAteer & Associates ("DMA") to develop, permit and exploit the PWS waste destruction technology in Ireland and United Kingdom ("Limited Territory"). The Agreement called for the formation of a Joint Venture to be owned 50% by SEER and 50% by DMA. In accordance with the agreement, DMA was to pay a one-time license fee of $350,000 for an exclusive license for the limited purpose of medical waste destruction in the Limited Territory. On June 10, 2014 Paragon Waste (UK) Ltd ("Paragon UK", "UK Joint Venture"), was formed in accordance with the laws of Northern Ireland. A total of 300,100 shares were issued upon formation, 100 Ordinary A voting shares were issued, of which PWS received 50 Ordinary A shares and 300,000 Ordinary B non-voting shares were issued. In 2015, the Agreement with DMA was amended to where Paragon UK purchased the CoronaLux™ unit from PWS for $350,000. Operations to date of the Paragon UK Joint Venture have been limited to formation, the delivery of a CoronaLux™ unit with a third party in the United Kingdom and application and permitting efforts with regulatory entities.

On March 4, 2014, PWS entered into a Licensing and Equipment Lease Agreement with eCycling International of South Carolina, LLC ("eCycling"). The License Agreement grants to eCycling the use of the PWS Technology and the CoronaLux™ waste destruction units for an initial term of five years and requires a payment of $176,875 as a non-refundable initial licensing fee and distributions of 50% of net operating profits, as defined in the agreement, in lieu of continuing royalty payments for the use of the licensed technology. As of June 30, 2016, eCycling is still in the process of permitting the unit, and therefore, has not yet generated any NOP. As a result of eCycling not generating any NOP, their licensing contract was amended to provide for an additional $176,875 to be paid as licensing fees, of which $67,000 has been paid as of June 30, 2016.

NOTE 7– INVESTMENT IN PARAGON WASTE SOLUTIONS LLC, continued

On November 17, 2014, PWS entered into an Exclusive Licensing and Equipment Lease Agreement, for a limited license territory, with Medical Waste Services, LLC ("MWS"). The License Agreement grants to MWS the use of the PWS Technology and the CoronaLux™ waste destruction units for an initial term of seven years and requires a payment of $225,000 as a non-refundable initial licensing fee and distributions of 50% of net operating profits, as defined in the agreement, in lieu of continuing royalty payments for the use of the licensed technology. PWS and Medical Waste Services, LLC ("MWS") formed a contractual joint venture to exploit the PWS medical waste destruction technology. MWS has received approval from the California Department of Public Health and a restricted permit from the South Coast Air Quality Management District ("SCAQMD") to operate the CoronaLux™ unit licensed by MWS at its facility in Southern California. Operations to date have included the destruction of medical waste under this temporary operating permit issued by SCAQMD since May 2015. All required testing directed by SCAQMD has been successfully completed in 2016 and all required filings have been made to obtain a full operating permit from SCAQMD. The final issuance is pending.

In February 2015, PWS entered into a License Agreement with Particle Science Tech of Environmental Protection, Inc ("Particle") a US subsidiary of Xinhua Energy Environmental Technology Co., Ltd ("Xinhua"), a large multi-national environmental company based in China. The agreement provides for the exclusive rights to distribute PWS's patented technology in China, Hong Kong, Macau and the Taiwan territories ("Territory"). The grant was for both the medical waste, as well as the refinery vertical markets within the Territory. The Agreement calls for, among other things, the formation of a U.S. joint venture company, ("P&P Company"), to be owned 50/50 by PWS and Particle) and an obligation by Xinhua to fund all necessary and reasonable capital requirements to permit and roll out the PWS technology in the Territory as well as staff and manage the JV Entity's operations. In 2015, PWS sold a CoronaLux™ unit to Xinhua for $430,500.

Upon the occurrence of certain events and timely performance by Xinhua, a second placement fee of $350,000 is required to be paid and, upon that second payment, it will then be granted exclusive manufacturing rights to produce the units to be deployed in the Territory.

Payments received for non-refundable licensing and placement fees have been recorded as deferred revenue in the accompanying consolidated balance sheets at June 30, 2016 and December 31, 2015 and are recognized as revenue ratably over the term of the contract.

NOTE 8 - PAYROLL TAXES PAYABLE

In 2009 and 2010, REGS, a subsidiary of the Company, became delinquent for unpaid federal employer and employee payroll taxes, accrued interest and penalties were incurred related to these unpaid payroll taxes.

In or around 2010, REGS retained Washington D.C.-based legal counsel specializing in resolving federal tax matters. REGS has been represented by this firm throughout all phases of this tax matter and related proceedings. In September 2011, REGS received approval from the Internal Revenue Service ("IRS") to begin paying the outstanding federal payroll tax liability plus the related incurred interest and penalties totaling approximately $971,000 in installments (the "Installment Plan"). Under the Installment Plan, REGS was required to pay minimum monthly installments of $12,500 commencing September 2011, which increased to $25,000 per month in September 2012, until the liability was paid in full. Through the duration of the Installment Plan, the IRS continues to charge penalties and interest at statutory rates. If the conditions of the Installment Plan were not met, the IRS could cancel the installment plan and could demand the outstanding liability to be repaid through traditional enforcement proceedings available to the IRS. Additionally, the IRS has filed a notice of federal tax lien against certain of REGS assets in order to secure the obligation. The IRS is to release this lien if and when we pay the full amount due.

Two of the officers of REGS also have personal liability exposure for a portion of the taxes if REGS does not pay them.

NOTE 8 - PAYROLL TAXES PAYABLE, continued

In May 2013, REGS filed an Offer in Compromise ("OIC") with the IRS. While the OIC was under review by the IRS, the requirement to pay $25,000 a month under the Installment Plan was suspended. REGS was informed by its legal counsel that the IRS had accepted REGS' OIC. However by a letter dated March 27, 2014, REGS was notified that the OIC had been rejected. REGS then appealed that rejections decision. However that appeal has been denied. As a result, the Installment Plan is terminated. In June 2014, REGS received notices of intent to levy property or rights to property from the IRS for the amounts owed for the past due payroll taxes, penalty and interest. The IRS has not taken any current action against REGS and REGS continues to be represented by its legal counsel.

As of June 30, 2016 and December 31, 2015, the outstanding balance due to the IRS was $981,900, and $970,500, respectively.

Other than this outstanding payroll tax matter arising in 2009, all state and federal taxes have been paid by REGS in a timely manner.

NOTE 9 – DEBT

In June 2011, we issued an unsecured promissory note to a third party in the amount of $40,000 (the "June 2011 Note") bearing interest at a rate of 10% per annum and a three year warrant to purchase 13,000 shares of our common stock at an exercise price of $1.00 per share. In addition, a second note payable, to the same third party, in the amount of $25,000 plus $3,000 of accrued interest was also converted into the June 2011 Note, resulting in a new principal balance of $68,000. Principal payments were due beginning November 2011 and the June 2011 Note is in default as of December 31, 2014 and 2013, as no payments have been made to date. We valued the warrant at $170 using the Black-Scholes model and recorded this amount as a debt discount. The debt discount was fully amortized during 2011.

Debt as of June 30, 2016 and December 31, 2015, was comprised of the following:

	2016	2015
June 2011 Note - In Default	$ 68,000	$ 68,000
Convertible note payable, interest at 8% per annum, $400,000 principal payment due December 31, 2016, remaining unpaid principal and interest due August 20, 2018, convertible into common stock at the option of the lenders at a rate of $1.10 per share	1,250,000	1,250,000
Debt discount (see Note 13)	(14,100)	(16,600)
Note payable dated October 13, 2015, interest at 8% per annum, payable in 24 monthly installments of principal and interest $4,523, due October 1, 2017. Secured by certain assets of SEM and guaranteed by SEER and MV	68,400	92,300
Note payable dated October 13, 2015, interest at 8% per annum, payable in 60 monthly installments of principal and interest $4,562, due October 1, 2020. Secured by real estate and other assets of SEM and guaranteed by SEER and MV	199,900	218,900
Note payable insurance premium financing, interest at 4.25% per annum, payable in 10 installments of $28,417, due November 1, 2016	112,700	—
Capital lease obligations, secured by certain assets, maturing through March 2019	162,400	208,900
Total notes payable and capital lease obligations	1,847,300	1,821,500
Less: current portion	(763,800)	(660,100)
Notes payable and capital lease obligations, long-term, including debt discount	$ 1,083,500	$ 1,161,400

NOTE 9 – DEBT, continued

In May 2016, the Company borrowed $200,000 in a short term financing arrangement. As an inducement to enter into the transaction the Company issued 500,000 warrants exercisable at $.50 per share for a period of four years. The warrants valued at $97,200 were recorded as additional interest. The short term debt was repaid in June 2016 along with interest of $12,000.

NOTE 10 – RELATED PARTY TRANSACTIONS

Notes payable, related parties

Notes payable, related parties and accrued interest due to certain related parties as of June 30, 2016 and December 31, 2015 are as follows:

	2016	2015
Unsecured note payable dated February 2004, bearing interest at 8% per annum, originally due January 2008; assigned to CEO by a third party in 2010; due June 1, 2016	$ —	$ 5,000
Accrued interest	11,800	26,800
	$ 11,800	$ 31,800

We believe the stated interest rates on the related party notes payable represent reasonable market rates based on the note payable arrangements we have executed with third parties.

In March 2012, the Company entered into an Irrevocable License & Royalty Agreement with PWS that grants PWS an irrevocable world-wide license to the IP in exchange for a 5% royalty on all revenues from PWS and its affiliates. The term shall commence as of the date of this Agreement and shall continue for a period not to exceed the life of the patent or patents filed by the Company. PWS may sub license the IP and any revenue derived from sub licensing shall be included in the calculation of Gross Revenue for purposes of determining royalty payments due the Company. Royalty payments are due 30 days after the end of each calendar quarter. PWS generated licensing revenues and sales of CoronaLux™ units of approximately $77,700 for the six months ended June 30, 2016 and $890,100 for the year ended December 31, 2015, as such, royalties of $52,300 and $48,400 were due at June 30, 2016 and December 31, 2015, respectively.

In August 2014, the Company entered into a second Exchange and Acquisition Agreement (“New Technologies Agreement”) with Black Stone for the acquisition of additional intellectual property (“IP”) from Black Stone in exchange for 1,000,000 shares of common stock valued at $1,050,000. In 2015 the Company and Black Stone executed a rescission agreement of the New Technologies Agreement noted above that was effective December 31, 2014. The shares issued by the Company in accordance with the agreement were returned and all acquired IP returned to Black Stone.

NOTE 10 – RELATED PARTY TRANSACTIONS, continued

In September 2014, the Company entered into an Equity Purchase Agreement ("Equity Agreement") with a third party ("Seller") whereby the Company issued 1,200,000 shares of the Company's common stock, valued at $1,212,000, in exchange for 22.5 membership interest units, representing 15% ownership interest in Sterall, LLC, a Delaware corporation. In March 2015 the Company and the Seller entered into a revised agreement whereby the 1,200,000 shares issued by the Company would be held by the Seller until the completion of an independent third party valuation. The determination of fair value shall occur by December 31, 2015. Based on the fair market value of the Purchased Units from the valuation obtained by the Company, an amount of Consideration Shares will be returned to the Company to the extent that the fair market value of the Consideration Shares issued (see below) are greater than the fair market value of the Purchased Units. In no event shall the Company be obligated to issue additional shares as consideration for the Purchased Units. For purposes of this amendment, the fair market value of each Consideration Share will be $0.83333. In the event the parties are unwilling to accept the fair market value of the Purchased Units, as determined by the independent valuation specialist, on or before the Closing Date (December 31, 2015) this Agreement, the transaction covered by this Agreement (the "Contemplated Transaction") may be rescinded by either Party in writing. Due to the ability of the Company to rescind the shares issued at the commencement of the transaction the shares were considered contingently issuable shares and as such the 1,200,000 share not considered issued and outstanding at December 31, 2015. The 15% ownership interest in Sterall was considered contingently held until the conclusion of this transaction.

As of December 31, 2015 an independent appraisal was not performed and the Amended Equity Agreement expired by its terms. The 1,200,000 shares subject to the original Equity Agreement and the Amended Equity Agreement became unrestricted in 2016 and are now considered issued and outstanding as of June 30, 2016. The shares valued at $720,000 have been recorded as a long term other asset pending resolution of claims by the parties involved related to the Sterall licensing agreement from September 2013, Sterall equipment deposits of $330,000 from 2014 and the equity purchase agreement noted above. The ultimate resolution of the various claims by the parties and the ultimate disposition of the $720,000 is expected to be resolved no later than December 31, 2016.

NOTE 11 – EQUITY TRANSACTIONS

2016

During the six months ended June 30, 2016, the Company sold 800,000 shares of $.001 par value common stock at $.50 per share in a private placement, receiving proceeds of $400,000.

During the six months ended June 30, 2016 the Company (i) issued 100,000 shares of $.001 par value common stock in connection with the payment of a common stock subscription of $25,000.

During the six months ended June 30, 2016, the Company issued 50,000 shares of its $.001 par value common stock upon exercise of common stock warrants receiving proceeds of $25,000.

During the six months ended June 30, 2016, the Company treated as issued 1,200,000 shares of its $.001 par value common stock valued at $720,000 in connection with the Sterall transaction (see Note 10)

2015

During the six months ended June 30, 2015, the Company issued 120,949 shares of $.001 par value common stock upon the cashless exercise of 200,000 warrants.

As noted in Note 9, in January 2015 a convertible promissory note and accrued interest totaling $257,400 was converted into 514,750 shares on common stock in accordance with the terms on the original convertible note.

NOTE 11 – EQUITY TRANSACTIONS, continued

Non-controlling Interest

The non-controlling interest presented in our condensed consolidated financial statements reflects a 46% non-controlling equity interest in PWS (see Note 7). Net loss attributable to non-controlling interest, as reported on our condensed consolidated statements of operations, represents the net loss of PWS attributable to the non-controlling equity interest. The non-controlling interest is reflected within stockholders' equity on the condensed consolidated balance sheet.

NOTE 12 – CUSTOMER CONCENTRATIONS

The Company had sales from operations to two customers for the three months ended June 30, 2015 that represented approximately 59% of our total sales and sales from operations to one customer for the six months ended June 30, 2016 and 2015 that represented approximately 32% and 41%, respectively, of our total sales. The concentration of the Company's business with a relatively small number of customers may expose us to a material adverse effect if one or more of these large customers were to experience financial difficulty or were to cease being customer for non-financial related issues. REGS, a wholly owned subsidiary, was notified that effective April 1, 2016 it would no longer be providing routine maintenance services to its largest customer but would still be eligible to provide other industrial cleaning services.

NOTE 13 – NET LOSS PER SHARE

Basic net loss per share is computed by dividing net loss attributable to common shareholders by the weighted average number of common shares outstanding. Diluted net loss per share is computed by dividing net loss attributable to common shareholders by the weighted average number of common shares outstanding plus the number of common shares that would be issued assuming exercise or conversion of all potentially dilutive common shares. Potentially dilutive securities are excluded from the calculation when their effect would be anti-dilutive. For all years presented in the consolidated financial statements, all potentially dilutive securities have been excluded from the diluted share calculations as they were anti-dilutive as a result of the net losses incurred for the respective years. Accordingly, basic shares equal diluted shares for all years presented.

Potentially dilutive securities were comprised of the following:

	Six Months Ended June 30,	
	2016	2015
Warrants	9,614,430	9,489,430
Options	930,000	1,997,400
Convertible notes payable, including accrued interest	1,136,400	—
Contingently issuable shares, Sterall LLC		1,200,000
	11,680,830	12,686,830

NOTE 14 - ENVIRONMENTAL MATTERS AND REGULATION

Significant federal environmental laws affecting us are the Resource Conservation and Recovery Act ("RCRA"), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"), also known as the "Superfund Act", the Clean Air Act, the Clean Water Act and the Toxic Substances Control Act ("TSCA").

Pursuant to the EPA's authorization of the RCRA equivalent programs, a number of states have regulatory programs governing the operations and permitting of hazardous waste facilities. Our facilities are regulated pursuant to state statutes, including those addressing clean water and clean air. Our facilities are also subject to local siting, zoning and land use restrictions. We believe we are in substantial compliance with all federal, state and local laws regulating our business.

NOTE 15 - SEGMENT INFORMATION

The Company currently has identified four segments as follows:

REGS	Industrial Cleaning
Tactical	Rail Car Cleaning
MV and SEM	Environmental Solutions
PWS	Solid Waste

Reach has had minimal operations through June 30, 2016.

The composition of our reportable segments is consistent with that used by our Chief Operating Decision Maker ("CODM") to evaluate performance and allocate resources. All of our operations are located in the U.S. We have not allocated corporate selling, general and administrative expenses, and stock-based compensation to the segments. All intercompany transactions have been eliminated.

Segment information for the three months ended June 30, 2016 and 2015 is as follows:

2016	Industrial Cleaning	Railcar Cleaning	Environmental Solutions	Solid Waste	Corporate	**Total**
Revenue	$ 443,100	$ 929,300	$ 1,132,600	$ 56,500	—	$ 2,561,500
Depreciation and amortization (1)	81,700	9,900	42,700	31,500	20,000	185,800
Interest expense	9,500	400	5,700	100	138,900	154,600
Stock-based compensation	—	—	—	—	42,900	42,900
Net income (loss)	(564,400)	223,700	188,200	(134,700)	(556,600)	(852,800)
Capital expenditures (cash and noncash)	10,100	—	3,900	3,100	—	17,100
Total assets	$ 1,255,700	$ 824,800	$ 1,993,700	$ 2,918,000	$ 992,300	$ 7,984,500

2015	Industrial Cleaning	Railcar Cleaning	Environmental Solutions	Solid Waste	Corporate	**Total**
Revenue	$ 1,285,600	$ 708,200	$ 941,500	$ 43,900	—	$ 2,979,200
Depreciation and amortization (1)	65,700	6,400	30,300	25,500	18,700	146,600
Interest expense	12,400	6,700	100	—	2,800	22,000
Stock-based compensation	—	—	—	—	50,400	50,400
Net income (loss)	(42,300)	(53,400)	13,100	(327,500)	(485,300)	(895,400)
Capital expenditures (cash and noncash)	21,100	25,200	30,300	102,600	1,800	181,000
Total assets	$ 1,804,500	$ 629,200	$ 1,453,300	$ 3,546,300	$ 674,400	$ 8,107,700

(1) Includes depreciation of property, equipment and leasehold improvement and amortization of intangibles

NOTE 15 - SEGMENT INFORMATION, continued

Segment information for the six months ended June 30, 2016 and 2015 is as follows:

2016	Industrial Cleaning	Railcar Cleaning	Environmental Solutions	Solid Waste	Corporate	**Total**
Revenue	$ 2,428,000	$ 1,804,500	$ 1,705,400	$ 128,100	—	$ 6,066,000
Depreciation and amortization (1)	169,400	20,700	82,800	64,800	42,400	380,100
Interest expense	17,500	2,800	12,200	500	169,300	202,300
Stock-based compensation	—	—	—	—	72,500	72,500
Net income (loss)	18,600	410,300	91,000	(303,400)	(1,022,500)	(806,000)
Capital expenditures (cash and noncash)	123,100	13,200	12,900	6,900	—	156,100
Total assets	$ 1,255,700	$ 824,800	$ 1,993,700	$ 2,918,000	$ 992,300	$ 7,984,500

2015	Industrial Cleaning	Railcar Cleaning	Environmental Solutions	Solid Waste	Corporate	**Total**
Revenue	$ 3,149,200	$ 1,421,300	$ 1,830,500	$ 71,900	—	$ 6,472,900
Depreciation and amortization (1)	131,400	12,800	60,700	50,900	37,400	293,200
Interest expense	22,600	10,200	500	—	6,200	39,500
Stock-based compensation	—	—	—	—	148,500	148,500
Net income (loss)	270,500	28,400	(16,900)	(590,400)	(1,164,300)	(1,472,700)
Capital expenditures (cash and noncash)	302,600	29,500	32,200	119,300	81,600	565,200
Total assets	$ 1,804,500	$ 629,200	$ 1,453,300	$ 3,546,300	$ 674,400	$ 8,107,700

(1) Includes depreciation of property, equipment and leasehold improvement and amortization of intangibles

NOTE 16 - SUBSEQUENT EVENTS

Management has evaluated the impact of events occurring after June 30, 2016 up to the date of the filing of these interim unaudited condensed consolidated financial statements. These statements contain all necessary adjustments and disclosures resulting from that evaluation.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion is intended to assist you in understanding our business and the results of our operations. It should be read in conjunction with the Condensed Consolidated Financial Statements and the related notes that appear elsewhere in this report as well as our Report on Form 10K filed with the Securities and Exchange Commission on April 14, 2016. Certain statements made in our discussion may be forward looking. Forward-looking statements involve risks and uncertainties and a number of factors could cause actual results or outcomes to differ materially from our expectations. These risks, uncertainties, and other factors include, among others, the risks described in our Annual Report on Form 10K filed with the Securities and Exchange Commission, as well as other risks described in this Quarterly Report. Unless the context requires otherwise, when we refer to "we," "us" and "our," we are describing Strategic Environmental & Energy Resources, Inc. and its consolidated subsidiaries on a consolidated basis.

SEER BUSINESS OVERVIEW

Strategic Environmental & Energy Resources, Inc. ("the Company" or "SEER") was originally organized under the laws of the State of Nevada on February 13, 2002 for the purpose of acquiring one or more businesses, under the name of Satellite Organizing Solutions, Inc ("SOZG"). In January 2008, SOZG changed its name to Strategic Environmental & Energy Resources, Inc., reduced its number of outstanding shares through a reverse stock split and consummated the acquisition of both, REGS, LLC and Tactical Cleaning Company, LLC. SEER is dedicated to assembling complementary service and environmental, clean-technology businesses that provide safe, innovative, cost effective, and profitable solutions in the oil & gas, environmental, waste management and renewable energy industries. SEER currently operates six companies with five offices in the western and mid-western U.S. Through these operating companies, SEER provides products and services throughout the U.S. and has licensed technologies with many customer installations throughout the U.S. Each of the six operating companies is discussed in more detail below. The Company also has non-controlling interests in joint ventures, some of which have no or minimal operations.

The Company's domestic strategy is to grow internally through SEER's subsidiaries that have well established revenue streams and, simultaneously, establish long-term alliances with and/or acquire complementary domestic businesses in rapidly growing markets for renewable energy, waste and water treatment and oil & gas services. The focus of the SEER family of companies, however is to increase margins by securing or developing proprietary patented and patent-pending technologies and then leveraging its 20 plus-year service experience to place these innovations and solutions into the growing markets of emission capture and control, renewable "green gas" capture and sale, compressed natural gas ("CNG") fuel generation, as well as general solid waste and medical/pharmaceutical waste destruction. Many of SEER's current operating companies share customer bases and each provides truly synergistic services, technologies and products as well as annuity type revenue streams.

The Company now owns and manages five operating entities and one entity that has no significant operations to date.

Subsidiaries

REGS, LLC d/b/a Resource Environmental Group Services ("REGS"): **(operating since 1994)** provides general industrial cleaning services and waste management to many industry sectors focusing primarily on oil & gas production (upstream) and refineries (downstream).

Tactical Cleaning Company, LLC ("Tactical"): (operating since 2005) provides cleaning services to the tanker rail car industry with offices in two states and a focus on both food-grade and petroleum based products, *i.e*., fuel oil and asphalt. Tactical has recently been permitted to operate a flare at its Kansas facility and will be expanding its operations in 2016 to include the cleaning of gas and propane rail cars.

MV, LLC (d/b/a MV Technologies), ("MV") : **(operating since 2003)** MV designs and sells patented and/or proprietary, dry scrubber solutions for management of Hydrogen Sulfide (H_2S) in biogas, landfill gas, and petroleum processing operations. These system solutions are marketed under the product names H2SPlus™ and OdorFilter™. The markets for these products include land fill operations, agricultural and food product processors, wastewater treatment facilities, and petroleum product refiners. MV also develops and designs proprietary technologies and systems used to condition biogas for use as renewable natural gas ("RNG"), for a number of applications, such as transportation fuel and natural gas pipeline injection.

Paragon Waste Solutions, LLC ("PWS"): (formed late 2010) PWS is an operating company that has developed a patented waste destruction technology using a pyrolytic heating process combined with "non-thermal plasma" assisted oxidation. This technique involves gasification of solid waste by heating the waste in a low-oxygen environment, followed by complete oxidation at higher temperatures in the presence of plasma. The term "non-thermal plasma" refers to a low energy ionized gas that is generated by electrical discharges between two electrodes. This technology, commercially referred to as CoronaLux™, is designed and intended for the "clean" destruction of hazardous chemical and biological waste *(i.e*., hospital "red bag" waste) thereby eliminating the need for costly segregation, transportation, incineration or landfill (with their associated legacy liabilities). PWS is a 54% owned subsidiary.

ReaCH4BioGas ("Reach") (trade name for Benefuels, LLC): (formed February 2013) owned 85% by SEER. Reach develops renewable natural gas projects that convert raw biogas into pipeline quality gas and/or Renewable, "RNG", for fleet vehicles. Reach has had minimal operations as of June 30, 2016.

SEER Environmental Materials, LLC ("SEM") formed September 2015. SEM is a wholly owned subsidiary established as a materials technology business with the purpose of developing advanced chemical absorbents and catalysts that enhance the capability of biogas produced from, landfill, wastewater treatment operations and agricultural digester operations.

Joint Ventures

MV RCM Joint Venture: In April 2013, MV Technologies, Inc ("MV") and RCM International, LLC ("RCM") entered into an Agreement to develop hybrid scrubber systems that employ elements of RCM Technology and MV Technology (the "Joint Venture"). RCM and MV Technologies will independently market the hybrid scrubber systems. The contractual Joint Venture has an initial term of five years and will automatically renew for successive one-year periods unless either Party gives the other Party one hundred and eighty (180) days' notice prior to the applicable renewal date. Operations to date of the Joint Venture have been limited to formation activities.

Paragon Waste (UK) Ltd: In June 2014, PWS and PCI Consulting Ltd ("PCI") formed Paragon Waste (UK) Ltd ("Paragon UK Joint Venture") to develop, permit and exploit the PWS waste destruction technology within the territory of Ireland and the United Kingdom. PWS and PCI each own 50% of the voting shares of Paragon UK Joint Venture. Operations to date of the Paragon UK Joint Venture have been limited to formation, the delivery of a CoronaLux™ unit with a third party in the United Kingdom and application and permitting efforts with regulatory entities.

P&P Company: In February 2015, PWS and Particle Science Tech of Environmental Protection, Inc. ("Particle Science") formed a joint venture, Particle &Paragon Environmental Solutions, Inc ("P&P") to exploit the PWS technology in China, including Hong Kong, Macao and Taiwan. PWS and Particle Science each own 50% of P&P. Operations to date have been limited to formation of P&P and the sale and delivery of a CoronaLux™ unit to Particle Science in China.

PWS MWS Joint Venture: In October 2014, PWS and Medical Waste Services, LLC ("MWS") formed a contractual joint venture to exploit the PWS medical waste destruction technology. In 2015, MWS licensed and installed a CoronaLux™ unit at an MWS facility, and subsequently received a limited permit to operate from the South Coast Air Quality Management District ("SCAQMD") and the California Department of Public Health. Operations to date have included the destruction of medical waste while demonstrating the ultralow emissions necessary for application of a more expansive operating permit, submitted to SCAQMD in March 2016.

SEER’s Financial Condition

As shown in the accompanying consolidated financial statements, the Company has experienced recurring losses, and has an accumulated deficit of approximately $16.1 million $15.4 million as of June 30, 2016 and December 31, 2015. For the six months ended June 30, 2016 we had net loss before non-controlling interest of $805,900. As of June 30, 2016 and December 31, 2015 our current liabilities exceed our current assets by approximately $2.8 million and $2.7 million, respectively. Our total assets exceed total liabilities at June 30, 2016 by approximately $1.5 and at December 31, 2015 our total assets exceeded our total liabilities by approximately $1 million. The Company raised $425,000 through the sale of common stock and exercise of common stock warrants for the period January 1, 2016 thru June 30, 2016. In Q1 2016, REGS, a wholly owned subsidiary, was notified that effective April 1, 2016 it would no longer be providing routine maintenance services to its largest customer but would still be eligible to provide other industrial cleaning services. The projected loss of revenue from this customer is estimated to be between $2.5 and $3 million annually. The Company opened an additional rail car cleaning facility in the Midwest (Illinois) in April 2016 to offset some of the lost service revenue previously derived from the refinery sector.

Realization of a major portion of our assets as of June 30, 2016, is dependent upon our continued operations. The Company is dependent on generating additional revenue or obtaining adequate capital to fund operating losses until it becomes profitable. In addition, we have undertaken a number of specific steps to continue to operate as a going concern. We continue to focus on developing organic growth in our operating companies, diversifying our service customer and market concentrations and improving gross and net margins through increased attention to pricing, aggressive cost management and overhead reductions. Critical to achieving profitability will be our ability to license and or sell, permit and operate though our joint ventures and licensees our CoronaLux™ waste destruction units. We have increased our business development efforts to address opportunities identified in expanding domestic markets attributable to increased federal and state emission control regulations (particularly in the nation’s oil and gas fields) and a growing demand and a growing demand for energy conservation and renewable energies. In addition, the Company is evaluating various forms of financing that may be available to it. There can be no assurance that the Company will secure additional financing for working capital, increase revenues and achieve the desired result of net income and positive cash flow from operations in future years. These financial statements do not give any effect to any adjustments that would be necessary should the Company be unable to report on a going concern basis.

Results of Operations for the Three Months Ended June 30, 2016 and 2015

Total revenues were approximately $2.6 million and $3.0 million for the three months ended June 30, 2016 and 2015, respectively, a decrease of $417,700, or 14%, in revenues. Service segment revenues, which include industrial cleaning and railcar cleaning was approximately $1.4 million for the three months ended June 30, 2016 compared to $2.0 million for the three months ended June 30, 2015, a decrease of approximately $.6 million or 30%. While railcar cleaning revenues increased $221,100 or 31% comparing Q2 2016 to Q2 2015, industrial cleaning services revenues decreased $842,500 or 66% comparing 2016 to 2015. The primary reason for the decline in industrial cleaning revenue was the loss of routine maintenance services with our largest customer on April 1, 2016. In Q2 2015 this customer accounted for $1.25 million in industrial cleaning services revenue whereas in Q2 2016 this customer accounted for only $157,000. In April 2016 our industrial cleaning services segment commenced opening a railcar facility in Illinois and revenue generating operations commenced May 2016, generating revenues of $171,800 in Q2 2016 to partially offset the loss of industrial service revenues from our customer noted above. Our environmental solutions segment generated revenue of approximately $1.1 million in 2016 compared to $.9 million in 2015, an increase of $.2 million or 22%. The increase is primarily the result of increased media replacement sales comparing 2016 to 2015. Our solid waste segment generated $56,500 in revenue, mostly licensing fees, in Q2 2016 compared to $43,900 in Q2 2015 as a result of the delivery of three CoronaLux™ units in 2014. In addition, in Q2 2016 our solid waste disposal segment also generated $15,700 in income, representing our portion of the net income generated by the PWS-MWS joint venture operations in southern California where one of our CoronaLux™ units has been operating under the terms of a temporary permit issued by SCADMD since May 2015. The solid waste disposal segment receives non-refundable licensing fees which are being recognized as revenue ratably over the initial term of the agreements of between 5-7years.

Operating costs, which include cost of products, cost of services, solid waste costs, general and administrative (G&A) expenses and salaries and related expenses, were approximately $3.3 million for the quarter ended June 30, 2016 compared to $3.9 million for the quarter ended June 30, 2015. The decrease in operating costs of approximately $.6 million is primarily the result of a 1) a 31% decrease in service revenues resulting in a corresponding decrease in service costs of $369,700, 2) a decrease in solid waste costs of $105,500 primarily attributable to a reduction in labor, travel, freight and other costs incurred in Q2 2015 related to the startup and commissioning costs of a Coronalux™ unit in Paramount, California that stopped once the unit commenced operations in May 2015. 3) a decrease in general and administrative cost of $126,300, comparing 2016 to 2015, primarily from a decrease in professional fees and research and development costs, 4) a decrease in salary related costs of $70,000, comparing 2016 to 2015, primarily attributable to a reduction is G&A salaries and wages due to a reduction in headcount, offset by, 5) an increase in product costs of $108,600 as a result of a 20% increase in product revenues. Service costs as a percentage of service revenues were essentially 100% for the quarter ended June 30, 2016 and 87% for the quarter ended June 30, 2015. The increase in the percentage of service costs to service revenues is the result of the loss in industrial cleaning service revenues effective April 1, 2016 without a corresponding reduction in overhead. Resources previously allocated to servicing our significant customer were reallocated to the opening of the new rail facility in Illinois which started in April 2016. Product costs as a percentage of product revenues were fairly consistent at 62% for the quarter ended June 30, 2016 and 63% for the quarter ended June 30, 2015.

Total non-operating other income (expense), net was $(137,800) for the quarter ended June 30, 2016 compared to $(19,100) for the quarter ended June 30, 2015. For the quarter ended June 30, 2016 non-operating expenses were comprised of interest expense of $(154,600) offset by other income of $16,900. For the quarter ended June 30, 2015 non-operating expenses of $(19,100) was comprised of interest expense of $22,000 offset by other income of $2,900. The increase in interest expense in Q2 2016 compared to Q2 2015 is due to, 1) the issuance of warrants, valued at $97,000, as an inducement to enter into a short term financing in Q2 2016 whereby the value of the warrants is considered additional interest costs and 2) in Q4 2015 and Q1 2016 we incurred additional convertible debt financing of $1.25 million which increased interest costs by approximately $25,000 per quarter. This additional interest cost was not incurred in Q2 2015.

There is no provision for income taxes for the quarter ended June 30, 2016 due to prior year losses and for the quarter ended June 30, 2015, due to our net loss for the period.

The Company had a net loss, before non-controlling interest, for the quarter ended June 30, 2016 $852,800 compared to a net loss, before non-controlling interest, of $895,400 for the quarter ended June 30, 2015. The net loss attributable to SEER after deducting $56,900 for the non-controlling interest loss was $795,900 for the quarter ended June 30, 2016 compared to net loss attributable to SEER of $744,000, after deducting $151,400 in non-controlling interest loss for the quarter ended June 30, 2015. As noted above while revenues declined $417,700 comparing Q2 2016 to Q2 2015, operating expenses also declined $563,300 comparing Q2 2016 to Q2 2015. The reduction in operating expenses was partially offset by an increase in interest expense as noted above of $132,600.

Results of Operations for the Six Months Ended June 30, 2016 and 2015

Total revenues were approximately $6.1 million for the six months ended June 30, 2016 compared to approximately $6.5 million for the six months ended June 30, 2015, a decline of $406,500 or 6%. Product revenues, comprising environmental solutions were approximately $1.7 million for the six months ended June 30, 2016 compared to $1.8 million for the six months ended June 30, 2015. The slight reduction in environmental solutions revenue was due to some long term contracts that have been delayed but are now active. Bioactive media revenues from the environmental solutions segment increased from $268,000 for the six months ended June 30, 2015 to $586,000, and increase of $318,000. Services revenue includes industrial cleaning services and railcar cleaning services. Our railcar cleaning service revenues increased from approximately $1.4 million for the six months ended June 30 2015 to $1.8 million for the six months ended June 30, 2016, an increase of approximately $.4 million, or 27%. The increase in the number of railcars serviced is a result of the downturn in the oil and gas market and the railcar industry transition to transporting other liquid products thus increasing railcar service opportunities. Industrial cleaning services revenues declined approximately $800,000, or 23%, from $3.2 million for the six months ended June 30, 2015 to $2.4 million for the six months ended June 30, 2016. The primary reason for the decline in industrial cleaning revenue was the loss of routine maintenance services with our largest customer effective April 1, 2016. For the six months ended June 30, 2016 this customer accounted for $1.9 million in revenues whereas for the six months ended June 30, 2015 this customer accounted for $2.6 million in industrial cleaning services revenue, a decrease of approximately $700,000. In April 2016 our industrial cleaning services segment commenced opening a railcar facility in Illinois and revenue generating operations commenced May 2016 generating revenues of $171,800 in Q2 2016 to partially offset the loss of industrial service revenues from our customer noted above. Our solid waste segment generated licensing and placement fees of $67,000 for the six months ended June 30, 2016 compared to $58,800 for the six months ended June 30, 2015 as a result of the delivery of three CoronaLux™ units in 2014. In addition, in 2016 our solid waste disposal segment also generated $50,400 in revenue, representing billings to the PWS-MWS joint ventures for costs incurred on behalf of the joint venture and in 2016 our solid waste disposal segment also generated $15,700 in income, representing our portion of the net income generated by the PWS-MWS joint ventures operations in Paramount, California where one of our CoronaLux™ units has been operating under the terms of a temporary permit issued by SCADMD since May 2015. The solid waste disposal segment receives non-refundable licensing fees which are being recognized as revenue ratably over the initial term of the agreements of between 5-7 years.

Operating costs, which include cost of products, cost of services, solid waste costs, general and administrative (G&A) expenses and salaries and related expenses, were approximately $6.7 million for the six months ended June 30, 2016 compared to $7.9 million for the six months ended June 30, 2015. The decrease in operating costs of approximately $1.2 is primarily the result of a 1) a decrease in product revenue (environmental solutions) of $125,100 or 7% resulting in a corresponding decrease in product costs of $189,200 or 15%, 2) a decrease in industrial and railcar cleaning services costs of $545,800 or 15% although revenue only decreased by 7%, 3) a decrease in solid waste costs of $129,900, 4) a decrease in general and administrative costs of $225,600, and 5) a decrease in salary and related costs of $103,300. Product costs as a percentage of product revenues were 63% for the six months ended June 30, 2016 and 69% for the six months ended June 30, 2015. The increase in margin costs for the product sales is due to lower costs of chemical absorbents (media). Service costs as a percentage of service revenues were 72% for the six months ended June 30, 2016 and 79% for the six months ended June 30, 2015. The decrease in service costs is the result of higher manpower and equipment usage efficiency in Q1 2016. In Q1 2016 the industrial services segment was able to fully utilize manpower to where they were fully chargeable and based on the type of work we were able to utilize and bill our own equipment and rent less third party equipment resulting in service costs as a percentage of service revenues of 60%. As noted above, service costs as a percentage of service revenue was 100% in Q2 2016 because of the loss of industrial services revenue from a significant customer, effective April 1, 2016. In Q2, overhead costs in industrial services were not reduced relative to the reduction in industrial services revenue and resources previously allocated to servicing our significant customer were not fully utilized and were partially reallocated to the opening of a new rail facility in Illinois which started in April 2016. The month of April 2016 generated no revenue at the new rail facility as it took the entire month to get the site ready for use. Railcar cleaning services costs relative to revenues decreased from 84% for the six months ended June 30, 2015 to 67% for the six months ended June 30, 2016. As a result of the significant increase in railcars available for servicing in 2016, manpower efficiency was significantly improved resulting in improved margins. Solid waste costs decrease from 2015 to 2016 by approximately $130,000. In 2015 startup and commissioning costs including, labor, travel, freight, supplies were incurred to get a Coronalux™ unit ready for use in Paramount California. Once operations commenced in May 2015, these costs were not incurred again so they did not repeat in 2016. In addition, the solid waste segment reduced its headcount to correspond with the level of activity thus also reducing costs in 2016. G&A expenses decreased $225,600 from approximately $1.28 million for the six months ended June 30, 2015, to approximately $1.05 million for the six months ended June 30, 2016. The primary reasons for the decrease in G&A expense are; 1) a reduction in travel expenses of approximately $43,000, 2) a reduction in marketing of approximately $43,000, 3) a reduction of professional fees of approximately $97,000, 4) a reduction of direct R&D expenses of $83,000 offset by, 5) increase in depreciation and amortization of approximately $12,000 and 6) increase in liability insurance of approximately $9,000. Salaries and related expenses were $1.37 for the six months ended June 30, 2016 compared to $1.48 million for the six months ended June 30, 2015 and decrease of $103,300 attributable to a reduction in engineering and officer salaries due to reduced headcount.

Total non-operating other income (expense), net was $(172,400) for the six months ended June 30, 2016 compared to $(36,600) for the six months ended June 30, 2015. For the six months ended June 30, 2016 non-operating expenses were comprised of interest expense of $(202,300) offset by other income of 29,800. For the six months ended June 30, 2015 non-operating expenses of (36,600) was comprised of interest expense of $(39,500) offset by other income of $2,900. The increase in interest expense in 2016 compared to 2015 is due to, 1) the issuance of warrants, valued at approximately $97,000, as an inducement to enter into a short term financing in Q2 2016 whereby the value of the warrants is considered additional interest costs and 2) in Q4 2015 and Q1 2016 we incurred additional convertible debt financing of $1.25 million which increased interest costs by approximately $25,000 per quarter. This additional interest cost was not incurred during the six months ended June 30, 2015 as this convertible debt financing was net yet outstanding.

There is no provision for income taxes for the quarter ended June 30, 2016 due to prior year losses and for the quarter ended June 30, 2015, due to our net loss for the period.

The Company had a net loss, before non-controlling interest, for the six months ended June 30, 2016 of $($806,000) compared to a net loss, before non-controlling interest, of $(1,472,700) for the six months ended June 30, 2015. Net loss attributable to SEER after deducting $139,500 for the non-controlling interest loss was $(666,500) for the six months ended June 30, 2016 compared to net loss attributable to SEER of $(1,199,900), after deducting $272,800 in non-controlling interest loss for the six months ended June 30, 2015. As noted above, revenues declined approximately 6% comparing the six months ended June 30, 2016 to the six months ended June 30, 2015. As noted above, virtually every category of operating expenses declined, with a total reduction of approximately $1.2 million from 2015 to 2016. As noted above interest expense increased as a result of the increase in interest bearing debt if Q42015 and Q1 2016.

Changes in Cash Flow

Operating Activities

The Company had net cash used in operating activities for the six months ended June 30, 2016 of $(56,500) compared to net cash provided by operating activities for the six months ended June 30, 2015 of $654,300, a change of $710,800. Cash provided by operating activities is driven by our net loss and adjusted by non-cash items as well as changes in operating assets and liabilities. Non-cash adjustments primarily include depreciation, amortization of intangible assets, stock based compensation expense and gain on extinguishment of debt. Non-cash adjustment totaled $461,200 and $424,700 for the six months ended June 30, 2016 and 2015, respectively, so non-cash adjustments had essentially the same impact on net cash provided by operating activities. The net positive change in operating assets and liabilities was $157,600 for the six months ended June 30, 2016 compared to $1,702,300. The primary drivers for net cash provided by operating activities for the six months ended June 30, 2016, despite a net loss of $(805,900), was a decrease in accounts receivable and cost in excess of billings on uncompleted projects of $262,800 offset by an increase in prepaid and other assets of $95,900. The decrease in accounts payable of $361,400 was offset by an increase in billings in excess of costs and estimated earnings on uncomplete projects. The primary drivers for net cash provided by operating activities for the six months ended June 30, 2015, despite a net loss of $(1,472,700), was an decrease in accounts receivable of $1,435,500 and an increase in deferred revenue of $376,500 which primarily represents payments from PWS licensees for which revenue has not yet been recognized, offset by a decrease of accounts payable and accrued liabilities of $331,100. The net positive change in operating assets and liabilities had a much greater impact on net cash provided by operating activities for the six months ended June 30, 2015 compared to the six months ended June 30, 2016.

Investing activities

The purchase of intangibles were fairly consistent for the six months ended June 30, 2016 compared to the six months ended June 30, 2015 with additions totaling $28,100 in 2016 compared to additions of $26,300 in 2015. The purchase of property and equipment was $156,100 for the six months ended June 30, 2016 compared to $350,800 for the six months ended June 30, 2015. For the six months ended June 30, 2016 we received insurance proceeds of $33,300 from property damage and there were no such proceeds in 2015.

Financing Activities

Net cash provided by financing activities was $179,700 for the six months ended June 30, 2016 compared to net cash used in financing activities of $(268,300) for six months ended June 30, 2015. The primary difference is that in 2016, we had proceeds for the sale of stock, short term debt financing, exercise of warrants and warrant extensions totaling $654,900 and in 2015 there were none. Debt repayments were approximately $200,000 higher from the repayment of the short term debt for the six months ended June 30, 2016 when compared to June 30, 2015.

Critical Accounting Policies, Judgments and Estimates

Use of Estimates

The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States (U.S. GAAP) requires management to make a number of estimates and assumptions related to the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant items subject to such estimates and assumptions include the carrying amount of intangible assets; valuation allowances and reserves for receivables, inventory and deferred income taxes; revenue recognition related to contracts accounted for under the percentage of completion method; share-based compensation; and loss contingencies, including those related to litigation. Actual results could differ from those estimates.

Accounts Receivable and Concentration of Credit Risk

Accounts receivable are recorded at the invoiced amounts less an allowance for doubtful accounts and do not bear interest. The allowance for doubtful accounts is based on our estimate of the amount of probable credit losses in our accounts receivable. We determine the allowance for doubtful accounts based upon an aging of accounts receivable, historical experience and management judgment. Accounts receivable balances are reviewed individually for collectability, and balances are charged off against the allowance when we determine that the potential for recovery is remote. An allowance for doubtful accounts of approximately $311,800 and $246,500 has been reserved as of June 30, 2016 and December 31, 2015, respectively.

We are exposed to credit risk in the normal course of business, primarily related to accounts receivable. Our customers operate primarily in the oil production and refining, rail transport, biogas generating and wastewater treatment industries in the United States. Accordingly, we are affected by the economic conditions in these industries as well as general economic conditions in the United States. To limit credit risk, management periodically reviews and evaluates the financial condition of its customers and maintains an allowance for doubtful accounts. As of June 30, 2016 and December 31, 2015, we do not believe that we have significant credit risk.

Fair Value of Financial Instruments

The carrying amounts of our financial instruments, including accounts receivable and accounts payable, are carried at cost, which approximates their fair value due to their short-term maturities. We believe that the carrying value of notes payable with third parties, including their current portion, approximate their fair value, as those instruments carry market interest rates based on our current financial condition and liquidity. We believe the amounts due to related parties also approximate their fair value, as their carried interest rates are consistent with those of our notes payable with third parties.

Long-lived Assets

We evaluate the carrying value of long-lived assets for impairment on an annual basis or whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable. An asset is considered to be impaired when the anticipated undiscounted future cash flows of an asset group are estimated to be less than its carrying value. The amount of impairment recognized is the difference between the carrying value of the asset group and its fair value. Fair value estimates are based on assumptions concerning the amount and timing of estimated future cash flows. No impairment was determined as of June 30, 2016 and December 31, 2015.

Revenue Recognition

We recognize revenue related to contract projects and services when all of the following criteria are met: (i) persuasive evidence of an agreement exists, (ii) delivery has occurred or services have been rendered, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured. Our revenue is primarily comprised of services related to industrial cleaning and railcar cleaning, which we recognize as services are rendered.

Product revenue generated from projects, which include the manufacturing of products, for removal and treatment of hazardous vapor and gasses is accounted for under the percentage-of-completion method for projects with durations in excess of three months and the completed-contract method for all other projects. Total estimated revenue includes all of the following: (1) the basic contract price (2) contract options and (3) change orders. Once contract performance is underway, we may experience changes in conditions, client requirements, specifications, designs, materials and expectations regarding the period of performance. Such changes are "change orders" and may be initiated by us or by our clients. In many cases, agreement with the client as to the terms of change orders is reached prior to work commencing; however, sometimes circumstances require that work progress without obtaining client agreement. Revenue related to change orders is recognized as costs are incurred if it is probable that costs will be recovered by changing the contract price. The Company does not incur pre-contract costs. Under the percentage-of-completion method, we recognize revenue primarily based on the ratio of costs incurred to date to total estimated contract costs. Provisions for estimated losses on uncompleted contracts are recorded in the period in which the losses are identified and included as additional loss. Provisions for estimated losses on contracts are shown separately as liabilities on the balance sheet, if significant, except in circumstances in which related costs are accumulated on the balance sheet, in which case the provisions are deducted from the accumulated costs. A provision as a liability is reported as a current liability.

For contracts accounted for under the percentage-of-completion method, we include in current assets and current liabilities amounts related to construction contracts realizable and payable. Costs and estimated earnings in excess of billings on uncompleted contracts represent the excess of contract costs and profits recognized to date over billings to date, and are recognized as a current asset. Billings in excess of costs and estimated earnings on uncompleted contracts represents the excess of billings to date over the amount of contract costs and profits recognized to date, and are recognized as a current liability.

The Company's revenues from waste destruction licensing agreements are recognized as a single accounting unit over the term of the license. In accordance with Accounting Standards Codification ("ASC") 605, for revenues which contain multiple deliverables, the Company separates the deliverables into separate accounting units if they meet the following criteria: (i) the delivered items have a stand-alone value to the customer; (ii) the fair value of any undelivered items can be reliably determined; and (iii) if the arrangement includes a general right of return, delivery of the undelivered items is probable and substantially controlled by the seller. Deliverables that do not meet these criteria are combined with one or more other deliverables into one accounting unit. Revenue from each accounting unit is recognized based on the applicable accounting literature, primarily ASC 605.

Stock-based Compensation

We account for stock-based awards at fair value on the date of grant, and recognize compensation over the service period that they are expected to vest. We estimate the fair value of stock options and stock purchase warrants using the Black-Scholes option pricing model. The estimated value of the portion of a stock-based award that is ultimately expected to vest, taking into consideration estimated forfeitures, is recognized as expense over the requisite service periods. The estimate of stock awards that will ultimately vest requires judgment, and to the extent that actual forfeitures differ from estimated forfeitures, such differences are accounted for as a cumulative adjustment to compensation expenses and recorded in the period that estimates are revised.

Recently issued accounting pronouncements

Changes to accounting principles generally accepted in the United States of America (U.S. GAAP) are established by the Financial Accounting Standards Board (FASB) in the form of accounting standards updates (ASU's) to the FASB's Accounting Standards Codification. The Company considers the applicability and impact of all new or revised ASU's.

New Accounting Pronouncements Not Yet Adopted

In May 2014, the Financial Accounting Standards Board (FASB) issued guidance creating Accounting Standards Codification ("ASC") Section 606, "Revenue from Contracts with Customers". The new section will replace Section 605, "Revenue Recognition" and creates modifications to various other revenue accounting standards for specialized transactions and industries. The section is intended to conform revenue accounting principles with a concurrently issued International Financial Reporting Standards with previously differing treatment between United States practice and those of much of the rest of the world, as well as, to enhance disclosures related to disaggregated revenue information. The updated guidance was effective for annual reporting periods beginning on or after December 15, 2016, and interim periods within those annual periods. On July 9, 2015, the FASB approved a one year delay of the effective date. The Company will now adopt the new provisions of this accounting standard at the beginning of fiscal year 2018, unless it choose to early adopt in 2017. The Company will further study the implications of this statement in order to evaluate the expected impact on the consolidated financial statements.

In July 2015, the FASB issued ASU 2015-11, "Simplifying the Measurement of Inventory." Under this ASU, inventory will be measured at the "lower of cost and net realizable value" and options that currently exist for "market value" will be eliminated. The ASU defines net realizable value as the "estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal, and transportation." No other changes were made to the current guidance on inventory measurement. ASU 2015-11 is effective for interim and annual periods beginning after December 15, 2016. Early application is permitted and should be applied prospectively. Management is evaluating the provisions of this statement, including which period to adopt, and has not determined what impact the adoption of ASU 2015-11 will have on the Company's financial position or results of operations.

In November 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No.2015-17, "Balance Sheet Classification of Deferred Taxes". The new guidance eliminates the requirement to separate deferred income tax liabilities and assets into current and noncurrent amounts. The amendments will require that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. The updated guidance will be effective for fiscal years beginning after December 15, 2016, including interim periods within those annual periods. Early adoption is permitted, and the amendments may be applied either prospectively to all deferred tax liabilities and assets or retrospectively to all periods presented. The Company is in the process of evaluating this guidance.

In January 2016, the FASB issued Accounting Standards Update No. 2016-01, *Financial Instruments-Overall: Recognition and Measurement of Financial Assets and Financial Liabilities* ("ASU 2016-01"), which requires that (i) all equity investments, other than equity-method investments, in unconsolidated entities generally be measured at fair value through earnings and (ii) when the fair value option has been elected for financial liabilities, changes in fair value due to instrument-specific credit risk will be recognized separately in other comprehensive income. Additionally, the ASU 2016-01 changes the disclosure requirements for financial instruments. The new standard will be effective for the Company starting in the first quarter of fiscal 2019. Early adoption is permitted for certain provisions. The Company is in the process of determining the effects the adoption will have on its consolidated financial statements as well as whether to adopt certain provisions early.

In February 2016, the FASB issued new guidance related to leases that outlines a comprehensive lease accounting model and supersedes the current lease guidance. The new guidance requires lessees to recognize lease liabilities and corresponding right-of-use assets for all leases with lease terms of greater than 12 months. It also changes the definition of a lease and expands the disclosure requirements of lease arrangements. The new guidance must be adopted using the modified retrospective approach and will be effective for the Company starting in the first quarter of fiscal 2019. Early adoption is permitted. The Company is in the process of determining the effects the adoption will have on its consolidated financial statements as well as whether to adopt the new guidance early.

In March 2016, the FASB issued Accounting Standards Update 2016-09, *Improvements to Employee Share-Based Payment Accounting* ("ASU 2016-09"), which amends ASC Topic 718, Compensation – Stock Compensation. ASU 2016-09 includes provisions intended to simplify various aspects related to how share-based payments are accounted for and presented in the financial statements. ASU 2016-09 is effective for public entities for annual reporting periods beginning after December 15, 2016, and interim periods within that reporting period. Early adoption is permitted in any interim or annual period, with any adjustments reflected as of the beginning of the fiscal year of adoption. The Company is evaluating the impact of this standard on its financial statements.

Recently Adopted Accounting Standards

In June 2014, the FASB issued Accounting Standards Update No. 2014-12, "Compensation - Stock Compensation (Topic 718): Accounting for Share-Based Payments when the terms of an award provide that a performance target could be achieved after the requisite service period," ("ASU 2014-12"). Current U.S. GAAP does not contain explicit guidance on whether to treat a performance target that could be achieved after the requisite service period as a performance condition that affects vesting or as a nonvesting condition that affects the grant-date fair value of an award. The new guidance requires that a performance target that affects vesting and that could be achieved after the requisite service period is treated as a performance condition. As such, the performance target should not be reflected in estimating the grant-date fair value of the award. The updated guidance was effective January 1, 2016 and it did not have a material effect on the consolidated financial statements.

In April 2015, the FASB issued ASU 2015-03, ”Simplifying the Presentation of Debt Issuance Costs,” (“ASU 2015-03”). ASU 2015-03 requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. ASU 2015-03 is effective for the first interim period for fiscal years beginning after December 15, 2015. The guidance was effective January 1, 2016 and it did not have a material effect on the consolidated financial statements.

In September 2015, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2015-16, “Simplifying the Accounting for Measurement-Period Adjustments”. The new guidance eliminates the requirement to retrospectively account for adjustments to provisional amounts recognized in a business combination. Under the ASU, the adjustments to the provisional amounts will be recognized in the reporting period in which the adjustment amounts are determined. The updated guidance will be effective for fiscal years beginning after December 15, 2015, including interim periods within those fiscal years. The guidance was effective January 1, 2016 and it did not have a material effect on the consolidated financial statements.

Item 3: Quantitative and Qualitative Disclosures About Market Risk

Not Applicable.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our filings with the Securities and Exchange Commission (SEC) are recorded, processed, summarized and reported within the time period specified in the SEC’s rules and forms, and that such information is accumulated and communicated to management, including our chief executive officer and chief financial officer, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure based on the definition of “disclosure controls and procedures” as defined in Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

As of the end of the period covered by this report, and under the supervision and with the participation of our management, including our Chief Executive Officer and the person performing the similar function as Chief Financial Officer, we evaluated the effectiveness of the design and operation of these disclosure controls and procedures. Based on this evaluation and subject to the foregoing, our Chief Executive Officer and Acting Chief Financial Officer concluded that our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15 (f) under the Exchange Act) during the quarter ended June 30, 2016 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. Legal Proceedings

From time to time, the Company may become a party to legal actions or proceedings in the ordinary course of its business. As of June 30, 2016, there were no other such actions or proceedings, either individually or in the aggregate, that, if decided adversely to the Company’s interests, the Company believes would be material to its business.

ITEM 1A. Risk Factors

Please review our report on Form 10K Part 1, Item 1A for a complete statement of "Risk Factors" that pertain to our business.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds.

During the period January 1, 2016 through June 30, 2016 the Company (i) issued 800,000 shares of $.001 par value common stock in connection with the sale of common stock @ $.50 per share.

During the period January 1, 2016 through June 30, 2016 the Company (i) issued 100,000 shares of $.001 par value common stock in connection with the payment of a common stock subscription of $25,000.

During the period January 1, 2016 through June 30, 2016 the Company (i) issued 50,000 shares of $.001 par value common stock in connection with the exercise of common stock warrants.

During the period January 1, 2016 through June 30, 2016 the Company (i) issued 1,200,000 shares of $.001 par value common stock for certain assets valued at $720,000.

The issuance of the shares of our common stock described above was pursuant to the exemption from registration provided by Section 4(2) of the Securities Act of 1933, as amended and related state private offering exemptions. All of the investors were Accredited Investors as defined in the Securities Act who took their shares for investments purposes without a view to distribution and had access to information concerning the company and its business prospects, as required by the Securities Act.

In addition, there was no general solicitation or advertising for the purchase of these shares. All certificates for these shares issued pursuant to Section 4(2) contain a restrictive legend. Finally, our stock transfer agent has been instructed not to transfer any of such shares unless such shares are registered for resale or there is an exemption with respect to their transfer.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

EXHIBIT INDEX

3.1	Articles of Incorporation, dated February 13, 2002 (1)
3.2	Amendment to the Articles of Incorporation, dated December 19, 2007, changing the name and effecting a reverse (1)
3.3	Bylaws of the corporation, effective February 13, 2002 (1)
4.1	$225,000 Convertible Note and Note Agreement of the Corporation, issued February 14, 2012 (2)
4.2	Form of Warrant, having a 3-year life with $0.50 exercise price (1)
4.3	Form of Warrant, having a 5-year life with $0.50 exercise price (1)
10.1	Agreement for acquisition of MV, dated June 13, 2008 (1)
10.2	Agreement for acquisition of intellectual property from Black Stone Management Services, LLC, dated August 10, 2011 (1)
10.3	Agreement for Merger with Satellite Organizing Solutions, Inc. (1)
10.4	Consulting Agreement between the Company and Monty R. Lamirato, dated October 8, 2013 (3)
10.5	Irrevocable License and Royalty Agreement between the Company and Paragon Waste Solutions, LLC, dated March 21, 2012 (3)
10.6	SEER 2013 Equity Incentive Plan (4)
10.7	Form of Option Grant SEER 2013 Equity Incentive Plan (4)
10.8	Equity Purchase Agreement – Sterall LLC
14.1	Code of Ethics (1)
21.1	Subsidiaries of Registrant (1)
31.1*	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
31.2*	Certification of Principal Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934
32.1**	Certification of Principal Executive Officer) pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS***	XBRL Instance Document
101.SCH***	XBRL Taxonomy Extension Schema Document
101.CAL***	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF***	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB***	XBRL Taxonomy Extension Label Linkbase Document
101.PRE***	XBRL Taxonomy Extension Presentation Linkbase Document

(1) Incorporated by reference to the Company’s Report on Form 10 filed May 21, 2013.

(2) Incorporated by reference to the Company’s Report on Form 10 Amendment No. 1 filed July 23, 2013.

(3) Incorporated by reference to the Company’s Report on Form 10-Q filed November 14, 2013

(4) Incorporated by reference to the Company’s Report on Form 10-K filed March 27, 2014

* Filed herewith

** This certification is deemed not filed for purposes of section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended or the Exchange Act.

*** Pursuant to applicable securities laws and regulations, these interactive data files will not be deemed “filed” for the purposes of Section 18 of the Securities and Exchange Act of 1934 or otherwise subject to the liability of that section, nor will they be deemed filed or made a part of a registration statement or prospectus for purposes of Sections 11 and 12 of the Securities Act of 1933, or otherwise subject to liability under those sections.

SIGNATURES

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized.

STRATEGIC ENVIRONMENTAL & ENERGY RESOURCES, INC.

Dated: August 12, 2016

By */s/ J. John Combs III*

J. John Combs III
Chief Executive Officer with
Responsibility to sign on behalf of Registrant as a
Duly authorized officer and principal executive officer

By /s/ *Monty Lamirato*

Monty Lamirato
Chief Financial Officer with
responsibility to sign on behalf of Registrant as a
duly authorized officer and principal financial officer

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, J. John Combs III, certify that:

1. I have reviewed this Form 10-Q for the period ended June 30, 2016, of Strategic Environmental & Energy Resources, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the Registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated Subsidiary, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Dated: August 12, 2016

/s/ *J. John Combs III*
J. John Combs III
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Monty Lamirato, certify that:

1. I have reviewed this Form 10-Q for the period ended June 30, 2016, of Strategic Environmental & Energy Resources, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The Registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the Registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated Subsidiary, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and

5. The Registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

Dated: August 12, 2016

/s/ *Monty Lamirato*
Monty Lamirato
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF THE CHIEF EXECUTIVE OFFICER
Pursuant to 18 U.S.C. 1350
(Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Strategic Environmental & Energy Resources, Inc. (the "Company") Quarterly Report on Form 10-Q for the period ended June 30, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, J. John Combs III, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the consolidated financial condition and results of operations of the Company.

Dated: August 12, 2016

/s/ *J. John Combs III*
J. John Combs III
President and Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION OF THE CHIEF FINANCIAL OFFICER
Pursuant to 18 U.S.C. 1350
(Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Strategic Environmental & Energy Resources, Inc. (the “Company”) on Report on Form 10-Q for the period ended June 30, 2016, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Monty Lamirato, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the consolidated financial condition and results of operations of the Company.

Dated: August 12, 2016

/s/ Monty Lamirato
Monty Lamirato
Chief Financial Officer