

COMBINED FINANCIAL STATEMENTS

IMMIGRATION EQUALITY

IMMIGRATION EQUALITY ACTION FUND

**FOR THE YEAR ENDED DECEMBER 31, 2017
WITH SUMMARIZED FINANCIAL
INFORMATION FOR 2016**

**IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND**

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GELMAN, ROSENBERG

& FREEDMAN

CERTIFIED PUBLIC ACCOUNTANTS



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Immigration Equality
Immigration Equality Action Fund
New York, New York

We have audited the accompanying combined financial statements of Immigration Equality and Immigration Equality Action Fund (collectively, the Organizations), which comprise the combined statement of financial position as of December 31, 2017, and the related combined statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the combined financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the combined financial position of the Organizations as of December 31, 2017, and the combined change in their net assets and their combined cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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Report on Summarized Comparative Information

We have previously audited the Organizations' 2016 combined financial statements, and we expressed an unmodified audit opinion on those audited combined financial statements in our report dated May 12, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016, is consistent, in all material respects, with the audited combined financial statements from which it has been derived.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the combined financial statements as a whole. The Combining Schedule of Financial Position on page 14, Combining Schedule of Activities on page 15, Combining Schedule of Change in Net Assets on page 16, Schedule of Functional Expenses - Immigration Equality on pages 17 - 18, and Schedule of Functional Expenses - Immigration Equality Action Fund on pages 19 - 20, are presented for purposes of additional analysis and are not required parts of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.



May 7, 2018

**IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND**

**COMBINED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2017
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2016**

ASSETS		<u>2017</u>	<u>2016</u>
CURRENT ASSETS			
Cash and cash equivalents		\$ 1,276,507	\$ 990,252
Accounts receivable		5,106	103
Contributions receivable		403,183	358,333
Prepaid expenses		38,535	27,236
Other current assets		<u>631</u>	<u>644</u>
Total current assets		<u>1,723,962</u>	<u>1,376,568</u>
FIXED ASSETS			
Furniture and equipment		2,798	33,255
Leasehold improvements		<u>28,500</u>	<u>28,500</u>
		31,298	61,755
Less: Accumulated depreciation and amortization		<u>(31,298)</u>	<u>(55,757)</u>
Net fixed assets		<u>-</u>	<u>5,998</u>
NONCURRENT ASSETS			
Security deposit		<u>23,929</u>	<u>8,400</u>
TOTAL ASSETS		<u>\$ 1,747,891</u>	<u>\$ 1,390,966</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable and accrued liabilities		\$ 62,023	\$ 34,335
Deferred rent		<u>1,637</u>	<u>5,555</u>
Total current liabilities		<u>63,660</u>	<u>39,890</u>
NONCURRENT LIABILITIES			
Deferred rent, net of current portion		<u>9,459</u>	<u>-</u>
Total liabilities		<u>73,119</u>	<u>39,890</u>
NET ASSETS			
Unrestricted		1,010,727	933,708
Temporarily restricted		<u>664,045</u>	<u>417,368</u>
Total net assets		<u>1,674,772</u>	<u>1,351,076</u>
TOTAL LIABILITIES AND NET ASSETS		<u>\$ 1,747,891</u>	<u>\$ 1,390,966</u>

See accompanying notes to combined financial statements.

**IMMIGRATION EQUALITY
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**COMBINED STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2016**

	2017			2016
	Unrestricted	Temporarily Restricted	Total	Total
SUPPORT AND REVENUE				
Contributions	\$ 401,635	\$ 95,000	\$ 496,635	\$ 626,509
Foundation grants	353,132	810,107	1,163,239	669,089
Interest	104	-	104	335
In-kind contributions - legal	33,373,128	-	33,373,128	23,027,974
Special events, net of expenses	306,470	-	306,470	234,581
Other	13,515	-	13,515	3,363
Net assets released from donor restrictions	<u>658,430</u>	<u>(658,430)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>35,106,414</u>	<u>246,677</u>	<u>35,353,091</u>	<u>24,561,851</u>
EXPENSES				
Program Services:				
Legal	34,118,859	-	34,118,859	23,854,804
Outreach	209,995	-	209,995	150,637
Advocacy	<u>25,048</u>	<u>-</u>	<u>25,048</u>	<u>46,589</u>
Total program services	<u>34,353,902</u>	<u>-</u>	<u>34,353,902</u>	<u>24,052,030</u>
Supporting Services:				
Management and General	306,612	-	306,612	249,465
Fundraising	<u>368,881</u>	<u>-</u>	<u>368,881</u>	<u>369,026</u>
Total supporting services	<u>675,493</u>	<u>-</u>	<u>675,493</u>	<u>618,491</u>
Total expenses	<u>35,029,395</u>	<u>-</u>	<u>35,029,395</u>	<u>24,670,521</u>
Change in net assets	77,019	246,677	323,696	(108,670)
Net assets at beginning of year	<u>933,708</u>	<u>417,368</u>	<u>1,351,076</u>	<u>1,459,746</u>
NET ASSETS AT END OF YEAR	<u>\$ 1,010,727</u>	<u>\$ 664,045</u>	<u>\$ 1,674,772</u>	<u>\$ 1,351,076</u>

**IMMIGRATION EQUALITY
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**COMBINED STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2016**

	Program Services			2017
	Legal	Outreach	Advocacy	Total Program Services
Salaries	\$ 512,500	\$ 108,926	\$ 16,363	\$ 637,789
Payroll taxes, benefits and expenses	114,332	16,374	2,241	132,947
Staff training and development	4,449	30	42	4,521
Professional services	11,283	352	-	11,635
Donated legal services	33,297,828	-	-	33,297,828
In-kind professional fees / Interns	-	75,300	-	75,300
Rent	80,253	547	789	81,589
Electricity and utilities	8,290	57	82	8,429
Telephone, fax and internet	7,542	42	61	7,645
Insurance	8,164	56	81	8,301
Postage and shipping	4,967	7	43	5,017
Food and refreshments	-	16	61	77
Office supplies	11,972	79	115	12,166
Computer and management information systems	48,587	332	478	49,397
Travel	687	2,492	4,642	7,821
Conference	1,216	-	-	1,216
Subscriptions/dues	2,633	-	-	2,633
Advertising and publicity	-	5,385	-	5,385
Bank and finance charges	-	-	-	-
Depreciation and amortization	-	-	-	-
Miscellaneous	4,156	-	50	4,206
Subtotal	34,118,859	209,995	25,048	34,353,902
Direct costs of special events	-	-	-	-
TOTAL EXPENSES REPORTED BY FUNCTION ON THE STATEMENT OF ACTIVITIES (EXHIBIT B)	\$ 34,118,859	\$ 209,995	\$ 25,048	\$ 34,353,902

See accompanying notes to combined financial statements.

2016					
Supporting Services					
Management and General	Fundraising	Total Supporting Services	Direct Cost of Special Events	Total Expenses	Total Expenses
\$ 143,749	\$ 217,610	\$ 361,359	\$ -	\$ 999,148	\$ 1,004,219
28,456	40,576	69,032	-	201,979	202,738
1,399	1,469	2,868	-	7,389	1,019
82,419	2	82,421	-	94,056	106,806
-	-	-	-	33,297,828	22,923,677
-	-	-	-	75,300	104,297
16,558	22,905	39,463	-	121,052	111,933
1,710	2,366	4,076	-	12,505	13,167
1,335	1,765	3,100	-	10,745	8,110
1,684	2,330	4,014	-	12,315	10,414
5	2,171	2,176	-	7,193	8,764
542	26,912	27,454	56,950	84,481	94,892
2,414	3,702	6,116	-	18,282	16,401
10,025	13,867	23,892	-	73,289	55,916
1,762	(44)	1,718	-	9,539	12,009
4,335	581	4,916	-	6,132	5,686
1,220	56	1,276	-	3,909	5,272
-	17,417	17,417	-	22,802	21,117
2,092	13,735	15,827	-	15,827	13,075
5,998	-	5,998	-	5,998	12,780
909	1,461	2,370	-	6,576	4,674
306,612	368,881	675,493	56,950	35,086,345	24,736,966
-	-	-	(56,950)	(56,950)	(66,445)
\$ 306,612	\$ 368,881	\$ 675,493	\$ -	\$ 35,029,395	\$24,670,521

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**COMBINED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2016**

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 323,696	\$ (108,670)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	5,998	12,780
Loss on disposal	-	791
(Increase) decrease in:		
Accounts receivable	(5,003)	2,736
Contributions receivable	(44,850)	137,917
Prepaid expenses	(11,299)	(10,747)
Other current assets	13	674
Security deposit	(15,529)	-
Increase (decrease) in:		
Accounts payable and accrued liabilities	27,688	(13,360)
Deferred rent	<u>5,541</u>	<u>(7,596)</u>
Net cash provided by operating activities	<u>286,255</u>	<u>14,525</u>
Net increase in cash and cash equivalents	286,255	14,525
Cash and cash equivalents at beginning of year	<u>990,252</u>	<u>975,727</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 1,276,507</u>	<u>\$ 990,252</u>

**IMMIGRATION EQUALITY
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**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2017**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

Immigration Equality is a national organization fighting for equality under U.S. immigration law for lesbian, gay, bisexual, transgender and HIV-positive individuals. Immigration Equality provides free legal aid and advocacy for LGBT and HIV-positive immigrants and their families.

Immigration Equality is headquartered in New York City. Its primary sources of revenue are contributions, foundation grants and special events.

Immigration Equality Action Fund is a 501(c)(4) not-for-profit organization incorporated in 2009. Immigration Equality Action Fund advocates on Capitol Hill for equality for lesbian, gay, bisexual, transgender and HIV-positive immigrants and their families. To end discrimination in U.S. immigration law, Immigration Equality Action Fund works to pass the Uniting American Families Act and LGBT-inclusive Comprehensive Immigration Reform. Immigration Equality Action Fund lobbies legislators and other policy makers, builds coalition, and empowers LGBT immigrant families around the country to fight for change. Its primary source of revenue is contributions.

Immigration Equality and Immigration Equality Action Fund are related through overlapping Boards of Directors and common goals.

Basis of presentation -

The combined financial statements of Immigration Equality and Immigration Equality Action Fund (collectively, the Organizations) have been presented on the accrual basis of accounting, and in accordance with FASB ASC 958-810, *Not-for-Profit Entities, Consolidation*. All significant intercompany balances and transactions have been eliminated in combination.

The combined financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organizations' combined financial statements for the year ended December 31, 2016, from which the summarized information was derived.

Cash and cash equivalents -

The Organizations consider all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents.

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

Accounts and contributions receivable -

Accounts and contributions receivable are stated at net realizable value, which approximates fair value. Management considers all amounts to be fully collectible within one year. Accordingly, an allowance for doubtful accounts has not been established.

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**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Fixed assets -

Fixed assets in excess of \$5,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to seven years. Leasehold improvements are amortized over the remaining life of the lease.

The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense for the year ended December 31, 2017 totaled \$5,998.

Income taxes -

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

Immigration Equality Action Fund is exempt from Federal income taxes under 501(c)(4) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying combined financial statements.

Uncertain tax positions -

For the year ended December 31, 2017, the Organizations have documented their consideration of FASB ASC 740-10, *Income Taxes*, that provides guidance for reporting uncertainty in income taxes and have determined that no material uncertain tax positions qualify for either recognition or disclosure in the combined financial statements.

Net asset classification -

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

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of the Organizations and include both internally designated and undesignated resources.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of the Organizations and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Combined Statement of Activities and Change in Net Assets as net assets released from restrictions.

Contributions and grants -

Unrestricted and temporarily restricted contributions and grants are recorded as revenue in the year notification is received from the donor. Temporarily restricted contributions and grants are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Such funds in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying combined financial statements.

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**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Use of estimates -

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

Functional allocation of expenses -

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

New accounting pronouncements -

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)*, intended to improve financial reporting for not-for-profit entities. The ASU will reduce the current three classes of net assets into two: with and without donor restrictions. The change in each of the classes of net assets must be reported on the Combined Statement of Activities and Change in Net Assets. The ASU also requires various enhanced disclosures around topics such as board designations, liquidity, functional classification of expenses, investment expenses, donor restrictions, and underwater endowments. The ASU is effective for years beginning after December 15, 2017. Early adoption is permitted. The ASU should be applied on a retrospective basis in the year the ASU is first applied. While the ASU will change the presentation of the Organizations' combined financial statements, it is not expected to alter the Organizations' reported financial position and activities.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers (Topic 606)* (ASU 2014-09). The ASU establishes a comprehensive revenue recognition standard for virtually all industries under generally accepted accounting principles in the United States (U.S. GAAP) including those that previously followed industry-specific guidance. The guidance states that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The FASB issued ASU 2015-14 in August 2015 that deferred the effective date of ASU 2014-09 by a year; thus, the effective date is years beginning after December 15, 2018. Early adoption is permitted. The Organizations have not yet selected a transition method and is currently evaluating the effect that the updated standard will have on its financial statements.

In 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The ASU changes the accounting treatment for operating leases by recognizing a lease asset and lease liability at the present value of the lease payments in the Combined Statement of Financial Position and disclosing key information about leasing arrangements. The ASU is effective for private entities for years beginning after December 15, 2019. Early adoption is permitted. The ASU should be applied at the beginning of the earliest period presented using a modified retrospective approach.

The Organizations plan to adopt the new ASUs at the respective required implementation dates.

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**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2017**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

In-kind contributions -

In-kind contributions are recognized as support and expense in the Combined Statement of Activities and Change in Net Assets in accordance with FASB ASC 958-605-15-2, *Revenue Recognition-Contributions Received*, if the contributions (a) create or enhance non-financial assets or (b) require specialized skills, are performed by individuals with those skills, and would otherwise be purchased by the Organizations. As part of its Legal program, Immigration Equality arranges for the provision of pro bono legal services to LGBT and HIV-positive immigrants and their families. For the year ended December 31, 2017, the value of those services provided through Immigration Equality totaled \$33,373,128.

2. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following as of December 31, 2017:

Legal	\$ 392,769
Advocacy	14,970
Time Restricted	<u>256,306</u>
TOTAL TEMPORARILY RESTRICTED NET ASSETS	<u>\$ 664,045</u>

The following temporarily restricted net assets were released from donor restrictions by incurring expenses (or through the passage of time), thus satisfying the restricted purposes specified by the donors:

Legal	\$ 202,751
Advocacy	20,036
Passage of Time	<u>435,643</u>
TOTAL NET ASSETS RELEASED FROM RESTRICTIONS	<u>\$ 658,430</u>

3. LEASE COMMITMENT

The Organizations lease office space in New York City under a five-year operating lease, which expired during July 2017. The base rent required under the lease is \$8,400 per month, with an annual escalation of 3% (and a rental abatement of \$15,520 in the first year of the lease).

During 2017 the Organizations renewed their lease for an additional three-year term, which expires in June 2020. The base rent required under the lease is \$10,930 per month, with an annual escalation of 3% (and a rental abatement of \$10,930 in the first year of the lease). The lease requires an additional security deposit of \$15,529, for a total security deposit of \$23,929.

Accounting principles generally accepted in the United States of America require that the total rent commitment should be recognized on a straight-line basis over the term of the lease. Accordingly, the difference between the actual monthly payments and the rent expense being recognized for financial statement purposes is recorded as a deferred rent liability on the combined Statement of Financial Position. As of December 31, 2017, the deferred rent liability aggregated \$11,096.

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**NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2017**

3. LEASE COMMITMENT (Continued)

Following is a schedule of the future minimum lease payments:

Year Ending December 31,

2018	\$ 133,133
2019	137,126
2020	<u>69,576</u>
	<u>\$ 339,835</u>

Rent expense for the year ended December 31, 2017 totaled \$121,052 (including taxes and other operating expenses).

4. RETIREMENT PLAN

The Organizations maintain a 403(b) pension plan for its employees. Employees can contribute to the plan; however, the Organizations are not providing any matching contributions.

5. SUBSEQUENT EVENTS

In preparing these combined financial statements, the Organizations have evaluated events and transactions for potential recognition or disclosure through May 7, 2018, the date the combined financial statements were issued. No subsequent events were noted for disclosure.

SUPPLEMENTAL INFORMATION

**IMMIGRATION EQUALITY
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**COMBINING SCHEDULE OF FINANCIAL POSITION
AS OF DECEMBER 31, 2017**

	ASSETS			
	<u>Immigration Equality</u>	<u>Immigration Equality Action Fund</u>	<u>Eliminations</u>	<u>Total</u>
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,014,806	\$ 261,701	\$ -	\$ 1,276,507
Accounts receivable	5,106	-	-	5,106
Contributions receivable	403,183	-	-	403,183
Prepaid expenses	38,535	-	-	38,535
Other current assets	631	-	-	631
Due from related party	<u>818</u>	<u>-</u>	<u>(818)</u>	<u>-</u>
Total current assets	<u>1,463,079</u>	<u>261,701</u>	<u>(818)</u>	<u>1,723,962</u>
FIXED ASSETS				
Furniture and equipment	2,798	-	-	2,798
Leasehold improvements	<u>28,500</u>	<u>-</u>	<u>-</u>	<u>28,500</u>
	31,298	-	-	31,298
Less: Accumulated depreciation and amortization	<u>(31,298)</u>	<u>-</u>	<u>-</u>	<u>(31,298)</u>
Net fixed assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NONCURRENT ASSETS				
Security deposit	<u>23,929</u>	<u>-</u>	<u>-</u>	<u>23,929</u>
TOTAL ASSETS	<u>\$ 1,487,008</u>	<u>\$ 261,701</u>	<u>\$ (818)</u>	<u>\$ 1,747,891</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	\$ 62,023	\$ -	\$ -	\$ 62,023
Deferred rent	1,637	-	-	1,637
Due to related party	<u>-</u>	<u>818</u>	<u>(818)</u>	<u>-</u>
Total current liabilities	<u>63,660</u>	<u>818</u>	<u>(818)</u>	<u>63,660</u>
NONCURRENT LIABILITIES				
Deferred rent, net of current portion	<u>9,459</u>	<u>-</u>	<u>-</u>	<u>9,459</u>
Total liabilities	<u>73,119</u>	<u>818</u>	<u>(818)</u>	<u>73,119</u>
NET ASSETS				
Unrestricted	749,844	259,429	1,454	1,010,727
Temporarily restricted	<u>664,045</u>	<u>1,454</u>	<u>(1,454)</u>	<u>664,045</u>
Total net assets	<u>1,413,889</u>	<u>260,883</u>	<u>-</u>	<u>1,674,772</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,487,008</u>	<u>\$ 261,701</u>	<u>\$ (818)</u>	<u>\$ 1,747,891</u>

**IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
COMBINING SCHEDULE OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Immigration Equality</u>	<u>Immigration Equality Action Fund</u>	<u>Eliminations</u>	<u>Total</u>
UNRESTRICTED SUPPORT AND REVENUE				
Contributions	\$ 394,110	\$ 7,525	\$ -	\$ 401,635
Foundation grants	253,090	100,042	-	353,132
Interest	90	14	-	104
In-kind contributions - legal	33,373,128	-	-	33,373,128
Special events, net of expenses	315,260	(8,790)	-	306,470
Other	13,515	-	-	13,515
Net assets released from donor restrictions	<u>650,930</u>	<u>7,500</u>	<u>-</u>	<u>658,430</u>
Total unrestricted support and revenue	<u>35,000,123</u>	<u>106,291</u>	<u>-</u>	<u>35,106,414</u>
EXPENSES				
Program Services:				
Legal	34,118,818	41	-	34,118,859
Outreach	208,073	1,922	-	209,995
Advocacy	<u>16,610</u>	<u>8,438</u>	<u>-</u>	<u>25,048</u>
Total program services	<u>34,343,501</u>	<u>10,401</u>	<u>-</u>	<u>34,353,902</u>
Supporting Services:				
Management and General	291,272	15,340	-	306,612
Fundraising	<u>362,405</u>	<u>6,476</u>	<u>-</u>	<u>368,881</u>
Total supporting services	<u>653,677</u>	<u>21,816</u>	<u>-</u>	<u>675,493</u>
Total expenses	<u>34,997,178</u>	<u>32,217</u>	<u>-</u>	<u>35,029,395</u>
CHANGE IN UNRESTRICTED NET ASSETS	<u>\$ 2,945</u>	<u>\$ 74,074</u>	<u>\$ -</u>	<u>\$ 77,019</u>
TEMPORARILY RESTRICTED SUPPORT AND REVENUE				
Contributions	\$ 87,500	\$ 7,500	\$ -	\$ 95,000
Foundation grants	810,107	-	-	810,107
Net assets released from donor restrictions	<u>(650,930)</u>	<u>(7,500)</u>	<u>-</u>	<u>(658,430)</u>
TOTAL TEMPORARILY RESTRICTED SUPPORT AND REVENUE	<u>\$ 246,677</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 246,677</u>

**IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND**

**COMBINING SCHEDULE OF CHANGE IN NET ASSETS
FOR THE YEAR DECEMBER 31, 2017**

	<u>Immigration Equality</u>	<u>Immigration Equality Action Fund</u>	<u>Eliminations</u>	<u>Total</u>
UNRESTRICTED NET ASSETS				
Net assets at beginning of year	\$ 746,899	\$ 185,355	\$ 1,454	\$ 933,708
Change in unrestricted net assets	<u>2,945</u>	<u>74,074</u>	<u>-</u>	<u>77,019</u>
NET ASSETS AT END OF YEAR	<u>\$ 749,844</u>	<u>\$ 259,429</u>	<u>\$ 1,454</u>	<u>\$ 1,010,727</u>
TEMPORARILY RESTRICTED NET ASSETS				
Net assets at beginning of year	\$ 417,368	\$ 1,454	\$ (1,454)	\$ 417,368
Change in temporarily restricted net assets	<u>246,677</u>	<u>-</u>	<u>-</u>	<u>246,677</u>
NET ASSETS AT END OF YEAR	<u>\$ 664,045</u>	<u>\$ 1,454</u>	<u>\$ (1,454)</u>	<u>\$ 664,045</u>

**IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND**

**SCHEDULE OF FUNCTIONAL EXPENSES - IMMIGRATION EQUALITY
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Program Services			Total Program Services
	Legal	Outreach	Advocacy	
Salaries	\$ 512,500	\$107,273	\$ 12,421	\$ 632,194
Payroll taxes, benefits and expenses	114,332	16,125	1,702	132,159
Staff training and development	4,448	29	32	4,509
Professional services	11,283	352	-	11,635
Donated legal services	33,297,828	-	-	33,297,828
In-kind professional fees / Interns	-	75,300	-	75,300
Rent	80,233	538	596	81,367
Electricity and utilities	8,288	56	62	8,406
Telephone, fax and internet	7,540	41	46	7,627
Insurance	8,162	55	61	8,278
Postage and shipping	4,967	7	43	5,017
Food and refreshments	-	16	61	77
Office supplies	11,970	78	87	12,135
Computer and management information systems	48,575	326	361	49,262
Travel	687	2,492	1,138	4,317
Conference	1,216	-	-	1,216
Subscriptions/dues	2,633	-	-	2,633
Advertising and publicity	-	5,385	-	5,385
Bank and finance charges	-	-	-	-
Depreciation and amortization	-	-	-	-
Miscellaneous	4,156	-	-	4,156
Subtotal	34,118,818	208,073	16,610	34,343,501
Direct costs of special events	-	-	-	-
TOTAL EXPENSES REPORTED BY FUNCTION ON THE STATEMENT OF ACTIVITIES (EXHIBIT B)	\$ 34,118,818	\$208,073	\$ 16,610	\$ 34,343,501

Supporting Services				
Management and General	Fundraising	Total Supporting Services	Direct Cost of Special Events	Total Expenses
\$ 143,270	\$ 216,845	\$ 360,115	\$ -	\$ 992,309
28,349	40,429	68,778	-	200,937
1,397	1,466	2,863	-	7,372
69,140	2	69,142	-	80,777
-	-	-	-	33,297,828
-	-	-	-	75,300
16,515	22,845	39,360	-	120,727
1,706	2,360	4,066	-	12,472
1,332	1,760	3,092	-	10,719
1,680	2,324	4,004	-	12,282
5	2,171	2,176	-	7,193
542	21,523	22,065	45,560	67,702
2,408	3,693	6,101	-	18,236
9,999	13,831	23,830	-	73,092
1,762	(44)	1,718	-	6,035
4,335	581	4,916	-	6,132
1,220	56	1,276	-	3,909
-	17,417	17,417	-	22,802
855	13,685	14,540	-	14,540
5,998	-	5,998	-	5,998
759	1,461	2,220	-	6,376
291,272	362,405	653,677	45,560	35,042,738
-	-	-	(45,560)	(45,560)
\$ 291,272	\$ 362,405	\$ 653,677	\$ -	\$ 34,997,178

**IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND**

**SCHEDULE OF FUNCTIONAL EXPENSES - IMMIGRATION EQUALITY ACTION FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Program Services			Total Program Services
	Legal	Outreach	Advocacy	
Salaries	\$ -	\$ 1,653	\$ 3,942	\$ 5,595
Payroll taxes, benefits and expenses	-	249	539	788
Staff training and development	1	1	10	12
Professional services	-	-	-	-
Rent	20	9	193	222
Electricity and utilities	2	1	20	23
Telephone, fax and internet	2	1	15	18
Insurance	2	1	20	23
Food and refreshments	-	-	-	-
Office supplies	2	1	28	31
Computer and management information systems	12	6	117	135
Travel	-	-	3,504	3,504
Bank and finance charges	-	-	-	-
Miscellaneous	-	-	50	50
Subtotal	41	1,922	8,438	10,401
Direct costs of special events	-	-	-	-
TOTAL EXPENSES REPORTED BY FUNCTION ON THE STATEMENT OF ACTIVITIES (EXHIBIT B)	\$ 41	\$ 1,922	\$ 8,438	\$ 10,401

Supporting Services				
Management and General	Fundraising	Total Supporting Services	Direct Cost of Special Events	Total Expenses
\$ 479	\$ 765	\$ 1,244	\$ -	\$ 6,839
107	147	254	-	1,042
2	3	5	-	17
13,279	-	13,279	-	13,279
43	60	103	-	325
4	6	10	-	33
3	5	8	-	26
4	6	10	-	33
-	5,389	5,389	11,390	16,779
6	9	15	-	46
26	36	62	-	197
-	-	-	-	3,504
1,237	50	1,287	-	1,287
150	-	150	-	200
15,340	6,476	21,816	11,390	43,607
-	-	-	(11,390)	(11,390)
\$ 15,340	\$ 6,476	\$ 21,816	\$ -	\$ 32,217