



**CAPITAL AREA IMMIGRANTS' RIGHTS COALITION**

**FINANCIAL STATEMENTS**

**DECEMBER 31, 2019**

**CAPITAL AREA IMMIGRANTS' RIGHTS COALITION**

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DECEMBER 31, 2019**

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## **Independent Auditors' Report**

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

We have audited the accompanying financial statements of the Capital Area Immigrants' Rights Coalition (CAIR Coalition), which comprise the statement of financial position as of December 31, 2019, and the related 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.

### ***Auditors' 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 auditors' 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 auditors consider 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 financial statements referred to above present fairly, in all material respects, the financial position of CAIR Coalition as of December 31, 2019, 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.

To the Board of Directors  
Capital Area Immigrants' Rights Coalition

***Emphasis of Matter***

As discussed in Note 2 of the financial statements, CAIR Coalition adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. Our opinion is not modified with respect to this matter.

***Report on Summarized Comparative Information***

We have previously audited CAIR Coalition's 2018 financial statements, and we expressed an unmodified audit opinion on those financial statements in our report dated October 3, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, 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.  
July 23, 2020

Certified Public Accountants

**CAPITAL AREA IMMIGRANTS' RIGHTS COALITION**

**STATEMENT OF FINANCIAL POSITION**

**DECEMBER 31, 2019**

**(WITH SUMMARIZED COMPARATIVE FINANCIAL INFORMATION AS OF DECEMBER 31, 2018)**

	<u>2019</u>	<u>2018</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 637,748	\$ 991,721
Contributions Receivable	345,976	120,503
Accounts Receivable	1,088,843	566,462
Prepaid Expenses	102,716	83,476
Other Assets	8,915	-
Total Current Assets	<u>2,184,198</u>	<u>1,762,162</u>
<b>Property and Equipment</b>		
Office Equipment	93,150	56,316
Furniture and Fixtures	2,140	2,140
Leasehold Improvements	11,821	3,221
Website	17,875	13,500
Software	8,147	-
	<u>133,133</u>	<u>75,177</u>
Less Accumulated Depreciation and Amortization	<u>(72,827)</u>	<u>(46,248)</u>
<b>Net Property and Equipment</b>	<u>60,306</u>	<u>28,929</u>
<b>Deposit</b>	<u>7,951</u>	<u>3,808</u>
<b>Total Assets</b>	<u><u>\$ 2,252,455</u></u>	<u><u>\$ 1,794,899</u></u>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 73,299	\$ 48,304
Accrued Payroll and Vacation	299,219	185,591
Refundable Advances	114,545	-
Deferred Rent	9,702	2,361
Total Current Liabilities	<u>496,765</u>	<u>236,256</u>
<b>Net Assets</b>		
Net Assets Without Donor Restrictions	1,106,671	1,008,602
Net Assets With Donor Restrictions		
Impact Lab	-	118,751
Legal Advocacy in Virginia	3,024	3,724
Detained Children's Program	157,638	34,577
General Legal Advocacy	393,357	324,986
Time Restricted	95,000	68,003
	<u>649,019</u>	<u>550,041</u>
Total Net Assets	<u>1,755,690</u>	<u>1,558,643</u>
<b>Total Liabilities and Net Assets</b>	<u><u>\$ 2,252,455</u></u>	<u><u>\$ 1,794,899</u></u>

*See accompanying Notes to Financial Statements.*

**CAPITAL AREA IMMIGRANTS' RIGHTS COALITION**

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>2019 Total</u>	<u>2018 Total</u>
<b>Revenue</b>				
Grants and Contributions	\$ 1,679,510	\$ 645,601	\$ 2,325,111	\$ 2,017,311
Contract Revenue	3,657,827	-	3,657,827	2,551,748
Donated Services	16,561,276	-	16,561,276	17,226,169
Other Revenue	1,042	-	1,042	3,997
Net Assets Released from Restrictions				
Impact Lab	118,751	(118,751)	-	-
Legal Advocacy in Virginia	700	(700)	-	-
Detained Children's Program	34,577	(34,577)	-	-
General Legal Advocacy	324,592	(324,592)	-	-
Time Restricted	68,003	(68,003)	-	-
<b>Total Revenue</b>	<b>22,446,278</b>	<b>98,978</b>	<b>22,545,256</b>	<b>21,799,225</b>
<b>Expenses</b>				
Program Services				
Legal	21,357,755	-	21,357,755	20,154,520
Outreach and Advocacy	8,489	-	8,489	16,052
Coalition	721	-	721	29,849
<b>Total Program Services</b>	<b>21,366,965</b>	<b>-</b>	<b>21,366,965</b>	<b>20,200,421</b>
Supporting Services				
Fundraising	301,789	-	301,789	232,926
General and Administration	679,455	-	679,455	494,069
<b>Total Supporting Services</b>	<b>981,244</b>	<b>-</b>	<b>981,244</b>	<b>726,995</b>
<b>Total Expenses</b>	<b>22,348,209</b>	<b>-</b>	<b>22,348,209</b>	<b>20,927,416</b>
Change in Net Assets	98,069	98,978	197,047	871,809
Net Assets, Beginning of Year	1,008,602	550,041	1,558,643	686,834
<b>Net Assets, End of Year</b>	<b>\$ 1,106,671</b>	<b>\$ 649,019</b>	<b>\$ 1,755,690</b>	<b>\$ 1,558,643</b>

*See accompanying Notes to Financial Statements.*

**CAPITAL AREA IMMIGRANTS' RIGHTS COALITION**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)**

	Legal	Outreach and Advocacy	Coalition	Total Program Services	Fundraising	General and Administration	2019 Total	2018 Total
Pro Bono Legal Services	\$ 16,561,276	\$ -	\$ -	\$ 16,561,276	\$ -	\$ -	\$ 16,561,276	\$ 17,226,169
Salaries	3,368,861	6,697	543	3,376,101	51,804	258,961	3,686,866	2,323,962
Payroll Taxes	251,711	495	41	252,247	3,829	19,408	275,484	171,482
Fringe Benefits	244,573	388	35	244,996	2,486	21,087	268,569	179,437
Staff Training	6,178	-	-	6,178	734	19,471	26,383	1,951
Travel	155,426	57	18	155,501	1,486	19,659	176,646	130,635
Office Expense	60,871	75	9	60,955	111,988	63,716	236,659	128,938
Rent Expense	315,171	558	54	315,783	4,318	29,207	349,308	229,829
Contractual Services	142,166	162	15	142,343	124,071	129,678	396,092	270,496
Communication Charges	680	-	-	680	-	44,152	44,832	26,903
Membership Dues	62,284	-	-	62,284	-	8,777	71,061	21,251
Equipment Rental and Maintenance	33,796	57	6	33,859	448	7,148	41,455	22,084
Printing and Publications	320	-	-	320	-	195	515	2,777
Taxes and Insurance	4,221	-	-	4,221	625	30,146	34,992	21,134
Depreciation and Amortization	-	-	-	-	-	26,580	26,580	13,903
In-House Litigation	148,055	-	-	148,055	-	-	148,055	154,617
Miscellaneous	2,166	-	-	2,166	-	1,270	3,436	1,848
<b>Total Expenses</b>	<b>\$ 21,357,755</b>	<b>\$ 8,489</b>	<b>\$ 721</b>	<b>\$ 21,366,965</b>	<b>\$ 301,789</b>	<b>\$ 679,455</b>	<b>\$ 22,348,209</b>	<b>\$ 20,927,416</b>

*See accompanying Notes to Financial Statements.*

**CAPITAL AREA IMMIGRANTS' RIGHTS COALITION**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2019**

**(WITH SUMMARIZED COMPARATIVE INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018)**

	<u>2019</u>	<u>2018</u>
<b>Cash Flows from Operating Activities</b>		
Change in Net Assets	\$ 197,047	\$ 871,809
Adjustments to Reconcile Change in Net Assets to Net Cash (Used in) Provided by Operating Activities		
Depreciation and Amortization	26,580	13,903
<u>(Increase) Decrease in Assets</u>		
Contributions Receivable	(225,473)	(45,503)
Accounts Receivable	(522,381)	(336,664)
Prepaid Expenses	(19,240)	(26,219)
Other Assets	(8,915)	-
Deposit	(4,143)	-
<u>Increase (Decrease) in Liabilities</u>		
Accounts Payable	24,995	594
Accrued Payroll and Vacation	113,628	83,167
Deferred Revenue	-	(1,567)
Refundable Advances	114,545	-
Deferred Rent	7,341	(994)
Net Cash (Used in) Provided by Operating Activities	<u>(296,016)</u>	558,526
<b>Cash Flows from Investing Activities</b>		
Purchases of Property and Equipment	<u>(57,957)</u>	<u>(22,107)</u>
Net Cash Used in Investing Activities	<u>(57,957)</u>	<u>(22,107)</u>
Net (Decrease) Increase in Cash and Cash Equivalents	<b>(353,973)</b>	536,419
Cash and Cash Equivalents, Beginning of Year	<u>991,721</u>	<u>455,302</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u><b>\$ 637,748</b></u>	<u><b>\$ 991,721</b></u>

*See accompanying Notes to Financial Statements.*



CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

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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 trainings 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.

*Coalition:* CAIR Coalition sponsors periodic coalition meetings that bring together community groups, immigrants, pro bono attorneys, and government representatives to increase the knowledge, skills, and impact of member organizations so that they can best meet the needs of the immigrants they serve.

*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.

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

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

*Income Taxes (Continued)*

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

*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.

*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, 2019, management believes all accounts receivable are collectible. Therefore, no reserve for bad debt expense has been recorded.

*Contributions Receivable*

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

*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.

*Property and Equipment*

Property and equipment, which consist of furniture and office equipment, are 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 \$500. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

*Revenue Recognition*

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.

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

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

*Contract Revenue*

Revenue from contracts is recorded over time as deliverables are completed.

*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 compensation, benefits, 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 allocated 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.

*Reclassifications*

Certain 2018 amounts have been reclassified for comparative purposes.

**CAPITAL AREA IMMIGRANTS' RIGHTS COALITION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

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

*Prior Year Summarized Information*

The financial statements include certain prior year summarized comparative totals as of and for the year ended December 31, 2018. 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, 2018, from which the summarized information was derived.

**2. ADOPTION OF NEW ACCOUNTING STANDARDS**

*Adoption of Accounting Standards Update 2018-08*

During the year ended December 31, 2019, CAIR Coalition adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The ASU provides additional guidance in (1) evaluating whether transactions should be accounted for as contributions (within the scope of ASC 958) or as exchange (reciprocal) transactions (subject to ASC 606); and (2) distinguishing between conditional and unconditional contributions. The ASU was adopted using the modified prospective basis. The adoption of ASU 2018-08 resulted in CAIR Coalition recognizing approximately \$65,000 of a conditional grant for \$180,000 due to certain measurable barriers.

*Adoption of Accounting Standards Codification Topic 606*

During the year ended December 31, 2019, CAIR Coalition adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*. The standard requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The updated standard replaces most existing revenue recognition guidance in U.S. GAAP.

This change in accounting principle was adopted using the modified retrospective method to all contracts open at January 1, 2019. Analysis of the various provisions of this standard resulted in no significant changes in the way CAIR Coalition recognizes revenue; however, the presentation and disclosure of revenue has been enhanced.

**3. 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 maintains a line of credit with Capital One Bank for \$260,000 at the bank's index interest rate plus 2.65%. There is no outstanding balance as of December 31, 2019. The line of credit is secured by substantially all assets of CAIR Coalition.

**CAPITAL AREA IMMIGRANTS' RIGHTS COALITION**

**NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019**

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**3. LIQUIDITY AND AVAILABILITY OF RESOURCES (CONTINUED)**

The following reflects CAIR Coalition's financial assets as of December 31, 2019, reduced by amounts not available for general operating expenditure within one year:

*Financial Assets*

Cash and Cash Equivalents	\$ 637,748
Contributions Receivable	345,976
Accounts Receivable	1,088,843
Other Assets	8,915
Less Amounts Restricted by Donors for Purpose	<u>(554,019)</u>
Total Financial Assets Available within One Year	1,527,463

*Other Liquidity Resources*

Available Line of Credit	<u>260,000</u>
Total Financial Assets and Liquidity Resources Available within One Year	<u><u>\$ 1,787,463</u></u>

**4. TAX SHELTERED ANNUITY PLAN**

In 2000, CAIR Coalition established 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 determines a discretionary employee matching contribution for each plan year. CAIR Coalition's discretionary matching contribution was approximately \$10,000 for the year ended December 31, 2019.

**5. DONATED SERVICES**

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

**6. CONCENTRATIONS**

As of December 31, 2019, 75% of accounts receivable was due from one funding source and 74% of contributions receivable was due from two donors.

One funding source accounted for 90% of the contract revenue for the year ended December 31, 2019.

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, the CAIR Coalition's cash balances exceeded the FDIC insurance amount. Management believes the risk in these situations to be minimal.

**7. OFFICE AND EQUIPMENT LEASES**

CAIR Coalition has several non-cancelable lease agreements for office space, expiring at various times through December 2021. CAIR Coalition also has a copier lease agreement that extends through September 2021 and is accounted for as an operating lease.

CAPITAL AREA IMMIGRANTS' RIGHTS COALITION

NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2019

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**7. OFFICE AND EQUIPMENT LEASES (CONTINUED)**

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

For the Years Ending December 31,

2020	\$ 368,777
2021	<u>322,221</u>
Total	<u><u>\$ 690,998</u></u>

**8. CONDITIONAL GRANT**

CAIR Coalition received a grant, of which a portion is conditional. The conditional portion has 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, 2019. The conditional portion of the grant in the amount of approximately \$115,000 requires certain measurable barriers to be met such as providing legal representation to a specified number of detained immigrants. Refundable advances reflect the portion of the conditional contribution received in advance of meeting the required condition. These advances will be subsequently recognized as grants and contributions revenue when donor conditions have been met.

**9. SUBSEQUENT EVENTS**

The spread of COVID-19 (coronavirus disease) has had a disruptive impact on the daily life and operations of individuals, businesses, and nonprofit organizations around the world. There is uncertainty about financial and economic impacts in all sectors of the economy. The financial markets have experienced significant volatility, and this may continue for an extended period of time. In light of these circumstances, management continues to assess how best to adapt to changed circumstances.

CAIR Coalition has received a Small Business Administration (SBA) loan under the Paycheck Protection Program (PPP) in the amount of \$860,700. PPP provides up to eight or twenty-four weeks of cash-flow assistance through 100% federally guaranteed loans to eligible recipients to maintain payroll during the COVID-19 public health emergency and cover certain other expenses. The first loan payment is deferred for ten months. If CAIR Coalition maintains its workforce and meets certain requirements, up to 100% of the loan is forgivable by the SBA if the loan proceeds are used to cover the first eight or twenty-four weeks of payroll, and certain other expenses. The Treasury Department anticipates that no more than 40% of the forgiven amount may be for non-payroll costs. Also, if CAIR Coalition does not retain its entire workforce, the level of forgiveness is reduced by the percentage of the decrease. Loans under PPP have an interest rate of 1% and a maturity of two to five years.

Subsequent events were evaluated through July 23, 2020, which is the date the financial statements were available to be issued.