



CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

FINANCIAL STATEMENTS

DECEMBER 31, 2021

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

**TABLE OF CONTENTS
DECEMBER 31, 2021**

	<u>Pages</u>
Independent Auditor's Report	3-4
Financial Statements	
Statement of Financial Position	5
Statement of Activities	6
Statement of Functional Expenses	7
Statement of Cash Flows	8
Notes to Financial Statements	9-14

Independent Auditor's Report

Board of Directors
Capital Area Immigrants' Rights Coalition
Washington, D.C.

Opinion

We have audited the accompanying financial statements of Capital Area Immigrants' Rights Coalition (CAIR Coalition), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CAIR Coalition as of December 31, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of CAIR Coalition and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about CAIR Coalition's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of CAIR Coalition's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about CAIR Coalition's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Report on Summarized Comparative Information

We have previously audited CAIR Coalition's 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 20, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Councilor, Buchanan + Mitchell, P.C.

Washington, D.C.
August 22, 2022

Certified Public Accountants

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2021

(WITH SUMMARIZED COMPARATIVE FINANCIAL INFORMATION AS OF DECEMBER 31, 2020)

	<u>2021</u>	<u>2020</u>
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 1,632,532	\$ 1,322,682
Grants and Contributions Receivable	440,267	370,000
Accounts Receivable	969,910	1,168,484
Prepaid Expenses	171,666	128,747
Total Current Assets	<u>3,214,375</u>	<u>2,989,913</u>
Property and Equipment		
Office Equipment	102,390	93,150
Furniture and Fixtures	2,140	2,140
Leasehold Improvements	733,824	11,821
Website	17,875	17,875
Software	8,147	8,147
	<u>864,376</u>	<u>133,133</u>
Less Accumulated Depreciation and Amortization	<u>(136,120)</u>	<u>(103,586)</u>
Net Property and Equipment	<u>728,256</u>	<u>29,547</u>
Deposits	<u>78,716</u>	<u>7,951</u>
Total Assets	<u><u>\$ 4,021,347</u></u>	<u><u>\$ 3,027,411</u></u>
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable	\$ 15,087	\$ 20,160
Accrued Payroll and Vacation	427,721	394,595
Refundable Advances	36,458	909,060
Deferred Revenue	8,333	33,646
Deferred Rent and Lease Incentive	68,059	7,811
Total Current Liabilities	<u>555,658</u>	<u>1,365,272</u>
Deferred Rent and Lease Incentive, Net of Current Portion	<u>751,602</u>	<u>-</u>
Total Liabilities	<u>1,307,260</u>	<u>1,365,272</u>
Net Assets		
Net Assets Without Donor Restrictions	2,041,178	1,104,926
Net Assets With Donor Restrictions		
Impact Lab	122,180	37,500
Legal Advocacy in Virginia	2,604	2,904
Detained Children's Program	75,880	90,000
General Legal Advocacy	382,245	386,809
Time Restricted	90,000	40,000
	<u>672,909</u>	<u>557,213</u>
Total Net Assets	<u>2,714,087</u>	<u>1,662,139</u>
Total Liabilities and Net Assets	<u><u>\$ 4,021,347</u></u>	<u><u>\$ 3,027,411</u></u>

See accompanying Notes to Financial Statements.

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2021

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)

	Without Donor Restrictions	With Donor Restrictions	2021 Total	2020 Total
Revenue				
Grants and Contributions	\$ 2,068,413	\$ 584,021	\$ 2,652,434	\$ 2,179,309
PPP Loan Proceeds	860,700	-	860,700	-
Contract Revenue	4,718,435	-	4,718,435	4,637,574
Donated Services	14,835,251	-	14,835,251	17,252,417
Other Revenue	3,262	-	3,262	1,373
Net Assets Released from Restrictions				
Impact Lab	25,340	(25,340)	-	-
Legal Advocacy in Virginia	300	(300)	-	-
Detained Children's Program	59,120	(59,120)	-	-
General Legal Advocacy	343,565	(343,565)	-	-
Time Restricted	40,000	(40,000)	-	-
Total Revenue	22,954,386	115,696	23,070,082	24,070,673
Expenses				
Program Services				
Legal	21,149,058	-	21,149,058	23,083,963
Outreach and Advocacy	-	-	-	21,857
Total Program Services	21,149,058	-	21,149,058	23,105,820
Supporting Services				
Fundraising	334,281	-	334,281	297,040
General and Administration	534,795	-	534,795	761,364
Total Supporting Services	869,076	-	869,076	1,058,404
Total Expenses	22,018,134	-	22,018,134	24,164,224
Change in Net Assets	936,252	115,696	1,051,948	(93,551)
Net Assets, Beginning of Year	1,104,926	557,213	1,662,139	1,755,690
Net Assets, End of Year	\$ 2,041,178	\$ 672,909	\$ 2,714,087	\$ 1,662,139

See accompanying Notes to Financial Statements.

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021
(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

	<u>Legal</u>	<u>Fundraising</u>	<u>General and Administration</u>	<u>2021 Total</u>	<u>2020 Total</u>
Pro Bono Legal Services	\$ 14,694,775	\$ -	\$ 140,476	\$ 14,835,251	\$ 17,252,417
Salaries	4,823,033	222,956	29,901	5,075,890	4,839,946
Payroll Taxes	367,010	19,434	2,764	389,208	365,015
Fringe Benefits	344,198	15,186	32,157	391,541	348,387
Staff Training	4,663	1,183	17,428	23,274	5,677
Travel	28,296	109	7,578	35,983	55,626
Office Expense	72,479	20,564	33,522	126,565	131,574
Rent Expense	377,155	17,435	34,186	428,776	359,278
Contractual Services	157,317	33,616	121,503	312,436	420,664
Communication Charges	42,135	1,945	3,652	47,732	43,831
Membership Dues	56,480	-	29,437	85,917	83,695
Equipment Rental and Maintenance	30,880	1,428	6,506	38,814	41,837
Printing and Publications	1,374	150	-	1,524	3,419
Taxes and Insurance	5,955	275	43,152	49,382	44,012
Depreciation and Amortization	-	-	32,533	32,533	30,759
In-House Litigation	143,308	-	-	143,308	138,087
Total Expenses	\$ 21,149,058	\$ 334,281	\$ 534,795	\$ 22,018,134	\$ 24,164,224

See accompanying Notes to Financial Statements.

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)

	<u>2021</u>	<u>2020</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 1,051,948	\$ (93,551)
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities		
Depreciation and Amortization	32,533	30,759
<u>(Increase) Decrease in Assets</u>		
Grants and Contributions Receivable	(70,267)	(24,024)
Accounts Receivable	198,574	(79,641)
Prepaid Expenses	(42,919)	(26,031)
Deposits	(70,765)	-
<u>(Decrease) Increase in Liabilities</u>		
Accounts Payable	(5,073)	(53,139)
Accrued Payroll and Vacation	33,127	95,376
Refundable Advances	(872,602)	794,515
Deferred Revenue	(25,313)	33,646
Deferred Rent and Lease Incentive	89,847	(1,891)
Net Cash Provided by Operating Activities	319,090	676,019
Cash Flows from Investing Activities		
Purchases of Property and Equipment	<u>(9,240)</u>	<u>-</u>
Net Cash Used in Investing Activities	<u>(9,240)</u>	<u>-</u>
Net Increase in Cash and Cash Equivalents	309,850	676,019
Cash and Cash Equivalents, Beginning of Year	<u>1,322,682</u>	<u>646,663</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 1,632,532</u></u>	<u><u>\$ 1,322,682</u></u>

Noncash Transaction from Investing and Financing Activities

During the year ended December 31, 2021, CAIR Coalition received approximately \$720,000 of leasehold improvements and other costs related to its office lease from its landlord.

See accompanying Notes to Financial Statements.

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Capital Area Immigrants' Rights Coalition (CAIR Coalition) is a public interest legal organization incorporated on January 11, 1999, in the District of Columbia. CAIR Coalition brings immigrants, attorneys, volunteers, and community leaders together to work for a fair and humane immigration policy. CAIR Coalition provides legal advocacy, education and training services, public policy development, information sharing, and community empowerment programs.

The programs of CAIR Coalition fall into the following three areas:

Legal: CAIR Coalition conducts legal rights presentations at county jails in Virginia and Maryland, providing advice and assistance to individuals detained by the Department of Homeland Security (DHS). When possible, CAIR Coalition secures legal counsel for immigration detainees being held in the Virginia and Maryland detention facilities. CAIR Coalition also provides legal assistance to unaccompanied immigrant children in the custody of the Office of Refugee Resettlement who are being detained at juvenile facilities in Virginia and Maryland. In addition, CAIR Coalition assists detained asylum seekers during their Credible Fear Interviews or Reasonable Fear Interviews and tries to secure legal counsel for their Immigration Court proceedings.

CAIR Coalition holds annual training on asylum law, co-sponsored by the D.C. Bar and the Washington Lawyers' Committee for Civil Rights and Urban Affairs. Additionally, CAIR Coalition sponsors and conducts workshops to train pro bono lawyers, public defenders, and advocates throughout the year, and mentors attorneys who are providing pro bono legal representation. CAIR Coalition also provides "Know Your Rights" trainings for the immigrant community.

Outreach and Advocacy: CAIR Coalition staff and members regularly meet with DHS offices including the Arlington Asylum Office, the Washington District Office of U.S. Citizenship and Immigration Services, the Washington Field Office of Immigration and Customs Enforcement, and the Executive Office for Immigration Review to advocate on behalf of individual clients as well as recommend changes in immigration policies and procedures that will help to ensure the fair treatment of the immigrant populations served by CAIR Coalition members.

Income Taxes

CAIR Coalition is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the Code). In addition, CAIR Coalition has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509(a) of the Code.

CAIR Coalition requires that a tax position be recognized or derecognized based on a "more-likely-than-not" threshold. This applies to positions taken or expected to be taken in a tax return. CAIR Coalition does not believe its financial statements include, or reflect, any uncertain tax positions.

CAIR Coalition's Form 990, *Return of Organization Exempt from Income Tax*, is subject to examination by the Internal Revenue Service, generally for three years after filing.

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

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

Cash and Cash Equivalents

CAIR Coalition considers all highly liquid investments which have an initial maturity of three months or less to be cash equivalents.

Grants and Contributions Receivable

Grants and contributions receivable are considered to be fully collectible by management and, accordingly, no allowance for doubtful accounts is considered necessary.

Accounts Receivable

Accounts receivable consists of amounts due for services. Accounts receivable are charged to bad debt expense as they are deemed uncollectible. At December 31, 2021, management believes all accounts receivable are collectible. Therefore, no reserve for bad debt expense has been recorded.

Property and Equipment

Property and equipment is stated at cost, if purchased, or fair market value at date of donation, if contributed. CAIR Coalition capitalizes all expenditures for property and equipment in excess of \$5,000. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Grants and Contributions

CAIR Coalition reports unconditional gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose restriction is accomplished, donor restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions for which the conditions and restrictions are met in the year received are considered unconditional and without donor restrictions for financial statement purposes.

Conditional grants and contributions are reported as refundable advances until the conditions have been substantially met or explicitly waived by the donor. Revenue is recognized on the date the condition is met.

Contract Revenue

Contract revenue includes immigration legal services provided by CAIR Coalition under fixed-price and time and materials contracts. Fixed-price contracts are recognized ratably over the contract period, as services are provided. Time and materials contracts are recognized over time

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contract Revenue (Continued)

as incurred, which is representative of the services provided. The transaction price associated with time and materials contracts is based on fixed hourly rates charged to the customer and may vary depending on the actual time expended by CAIR Coalition and other direct costs, such as travel expenses incurred.

Classification of Net Assets

The financial statements of CAIR Coalition have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which requires CAIR Coalition to report information regarding its financial position and activities according to the following net asset classifications:

Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of CAIR Coalition. These net assets may be used at the discretion of CAIR Coalition's management and the Board of Directors.

Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of CAIR Coalition or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Deferred Rent

All rental payments, including fixed rent increases, are recognized on a straight-line basis.

Functional Expense Allocation

Certain costs have been allocated among the programs and supporting services benefited. These expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, fringe benefits, payroll taxes, and general expenses, which are allocated on the basis of estimates of time and effort by employees. Expenses directly identifiable to specific programs and supporting activities are presented accordingly.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by CAIR Coalition.

Use of Estimates

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

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reclassifications

Certain 2020 amounts have been reclassified for comparative purposes.

Prior Year Summarized Information

The financial statements include certain prior year summarized comparative totals as of and for the year ended December 31, 2020. Such information does not include sufficient detail to constitute a presentation in accordance with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with CAIR Coalition's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

New Accounting Pronouncement Not Yet Adopted

Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2016-02, *Leases* (Topic 842) supersedes the leasing guidance in (Topic 840), *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. The new standard is effective for fiscal years beginning after December 15, 2021. Management has not evaluated the impact of the pending adoption of the new standard on the financial statements.

2. LIQUIDITY AND AVAILABILITY OF RESOURCES

CAIR Coalition manages its liquidity to meet general expenditures, liabilities, and other obligations as they come due. To meet unanticipated or seasonal needs, CAIR Coalition has a line of credit with a bank through January 2023 for \$260,000 at the bank's index interest rate plus 2.65%, secured by CAIR Coalition's assets. There was no activity in the line of credit during the year ended December 31, 2021.

The following reflects CAIR Coalition's financial assets as of December 31, 2021, reduced by amounts not available for general operating expenditure within one year:

Financial Assets

Cash and Cash Equivalents	\$ 1,632,532
Grants and Contributions Receivable	440,267
Accounts Receivable	969,910
Less Amounts Restricted by Donors for Purpose	<u>(582,909)</u>
Total Financial Assets Available to Meet Cash Needs for General Expenditures within One Year	2,459,800

Other Liquidity Resources

Available Line of Credit	<u>260,000</u>
Total Financial Assets and Liquidity Resources Available to Meet Cash Needs for General Expenditures within One Year	<u><u>\$ 2,719,800</u></u>

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

3. TAX SHELTERED ANNUITY PLAN

CAIR Coalition has a salary reduction plan (the Plan) under Section 403(b) of the Internal Revenue Code. The Plan covers substantially all full-time employees who have completed one year of employment and at least 1,000 hours of service. CAIR Coalition's Board of Directors determines a discretionary employee matching contribution for each plan year. CAIR Coalition's discretionary matching contribution was approximately \$23,000 for the year ended December 31, 2021.

4. DONATED SERVICES

The value of donated services, included as revenue in the financial statements, was for legal services and related expenses.

5. CONCENTRATIONS

As of December 31, 2021, 88% of accounts receivable was due from one funding source and 69% of grants and contributions receivable was due from two donors.

One funding source accounted for 93% of the contract revenue for the year ended December 31, 2021.

CAIR Coalition maintains cash balances at financial institutions in the Washington, D.C., metropolitan area. The accounts at these institutions are insured by the Federal Deposit Insurance Corporation (FDIC) up to certain limits. At times during the year, CAIR Coalition's cash balances exceeded the FDIC insurance amounts. Management believes the risk in these situations to be minimal.

6. OFFICE AND EQUIPMENT LEASES

CAIR Coalition has two non-cancelable lease agreements for office space in Washington, D.C. and Baltimore, Maryland, expiring at various times through October 2032. Under the terms of the Washington, D.C. lease, the base rent increases annually based on scheduled increases of 3.5% to 4.0%. The lessor will provide several months of free rent and CAIR Coalition is responsible for its share of increases in real estate taxes and operating expenses. Under the terms of the Baltimore, Maryland lease, the base rent increases annually based on scheduled increases of approximately 2.75%. During 2021, the lease was extended for an additional five years through February 2026. CAIR Coalition also has equipment lease agreements that expire at various times through June 2025.

Total future minimum lease payments under these leases are as follows:

For the Years Ending December 31,	DC Office	MD Office	Equipment	Total
2022	\$ 75,763	\$ 76,361	\$ 8,818	\$ 160,942
2023	381,468	78,492	8,818	468,778
2024	397,472	80,623	4,732	482,827
2025	414,035	82,754	654	497,443
2026	506,941	13,852	-	520,793
Thereafter	3,373,094	-	-	3,373,094
Total	<u>\$ 5,148,773</u>	<u>\$ 332,082</u>	<u>\$ 23,022</u>	<u>\$ 5,503,877</u>

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021

7. CONDITIONAL GRANTS AND CONTRIBUTIONS

CAIR Coalition has received conditional grants and contributions as of December 31, 2021, totaling approximately \$172,000. The conditional amounts have not been recorded as grants and contributions revenue, as the required criteria under generally accepted accounting principles have not been met as of December 31, 2021, and any funds received have been included in refundable advances on the statement of financial position. The barriers which must be met for revenue recognition are as follows:

Barrier	Amount
Incurring Certain Costs Associated with Legal Representation of Detained Immigrants	\$ 82,621
Fellowship Employment Requirement	38,958
Matching Funds Requirement	50,000
Total	<u>\$ 171,579</u>

In addition, CAIR Coalition received loan forgiveness for a Small Business Administration (SBA) loan under the Paycheck Protection Program (PPP) in the amount of \$860,700. The loan proceeds are included in PPP loan proceeds without donor restrictions on the statement of activities for the year ended December 31, 2021.

8. SUBSEQUENT EVENTS

In January 2022, CAIR Coalition established a new entity called the Acacia Center for Justice (the Corporation) to secure and fulfill certain federal contracts. As part of the formation, the Corporation stipulated in their bylaws that CAIR Coalition has the power to elect the Corporation's Board of Directors. Accordingly, CAIR Coalition is considered to be the sole member with controlling and economic interest in the Corporation, and consolidated financial statements are anticipated to be prepared for future years, as required by generally accepted accounting principles.

Similar federal contracts had previously been managed by the Vera Institute of Justice (the Institute). The Corporation is in the process of contracting with the Institute on two programs: The Unaccompanied Children Program and the Outgoing Legal Access and Representation Service Program. Estimated July to December 2022 revenue for these programs is \$3,900,000 and \$3,000,000, respectively. In addition, the Corporation has secured one unconditional grant totaling \$1,600,000 from the Institute to assist in the establishment of the Corporation.

On May 11, 2022, the Corporation submitted a proposal with a federal funding agency to manage the Legal Access and Representation Services, anticipating an award date of August 2022. CAIR Coalition would serve as a legal services provider subcontractor upon award.

Subsequent events were evaluated through August 22, 2022, which is the date the financial statements were available to be issued.