

IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
COMBINED FINANCIAL STATEMENTS
December 31, 2020 and 2019

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying combined financial statements of Immigration Equality and Immigration Equality Action Fund, which comprise the combined statement of financial position as of December 31, 2020, and the related combined statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Immigration Equality and Immigration Equality Action Fund as of December 31, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Comparative Information

The Organization's 2019 combined financial statements were audited by another auditor, who expressed an unmodified audit opinion on those audited combined financial statements in their report dated October 20, 2020. In our opinion, the comparative information presented herein as of and for the year ended December 31, 2019, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Combining Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The combining schedules of financial position and activities and schedule of functional expenses for Immigration Equality and Immigration Equality Action Fund are presented for purposes of additional analysis of the financial statements and are not a required part of the 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 financial statements. The combining information and schedule of functional expenses has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining information and schedule of functional expenses are fairly stated in all material respects in relation to the financial statements as a whole.



Wegner CPAs, LLP
New York, New York
September 24, 2021

**IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND**
COMBINED STATEMENTS OF FINANCIAL POSITION
December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,177,460	\$ 1,026,157
Unconditional promises to give, current portion	159,145	374,926
Accounts receivable	31,105	1,483
Prepaid expenses	12,780	55,077
Other current assets	<u>631</u>	<u>631</u>
Total current assets	1,381,121	1,458,274
NON-CURRENT ASSETS		
Security deposit	4,050	23,929
Fixed assets and website, net	19,989	24,814
Unconditional promises to give, net of current portion	<u>-</u>	<u>100,000</u>
Total non-current assets	<u>24,039</u>	<u>148,743</u>
Total assets	<u><u>\$ 1,405,160</u></u>	<u><u>\$ 1,607,017</u></u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 78,455	\$ 84,659
Advanced special event contributions	43,637	-
Deferred rent	<u>5,736</u>	<u>3,829</u>
Total liabilities	127,828	88,488
NET ASSETS		
Without donor restrictions		
Board designated reserve	728,313	728,313
Undesignated	<u>418,019</u>	<u>338,216</u>
Total without donor restrictions	1,146,332	1,066,529
With donor restrictions	<u>131,000</u>	<u>452,000</u>
Total net assets	<u>1,277,332</u>	<u>1,518,529</u>
Total liabilities and net assets	<u><u>\$ 1,405,160</u></u>	<u><u>\$ 1,607,017</u></u>

See accompanying notes.

**IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
COMBINED STATEMENT OF ACTIVITIES
Year Ended December 31, 2020**

	Without Donor Restrictions	With donor Restrictions	Total
REVENUES			
Contributions	\$ 638,331	\$ 10,000	\$ 648,331
Foundation grants	113,393	20,000	133,393
Government grants	267,980	-	267,980
In-kind contributions	32,072,511	-	32,072,511
Special event revenue	522,831	-	522,831
Other income	13,955	-	13,955
Net assets released from restrictions			
Expiration of time restrictions	351,000	(351,000)	-
Total revenue	33,980,001	(321,000)	33,659,001
EXPENSES			
Program services			
Legal	33,012,464	-	33,012,464
Outreach	194,386	-	194,386
Advocacy	865	-	865
Total program services	33,207,715	-	33,207,715
Supporting activities			
Management and general	203,951	-	203,951
Fundraising	488,532	-	488,532
Total expenses	33,900,198	-	33,900,198
Change in net assets	79,803	(321,000)	(241,197)
Net assets at beginning of year	1,066,529	452,000	1,518,529
Net assets at end of year	\$ 1,146,332	\$ 131,000	\$ 1,277,332

See accompanying notes.

**IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
COMBINED STATEMENT OF ACTIVITIES
Year Ended December 31, 2019**

	<u>Without Donor Restrictions</u>	<u>With donor Restrictions</u>	<u>Total</u>
REVENUES			
Contributions	\$ 787,521	\$ -	\$ 787,521
Foundation grants	371,447	452,000	823,447
Government grants	30,000	-	30,000
In-kind contributions	28,503,656	-	28,503,656
Special event revenue	747,962	-	747,962
Less costs of direct benefits to donors	(101,611)	-	(101,611)
Other income	8,958	-	8,958
Net assets released from restrictions			
Expiration of time restrictions	<u>174,583</u>	<u>(174,583)</u>	<u>-</u>
Total revenue	30,522,516	277,417	30,799,933
EXPENSES			
Program services			
Legal	29,371,576	-	29,371,576
Outreach	233,369	-	233,369
Advocacy	<u>3,016</u>	<u>-</u>	<u>3,016</u>
Total program services	29,607,961	-	29,607,961
Supporting activities			
Management and general	376,851	-	376,851
Fundraising	<u>528,854</u>	<u>-</u>	<u>528,854</u>
Total expenses	30,513,666	-	30,513,666
Change in net assets	8,850	277,417	286,267
Net assets at beginning of year	<u>1,057,679</u>	<u>174,583</u>	<u>1,232,262</u>
Net assets at end of year	<u>\$ 1,066,529</u>	<u>\$ 452,000</u>	<u>\$ 1,518,529</u>

See accompanying notes.

**IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2020**

	Program Services			Total Program Services	Supporting Activities		Total Expenses
	Legal	Outreach	Advocacy		Management and General	Fundraising	
Donated legal services	\$ 32,012,472	\$ 7,200	\$ -	\$ 32,019,672	\$ 52,839	\$ -	\$ 32,072,511
Salaries	725,683	121,509	-	847,192	35,628	319,132	1,201,952
Payroll taxes, benefits, and expenses	165,534	29,453	-	194,987	7,855	69,732	272,574
Professional services	-	20,560	-	20,560	77,866	3,570	101,996
Rent	42,524	5,949	-	48,473	1,405	25,312	75,190
Computer and management information systems	16,100	2,252	-	18,352	532	9,584	28,468
Office supplies	13,934	1,630	-	15,564	2,778	9,951	28,293
Advertising and publicity	-	1,514	-	1,514	-	17,603	19,117
Food and refreshments	-	-	-	-	62	15,607	15,669
Telephone, fax and internet	9,094	854	-	9,948	202	3,633	13,783
Insurance	7,177	1,004	-	8,181	238	4,272	12,691
Bank and finance charges	-	-	-	-	11,558	-	11,558
Electricity and utilities	5,572	779	-	6,351	184	3,316	9,851
Postage and shipping	5,720	128	-	5,848	41	3,464	9,353
Subscriptions/dues	4,946	1,124	500	6,570	25	2,234	8,829
Miscellaneous	556	150	-	706	5,810	250	6,766
Amortization	-	-	-	-	4,825	-	4,825
Staff training and development	1,690	230	-	1,920	53	872	2,845
Conference	435	50	-	485	1,663	-	2,148
Travel	1,027	-	365	1,392	387	-	1,779
Total expenses	\$ 33,012,464	\$ 194,386	\$ 865	\$ 33,207,715	\$ 203,951	\$ 488,532	\$ 33,900,198

See accompanying notes.

**IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
COMBINED STATEMENT OF FUNCTIONAL EXPENSES
Year Ended December 31, 2019**

	Program Services			Supporting Activities			Costs of Direct Benefits to Donors	Total Expenses
	Legal	Outreach	Advocacy	Total Program Services	Management and General	Fundraising		
Donated legal services	\$ 28,503,656	\$ -	\$ -	\$ 28,503,656	\$ -	\$ -	\$ -	\$ 28,503,656
Salaries	571,100	146,109	1,604	718,813	198,649	291,276	-	1,208,738
Payroll taxes, benefits, and expenses	122,092	30,767	195	153,054	34,396	55,682	-	243,132
Professional services	-	6,839	-	6,839	75,485	18,004	-	100,328
Rent	68,247	15,617	74	83,938	15,312	36,470	-	135,720
Computer and management information systems	32,340	7,400	35	39,775	7,255	17,282	-	64,312
Office supplies	9,662	2,302	10	11,974	2,082	4,790	-	18,846
Advertising and publicity	-	7,391	-	7,391	-	15,739	-	23,130
Food and refreshments	133	351	-	484	3,927	40,156	101,611	146,178
Telephone, fax and internet	5,635	1,287	6	6,928	1,262	3,006	-	11,196
Insurance	6,462	1,479	7	7,948	1,449	3,453	-	12,850
Bank and finance charges	-	-	-	-	341	16,523	-	16,864
Electricity and utilities	7,035	1,610	8	8,653	1,579	3,759	-	13,991
Postage and shipping	3,088	48	-	3,136	47	1,951	-	5,134
Subscriptions/dues	4,841	280	500	5,621	2,587	4,084	-	12,292
Miscellaneous	6,838	91	49	6,978	13,804	26	-	20,808
Staff training and development	25,254	5,869	25	31,148	6,415	12,838	-	50,401
Conference	3,150	2,019	-	5,169	7,211	1,730	-	14,110
Travel	2,043	3,910	503	6,456	5,050	2,085	-	13,591
Total expenses	\$ 29,371,576	\$ 233,369	\$ 3,016	\$ 29,607,961	\$ 376,851	\$ 528,854	\$ 101,611	\$ 30,615,277
Less cost of direct benefits to donors included in revenue on the statement of activities	-	-	-	-	-	-	(101,611)	(101,611)
Total expenses included in the Statement of Functional Expenses section of the statement of activities	\$ 29,371,576	\$ 233,369	\$ 3,016	\$ 29,607,961	\$ 376,851	\$ 528,854	\$ -	\$ 30,513,666

IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
COMBINED STATEMENTS OF CASH FLOWS
Years ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ (241,197)	\$ 286,267
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Amortization	4,825	-
(Increase) decrease in assets		
Unconditional promises to give	315,781	(411,398)
Accounts receivable	(29,622)	(53,967)
Prepaid expenses	42,297	2,405
Security deposit	19,879	-
Increase (decrease) in liabilities		
Accounts payable and accrued liabilities	(6,204)	(35,884)
Advanced special event contributions	43,637	-
Deferred rent	1,907	(5,631)
	<u>151,303</u>	<u>(218,208)</u>
Net cash flows from operating activities	151,303	(218,208)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	-	(24,814)
	<u>-</u>	<u>(24,814)</u>
Net change in cash and cash equivalents	151,303	(243,022)
Cash at beginning of year	1,026,157	1,269,179
	<u>1,026,157</u>	<u>1,026,157</u>
Cash at end of year	<u>\$ 1,177,460</u>	<u>\$ 1,026,157</u>

See accompanying notes.

IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Immigration Equality is a national 501(c)(3) not-for-profit 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 LGBTQ and HIV-positive immigrants and their families. Immigration Equity 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 LGBTQ-inclusive Comprehensive Immigration Reform. Immigration Equality Action Fund lobbies legislators and other policy makers, builds coalitions, and empowers LGBTQ immigrant families around the country to fight for change. Its primary source of revenue is contributions.

Immigration Equality and Immigration Equality Action fund are herein collectively referred to as the “Organization.”

Promises to Give

Unconditional promises to give are recognized as revenue in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. Unconditional promises to give receivable in more than one year are reported at the present value of their net realizable value, using the risk-free interest rate applicable to the years in which the promises to give are to be received, if material.

Accounts Receivable

Accounts receivable primarily represent amounts due for a refund of a canceled event. Accounts receivable are stated at the amount managements expects to be collected from outstanding balances. As of December 31, 2020 and 2019, management has determined that all amounts are fully collectible and no allowance for doubtful accounts is necessary.

Fixed Assets and Website

Fixed assets and website development costs in excess of \$5,000 are capitalized and stated at cost. Purchases of fixed assets and website development are capitalized at cost or, if donated, at their estimated fair value on the date of donation and are considered unrestricted unless the donor has restricted the donated asset for a specific purpose. Depreciation is computed using the straight-line method over the estimated useful lives of the individual assets.

Special Events

Payments received for special events are recorded as revenues when the related event occurs. Payments received in advance of the event are recorded as advanced special event contribution liabilities until the event takes place.

IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 the Organization.

Expense Allocation

The financial statements report certain categories of expenses that are attributable to more than one program service or supporting activity. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes, benefits and expenses, rent, electric and utilities, telephone, fax and internet, insurance, postage and shipping, office supplies, and computer and management information systems, which are allocated on the basis of estimates of time and effort. All other expenses are charged based upon the types of services performed and expenses incurred. The program services and supporting activities for 2020 and 2019 were as follows:

Legal – The Organization’s legal program provides pro bono legal services and advocacy for lesbian, gay, bisexual, transgender, queer (LGBTQ) and HIV-positive immigrants and maintains a hotline that provides free, accurate legal advice about complex legal questions to thousands of callers annually. A team of nine experienced immigration lawyers, paralegals, and 1 law clerk answer all hotline inquiries. The Organization and its pro bono program directly represent hundreds of LGBTQ and HIV-positive asylum seekers. The Organization also runs a dedicated hotline for LGBTQ and HIV-positive asylum seekers held in immigration detention facilities, connecting them with direct legal representation or providing them materials for them to prepare their own case in immigration court.

Outreach – The Organization’s communications and public engagement efforts focus on the threats to LGBTQ and HIV-positive people’s safety and equality, and how the government must remedy them. The Organization’s communications team regularly secures state and national level media placements on their issues across print and digital media outlets, television, and radio. More than 20,000 activists, attorneys, faith leaders, and other constituents subscribe to the Organization’s emails and action alerts, and their website has hundreds of thousands of unique visitors per year. They have more than 27,000 Facebook fans, more than 16,000 Twitter followers, and 8,000 Instagram followers.

Advocacy – The Organization advocates against administrative regulations that harm LGBTQ and HIV-positive asylum seekers by submitting public comments, filing complaints with federal agencies, and organizing their supporters to contact these same governmental bodies. The Organization also litigates on behalf of same-sex couples and their families who have been discriminated against by the U.S. government.

Management and General – Includes the activities necessary to ensure proper administrative functioning of the board of directors, manage the financial and budgetary responsibilities, and perform other administrative functions.

Fundraising – Provides the structure necessary to encourage and secure private financial support from government agencies, individuals, foundations, and others.

**IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2020 and 2019**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contributions

Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor contributions with donor restrictions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Income Tax Status

Immigration Equality is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

Immigration Equality Action Fund is exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code.

Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could differ from those estimates.

Date of Management’s Review

Management has evaluated subsequent events through September 24, 2021, the date which the financial statements were available to be issued.

Reclassification

Certain accounts in the prior year financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

NOTE 2 – PROMISES TO GIVE

Unconditional promises to give consisted of the following as of December 31:

	2020	2019
Receivable in less than one year	\$ 159,145	\$ 374,926
Receivable in more than one year	-	100,000
Unconditional promises to give	\$ 159,145	\$ 474,926

IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 3 – CONCENTRATIONS

The Organization maintains its cash and cash equivalent balances at two financial institutions located in New York, New York. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2020 and 2019, the Organization's uninsured cash balances totaled approximately \$157,000 and \$58,000.

NOTE 4 – RETIREMENT PLAN

Effective May 1, 2018, the Organization adopted a 401(k) plan for all eligible employees who have completed three months of service. Contributions to the plan were at the discretion of employees. The Organization provided a matching contribution equal to 25% of the employee's contribution, up to an amount equal to 1% of the employee's salary. During 2020 the Organization amended the 401(k) plan to a non-elective 3% Safe Harbor contribution program with no staff contribution required. The contribution was ended in June 2020 due to the COVID downturn and was reinstated in March 2021 including retroactive contributions from 2020. During the years ended December 31, 2020 and 2019, the Organization contributed \$23,082 and \$6,173 to the plan.

NOTE 5 – FIXED ASSETS AND WEBSITE

Fixed assets and website consisted of the following as of December 31:

	2020	2019
Furniture and fixtures	\$ 2,798	\$ 2,798
Website	24,814	24,814
Less accumulated depreciation and amortization	(7,623)	(2,798)
Fixed assets and website, net	\$ 19,989	\$ 24,814

NOTE 6 – LEASING ARRANGEMENTS

During 2017, the Organizations renewed their lease for an additional three-year term, which expired in June 2020. The base rent required under the lease was \$10,930 per month, with an annual escalation of 3% (and a rental abatement of \$10,930 in the first year of the lease). On May 29, 2020, the Organizations amended their lease to a month-to-month basis with free rent commencing July 1, 2020 through September 30, 2020. The Organizations terminated this lease agreement in September 2020 and entered into a one-year agreement for new office space in Brooklyn, New York. Base rent is \$2,700 per month and the agreement includes 3 months of rent abatement. Rent expense in the years ended December 31, 2020 and 2019 totaled \$75,190 and \$135,720.

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 Statements of Financial Position. As of December 31, 2020 and 2019, the deferred rent liability totaled \$5,738 and \$3,829.

Future minimum lease payments total \$22,950 in 2021.

**IMMIGRATION EQUALITY
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NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 7 – LIQUIDITY AND AVAILABILITY

The following represents the Organization’s financial assets as of the dates of the statements of financial position, reduced by amounts not available for general expenditures within one year because of contractual or donor-imposed restrictions or internal board designations. General expenditures are defined as all budgeted programmatic and operational expenses for the subsequent calendar year.

	2020	2019
Cash	\$ 1,177,460	\$ 1,026,157
Unconditional promises to give	159,145	474,926
Accounts receivable	31,105	1,483
 Total financial assets at year-end	 1,367,710	 1,502,566
 Less those unavailable for general expenditures within one year, due to:		
Board designated reserve	(728,313)	(728,313)
Restricted by donor for use in future periods	-	(100,000)
 Financial assets available to meet cash needs for general expenditures within one year	 \$ 639,397	 \$ 674,253

The target minimum operating reserve is \$182,078, representing approximately one month of operating expenses, on average. The target minimum long-term reserve is \$546,235, representing approximately three months of operating expenses, on average. The calculation of average monthly operating expenses includes all recurring, predictable expenses such as salaries, payroll taxes, benefits and expenses, rent, office supplies, travel, and ongoing professional services. Depreciation and amortization, donated services, and other non-cash expenses are not included in the calculation. The amount of the reserve fund target minimum will be calculated each year as part of the budgeting process.

NOTE 8 – PAYCHECK PROTECTION PROGRAM LOAN

On May 2, 2020, the Organization received a \$262,980 loan under the Paycheck Protection Program (PPP) established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act and administered by the U.S. Small Business Administration (SBA). Subsequent to year end, the SBA approved forgiveness of the loan. The Organization must retain PPP documentation in its files for six years after the date the loan is forgiven or repaid in full and permit authorized representatives of SBA to access such files upon request. SBA may review any loan at any time at its discretion. Therefore, SBA may review the Organization’s good-faith certification concerning the necessity of its loan request, whether the Organization calculated the loan amount correctly, whether the Organization used loan proceeds for the allowable uses specified in the CARES Act, and whether the Organization is entitled to loan forgiveness in the amount claimed on its application. If SBA determines the Organization was ineligible for the loan or for forgiveness in whole or in part, SBA will seek repayment of the outstanding loan balance. The Organization accounted for the PPP loan as a government grant in accordance with FASB ASC 958-605.

IMMIGRATION EQUALITY
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NOTES TO COMBINED FINANCIAL STATEMENTS
December 31, 2020 and 2019

NOTE 9 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions as of December 31, 2020 and 2019 were available for use in future periods.

NOTE 10 – SUBSEQUENT EVENTS

On February 18, 2021, the Organization received a second draw Paycheck Protection Program loan of \$277,678. The loan accrues interest at 1% but payments are deferred until a determination of the amount of forgiveness is made. The amount of forgiveness depends, in part, on the total amount of eligible expenses paid by the Organization during the covered period. Eligible expenses include payroll costs, interest on mortgages, rent, and utilities. Any unforgiven portion is payable over two years. As of the date of the audit report, Management has not applied for forgiveness.

NOTE 11 – DONATED LEGAL SERVICES

The fair values of donated legal services are included in in-kind contributions on the statements of activities. The Organization recognized \$32,019,672 of donated legal and intern services for program activities and \$52,839 of donated legal services for management and general activities during 2020, and \$28,503,656 of donated legal services for program activities during 2019.

IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
COMBINING SCHEDULE OF FINANCIAL POSITION
December 31, 2020

	Immigration Equality	Immigration Equality Action Fund	Eliminations	Combined
ASSETS				
CURRENT ASSETS				
Cash	\$ 682,430	\$ 495,030	\$ -	\$ 1,177,460
Unconditional promises to give, current portion	159,145	-	-	159,145
Accounts receivable	44,414	-	(13,309)	31,105
Prepaid expenses	12,780	-	-	12,780
Other current assets	631	-	-	631
Total current assets	899,400	495,030	(13,309)	1,381,121
NON-CURRENT ASSETS				
Security deposit	4,050	-	-	4,050
Fixed assets and website, net	19,989	-	-	19,989
Total non-current assets	24,039	-	-	24,039
Total assets	\$ 923,439	\$ 495,030	\$ (13,309)	\$ 1,405,160
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	\$ 78,455	\$ 13,309	\$ (13,309)	\$ 78,455
Advanced special event contributions	43,637	-	-	43,637
Deferred rent	5,736	-	-	5,736
Total liabilities	127,828	13,309	(13,309)	127,828
NET ASSETS				
Without donor restrictions	664,611	481,721	-	1,146,332
With donor restrictions	131,000	-	-	131,000
Total net assets	795,611	481,721	-	1,277,332
Total liabilities and net assets	\$ 923,439	\$ 495,030	\$ (13,309)	\$ 1,405,160

IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
COMBINING SCHEDULE OF ACTIVITIES
Year Ended December 31, 2020

	Immigration Equality	Immigration Equality Action Fund	Eliminations	Combined
REVENUES				
Contributions	\$ 548,331	\$ 100,000	\$ -	\$ 648,331
Foundation grants	133,393	-	-	133,393
Government grants	267,980	-	-	267,980
In-kind contributions	32,072,511	-	-	32,072,511
Special event revenue	522,831	-	-	522,831
Other income	11,834	2,121	-	13,955
	<u>33,556,880</u>	<u>102,121</u>	<u>-</u>	<u>33,659,001</u>
Total revenue				
EXPENSES				
Program services				
Legal	33,012,464	-	-	33,012,464
Outreach	194,386	-	-	194,386
Advocacy	500	365	-	865
	<u>33,207,350</u>	<u>365</u>	<u>-</u>	<u>33,207,715</u>
Total program services				
Supporting activities				
Management and general	197,621	6,330	-	203,951
Fundraising	487,540	992	-	488,532
	<u>33,892,511</u>	<u>7,687</u>	<u>-</u>	<u>33,900,198</u>
Total expenses				
Change in net assets	(335,631)	94,434	-	(241,197)
Net assets at beginning of year	<u>1,131,242</u>	<u>387,287</u>	<u>-</u>	<u>1,518,529</u>
Net assets at end of year	<u>\$ 795,611</u>	<u>\$ 481,721</u>	<u>\$ -</u>	<u>\$ 1,277,332</u>

IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
SCHEDULE OF FUNCTIONAL EXPENSES - IMMIGRATION EQUALITY
Year Ended December 31, 2020

	Program Services			Total Program Services	Supporting Activities		Total Expenses
	Legal	Outreach	Advocacy		Management and General	Fundraising	
Donated legal services	\$ 32,012,472	\$ 7,200	\$ -	\$ 32,019,672	\$ 52,839	\$ -	\$ 32,072,511
Salaries	725,683	121,509	-	847,192	35,628	319,132	1,201,952
Payroll taxes, benefits, and expenses	165,534	29,453	-	194,987	7,855	69,732	272,574
Professional services	-	20,560	-	20,560	72,153	3,570	96,283
Rent	42,524	5,949	-	48,473	1,405	25,312	75,190
Computer and management information systems	16,100	2,252	-	18,352	532	9,584	28,468
Office supplies	13,934	1,630	-	15,564	2,778	9,951	28,293
Advertising and publicity	-	1,514	-	1,514	-	17,603	19,117
Food and refreshments	-	-	-	-	62	14,615	14,677
Telephone, fax and internet	9,094	854	-	9,948	202	3,633	13,783
Insurance	7,177	1,004	-	8,181	238	4,272	12,691
Bank and finance charges	-	-	-	-	11,558	-	11,558
Electricity and utilities	5,572	779	-	6,351	184	3,316	9,851
Postage and shipping	5,720	128	-	5,848	41	3,464	9,353
Subscriptions/dues	4,946	1,124	500	6,570	25	2,234	8,829
Miscellaneous	556	150	-	706	5,193	250	6,149
Amortization	-	-	-	-	4,825	-	4,825
Staff training and development	1,690	230	-	1,920	53	872	2,845
Conference	435	50	-	485	1,663	-	2,148
Travel	1,027	-	-	1,027	387	-	1,414
Total expenses	\$ 33,012,464	\$ 194,386	\$ 500	\$ 33,207,350	\$ 197,621	\$ 487,540	\$ 33,892,511

IMMIGRATION EQUALITY
IMMIGRATION EQUALITY ACTION FUND
SCHEDULE OF FUNCTIONAL EXPENSES - IMMIGRATION EQUALITY ACTION FUND
Year Ended December 31, 2020

	Program Services			Total Program Services	Supporting Activities		Total Expenses
	Legal	Outreach	Advocacy		Management and General	Fundraising	
Donated legal services	\$ -	-	-	\$ -	\$ -	\$ -	\$ -
Salaries	-	-	-	-	-	-	-
Payroll taxes, benefits, and expenses	-	-	-	-	-	-	-
Professional services	-	-	-	-	5,713	-	5,713
Rent	-	-	-	-	-	-	-
Computer and management information systems	-	-	-	-	-	-	-
Office supplies	-	-	-	-	-	-	-
Advertising and publicity	-	-	-	-	-	-	-
Food and refreshments	-	-	-	-	-	992	992
Telephone, fax and internet	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Bank and finance charges	-	-	-	-	-	-	-
Electricity and utilities	-	-	-	-	-	-	-
Postage and shipping	-	-	-	-	-	-	-
Subscriptions/dues	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	617	-	617
Amortization	-	-	-	-	-	-	-
Staff training and development	-	-	-	-	-	-	-
Conference	-	-	-	-	-	-	-
Travel	-	-	365	365	-	-	365
Total expenses	\$ -	\$ -	\$ 365	\$ 365	\$ 6,330	\$ 992	\$ 7,687