

National Immigration Forum, Inc. and Affiliate

Consolidated Financial Report
December 31, 2020

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Independent Auditor's Report

RSM US LLP

Board of Directors
National Immigration Forum, Inc.

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of the National Immigration Forum, Inc. and Affiliate (collectively, the Organization), which comprise the consolidated statements of financial position as of December 31, 2020 and 2019, the related consolidated statements of activities, functional expenses and cash flows for the years then ended and the related notes to the consolidated financial statements (collectively, 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of 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 Organization'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 National Immigration Forum, Inc. and Affiliate as of December 31, 2020 and 2019, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

RSM US LLP

Washington, D.C.
June 18, 2021

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National Immigration Forum, Inc and Affiliate
Consolidated Statements of Financial Position
December 31, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	\$ 1,416,990	\$ 1,682,093
Investments	6,279,913	4,334,448
Accounts receivable	40,000	46,360
Contributions and grants receivable	1,761,124	1,754,597
Prepaid expenses and deposits	74,359	69,730
Property and equipment, net	34,279	75,096
	<hr/>	<hr/>
Total assets	\$ 9,606,665	\$ 7,962,324
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 245,909	\$ 258,500
Deferred revenue	41,800	-
Note payable	357,700	-
Deferred rent	35,017	112,044
	<hr/>	<hr/>
Total liabilities	680,426	370,544
Commitments and contingencies (Notes 9 and 10)		
Net assets:		
Without donor restrictions:		
Undesignated	2,119,989	2,126,487
Board-designated	925,030	564,099
	<hr/>	<hr/>
	3,045,019	2,690,586
With donor restrictions	5,881,220	4,901,194
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Total net assets	8,926,239	7,591,780
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Total liabilities and net assets	\$ 9,606,665	\$ 7,962,324

See notes to consolidated financial statements.

National Immigration Forum, Inc and Affiliate

**Consolidated Statements of Activities
Years Ended December 31, 2020 and 2019**

	2020	2019
Activities without donor restrictions:		
Revenue and support:		
Contributions	\$ 255,371	\$ 522,373
Awards event	154,500	173,430
Comprehensive immigration reform and integration	57,500	60,000
Other revenue	6,591	16,389
Interest income	5,094	36,937
Net assets released from restrictions	6,229,724	5,444,556
Total revenue and support	6,708,780	6,253,685
Expenses:		
Program services:		
Communications	2,697,776	1,869,575
Constituencies – reform	930,481	1,271,886
Policy	901,988	858,643
Constituencies – integration	767,204	1,081,521
Awards event	199,138	262,926
Associates and governance	86,335	179,937
Total program services	5,582,922	5,524,488
Supporting services:		
Management and general	304,308	283,364
Fundraising	467,117	354,017
Total supporting services	771,425	637,381
Total expenses	6,354,347	6,161,869
Change in net assets without donor restrictions	354,433	91,816
Activities with donor restrictions:		
Contributions and grants	7,209,750	7,459,000
Net assets released from restrictions	(6,229,724)	(5,444,556)
Change in net assets with donor restrictions	980,026	2,014,444
Change in net assets	1,334,459	2,106,260
Net assets:		
Beginning	7,591,780	5,485,520
Ending	\$ 8,926,239	\$ 7,591,780

See notes to consolidated financial statements.

National Immigration Forum, Inc and Affiliate

**Consolidated Statement of Functional Expenses
Year Ended December 31, 2020**

	Program Services						Supporting Services					Total
	Communications	Constituencies – Reform	Policy	Constituencies – Integration	Awards Event	Associates and Governance	Total Program Services	Management and General	Fundraising	Total Supporting Service		
Salaries and benefits	\$ 702,839	\$ 357,484	\$ 651,103	\$ 433,718	\$ 93,119	\$ 72,532	\$ 2,310,795	\$ 264,307	\$ 342,256	\$ 606,563	\$ 2,917,358	
Professional fees	882,635	494,375	125,866	205,260	85,428	3,111	1,796,675	17,760	47,722	65,482	1,862,157	
Advertising	825,383	-	-	-	-	-	825,383	-	-	-	825,383	
Occupancy	67,319	32,945	62,096	41,203	8,953	6,942	219,458	10,917	32,864	43,781	263,239	
Dues and publications	155,414	3,482	22,418	49,496	265	209	231,284	628	18,036	18,664	249,948	
Travel and conference	15,249	21,290	5,094	13,464	5,747	69	60,913	169	7,143	7,312	68,225	
Depreciation	14,503	6,470	14,759	10,486	2,052	1,622	49,892	4,869	7,708	12,577	62,469	
Other expenses	23,061	7,768	8,941	6,751	2,666	1,147	50,334	2,988	5,852	8,840	59,174	
Telephone	11,373	6,667	11,711	6,826	908	703	38,188	2,670	5,536	8,206	46,394	
	\$ 2,697,776	\$ 930,481	\$ 901,988	\$ 767,204	\$ 199,138	\$ 86,335	\$ 5,582,922	\$ 304,308	\$ 467,117	\$ 771,425	\$ 6,354,347	

See notes to consolidated financial statements.

National Immigration Forum, Inc and Affiliate

**Consolidated Statement of Functional Expenses
Year Ended December 31, 2019**

	Program Services						Supporting Services					Total
	Communications	Constituencies – Reform	Constituencies – Integration	Policy	Awards Event	Associates and Governance	Total Program Services	Management and General	Fundraising	Total Supporting Service		
Salaries and benefits	\$ 697,389	\$ 362,498	\$ 413,018	\$ 626,881	\$ 100,688	\$ 94,974	\$ 2,295,448	\$ 246,382	\$ 160,991	\$ 407,373	\$ 2,702,821	
Professional fees	698,987	664,290	463,812	52,917	50,728	29,019	1,959,753	9,979	101,486	111,465	2,071,218	
Travel and conference	77,680	171,038	52,532	27,177	82,547	38,967	449,941	446	47,343	47,789	497,730	
Occupancy	67,982	31,789	40,399	65,467	11,432	9,442	226,511	11,669	15,540	27,209	253,720	
Dues and publications	117,769	4,081	82,166	25,924	371	233	230,544	534	12,292	12,826	243,370	
Advertising	126,656	124	-	-	-	-	126,780	-	-	-	126,780	
Other expenses	26,653	20,506	8,601	24,179	12,327	3,020	95,286	4,182	8,746	12,928	108,214	
Depreciation	21,542	7,682	15,290	24,299	3,627	3,178	75,618	7,284	4,978	12,262	87,880	
Telephone	34,917	9,878	5,703	11,799	1,206	1,104	64,607	2,888	2,641	5,529	70,136	
	<u>\$ 1,869,575</u>	<u>\$ 1,271,886</u>	<u>\$ 1,081,521</u>	<u>\$ 858,643</u>	<u>\$ 262,926</u>	<u>\$ 179,937</u>	<u>\$ 5,524,488</u>	<u>\$ 283,364</u>	<u>\$ 354,017</u>	<u>\$ 637,381</u>	<u>\$ 6,161,869</u>	

See notes to consolidated financial statements.

National Immigration Forum, Inc and Affiliate

**Consolidated Statements of Cash Flows
Years Ended December 31, 2020 and 2019**

	2020	2019
Cash flows from operating activities:		
Change in net assets	\$ 1,334,459	\$ 2,106,260
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	62,469	87,880
Deferred rent	(77,027)	(69,586)
Change in assets and liabilities		
(Increase) decrease in:		
Accounts receivable	6,360	(16,360)
Contributions and grants receivable	(6,527)	(1,103,718)
Prepaid expenses and deposits	(4,629)	(24,248)
Increase (decrease) in:		
Accounts payable and accrued expenses	(12,591)	15,471
Deferred revenue	41,800	-
Net cash provided by operating activities	1,344,314	995,699
Cash flows from investing activities:		
Sales of investments	545,000	1,026,263
Purchases of investments	(2,490,465)	(1,535,000)
Purchases of property and equipment	(21,652)	(11,138)
Net cash used in investing activities	(1,967,117)	(519,875)
Cash flows from financing activities:		
Proceeds from note payable	357,700	-
Net cash provided by investing activities	357,700	-
Net (decrease) increase in cash and cash equivalents	(265,103)	475,824
Cash and cash equivalents:		
Beginning	1,682,093	1,206,269
Ending	\$ 1,416,990	\$ 1,682,093

See notes to consolidated financial statements.

National Immigration Forum, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Principles

Nature of activities: The National Immigration Forum, Inc. (the Forum), founded in 1982, is a nonprofit organization that embraces and upholds America's tradition as a nation of immigrants. The Forum advocates and builds public support for public policies that welcome immigrants and refugees and that are fair and supportive to newcomers in our country. The Forum employs a combination of advocacy, media work, targeted research, training, and public education to provide data to policy-makers, the press, and the public about the contributions of immigrants to American society.

America is Better (AIB) (formerly National Immigration Forum Action Fund) was formed in 2009 for the purposes of increasing the profile of policy issues that affect immigrants and influencing federal legislation for the benefit of immigrants.

A summary of the Organization's significant accounting policies as follows:

Principles of consolidation: The consolidated financial statements include the accounts of the National Immigration Forum, Inc. and America is Better (collectively referred to as the Organization). Significant inter-entity accounts and transactions have been eliminated in consolidation.

Basis of presentation: The consolidated financial statement presentation follows the recommendation of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC). As required by the Non-profit Entities Topic of the FASB ASC, the Organization is required to report information regarding its financial position and activities according to two classes to net assets, as follows:

Net assets without donor restrictions: Net assets without donor restrictions include undesignated funds that are available for the support of the Organization's activities and not subject to donor-imposed restrictions. The board established a designated reserve fund in case of any future emergencies. The funds are to be invested and used only as directed by the board. As of December 31, 2020 and 2019, the board-designated reserve was \$925,030 and \$564,099, respectively.

Net assets with donor restrictions: Net assets with donor restrictions represent the portion of net assets whose use by the Organization has been restricted by donors with specified time or purpose limitations

Income tax status: The Forum is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation within the meaning of Section 509(a)(1) of the Internal Revenue Code. AIB is exempt from the payment of income taxes on its exempt activities under Section 501(c)(4) of the Internal Revenue Code.

Use of estimates: The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

National Immigration Forum, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Principles (Continued)

Cash and cash equivalents: For financial statement purposes, the Organization considers all highly liquid investments with an original maturity of three months or less that are not held for investment purposes to be cash and cash equivalents.

Investments: Investments, consisting of certificates of deposit, with readily determinable fair values are reflected at fair value. To adjust the carrying value of these investments, the change in fair value is charged or credited to current operations net or related fees. Money market funds are recorded at cost.

Financial risk: The Organization maintains demand deposits with commercial banks and money market funds with financial institutions. At times, certain balances held within these accounts may not be fully guaranteed or insured by the U.S. federal government. The uninsured portions of cash and money market accounts are backed solely by the assets of the underlying institution. As such, the failure of an underlying institution could result in financial loss to the Organization.

The Organization also invests some of its funds in professionally managed portfolios that contains money market funds and certificates of deposit. Such investments are exposed to market and credit risks. As a result, the investment balances reported in the accompanying financial statements may not be reflective of the portfolio's value during subsequent periods.

Accounts receivable: Accounts receivable primarily consist of events receivable. Accounts receivable are presented at the net amount due to the Organization. The Organization's management periodically reviews the status of all accounts receivable balances for collectability. Each balance is assessed based on management's knowledge of the customer, the Organization's relationship with the customer, and the age of the receivable balance. As a result of these reviews, customer balances deemed to be uncollectible are charged directly to bad debt expense. Management believes that the use of the direct write-off method approximates the results that would be presented if an allowance for bad debts had been recorded.

Contributions and grants receivable: Unconditional promises to give are recognized as revenue in the period the promises are received. The management of the Organization reviews the collectability of the contribution and grants receivable on a regular basis. No reserve for doubtful accounts has been established because management expects to collect all contributions and grants receivable in full.

Property and equipment: The Organization capitalizes all property and equipment acquisitions in excess of \$1,000. Furniture and equipment assets are recorded at cost. Depreciation is provided on a straight-line basis over the estimated useful lives of assets ranging from three to ten years.

Deferred rent: The Organization recognizes the minimum rents acquired under a lease as rent expense on a straight-line basis over the term of the lease. Differences between amounts recorded as expense and amounts actually paid are reported as deferred rent in the financial statements.

National Immigration Forum, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 1. Nature of Activities and Significant Accounting Principles (Continued)

Revenue recognition and deferred revenue: Awards event revenue is recognized at the time the event occur and are billed in advance. Any monies received by the Organization in advance of the events are recorded as deferred event revenue.

There are no rights of return or refunds for the majority of revenue streams. Payments are due upon receipt of invoice. The Organization did not have any impairment or credit losses on any receivables or contract assets arising from contracts with customers. There are also no incremental costs of obtaining a contract and no significant financing components. There are no significant changes in the judgements affecting the determination of the amount and timing of revenue from contracts with customers with the adoption of the accounting standard described under recent accounting pronouncement adopted below.

Economic factors driven by consumer confidence, employment, inflation, and other world events impact the timing and level of cash received and revenue recognized by the Organization. Periods of economic downturn resulting from any of the above factors may result in declines in future cash flows and recognized revenue of the Organization.

Contributions and grants: Unconditional contributions and grants are recorded depending upon the existence and/or nature of donor restrictions. Support that is restricted by the donor is reported as an increase in net assets with donor restriction when the contribution is recognized. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), the amounts are reclassified to net assets without donor restriction and reported in the consolidated statements of activities as net assets released from restrictions. The Organization has not received any support with donor restrictions in perpetuity.

Functional allocation of expense: Expenses have been summarized on a functional basis in the consolidated statements of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Allocable costs include salaries and employee benefits, occupancy and depreciation. The costs are allocated among program services and supporting services activities based on employee effort.

Upcoming accounting pronouncement: FASB Accounting Standards Update 2016-02, *Leases (Topic 842)* supersedes the leasing guidance in Topic 840, *Leases*. Under the new guidance, lessees are required to recognize lease assets and lease liabilities on the balance sheets for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the consolidated statements of activities. The new standard is effective for the Organization's year ending December 31, 2022. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the consolidated financial statements, with certain practical expedients available. The Organization is currently evaluating the impact of the adoption of the new standard on the consolidated financial statements.

Subsequent events: Subsequent events have been evaluated through June 18, 2021, which is the date the consolidated financial statements were available to be issued.

National Immigration Forum, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 2. Investments

In accordance with accounting principles generally accepted in the United States of America, the Organization uses the following prioritized input levels to measure fair value of investments recorded at fair value. The input levels used for valuing investments are not necessarily an indication of risk.

Level 1: Observable inputs that reflect quoted prices for identical assets or liabilities in active markets, such as stock quotes.

Level 2: Includes inputs other than Level 1 inputs that are directly or indirectly observable in the marketplace, such as yield curves or other market data.

Level 3: Unobservable inputs which reflect the reporting entity's assessment of the assumptions that market participants would use in pricing the asset or liability including assumptions about risk, such as bid/ask spreads and liquidity discounts.

Investments recorded at fair value which are classified as Level 2 include certificates of deposit. The certificates of deposit were valued by pricing vendors using outside data. In determining the fair value of these investments, the pricing vendors use a market approach and pricing spreads based on the credit risk of the issuer, maturity, current yields, and other terms and conditions of each security.

Investments recorded at cost include non-exchanged traded money market funds. Investments at cost are not required to be classified in one of the levels prescribed by the fair value hierarchy.

Investments consisted of the following at December 31:

2020	Total	Level 1	Level 2	Level 3
Investments at fair market value:				
Certificates of deposit	\$ -	\$ -	\$ -	\$ -
Investments at cost:				
Money market funds	6,279,913			
	<u>\$ 6,279,913</u>			
2019	Total	Level 1	Level 2	Level 3
Investments at fair market value:				
Certificates of deposit	\$ 552,154	\$ -	\$ 552,154	\$ -
Investments at cost:				
Money market funds	3,782,294			
	<u>\$ 4,334,448</u>			

National Immigration Forum, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 3. Contributions and Grant Receivable

Unconditional: At December 31, 2020 and 2019, contributions and grants receivable totaled \$1,761,124 and \$1,754,597 respectively. Contributions and grants receivable at December 31, 2019, are expected to be collected during the year ending December 31, 2020.

Conditional: During 2019, the Organization received a conditional contribution in which the donor intended to pay \$1,150,000 in two annual installments of \$575,000 from 2019 to 2021. The promise to give was conditional because each annual installment was subject to approval by the donor's Board of Directors. Due to the conditional nature of the promise to give, the Organization did not record a grant receivable for the remaining installment. Instead, the Organization will record the final installment of \$575,000 when the payment was received after the conditional nature of the installment had been removed via approval by the donor's Board of Directors.

During 2020, the Organization received a conditional contribution in which the donor intended to pay \$1,000,000 in two annual installments of \$500,000 from 2020 to 2021. The promise to give was conditional because each annual installment was subject to approval by the donor's Board of Directors. Due to the conditional nature of the promise to give, the Organization did not record a grant receivable for the remaining installment. Instead, the Organization will record the final installment of \$500,000 when the payment was received after the conditional nature of the installment had been removed via approval by the donor's Board of Directors.

Note 4. Liquidity

The Organization invests cash balances in excess of immediate liquidity needs in accordance with its investment policy. The following provides a summary of financial assets available for general expenditures at December 31, 2020 and 2019:

	2020	2019
Cash and cash equivalents	\$ 1,416,990	\$ 1,682,093
Investments	6,279,913	4,334,448
Accounts receivable	40,000	46,360
Contributions and grants receivable	1,761,124	1,754,597
Subtotal financial assets	<u>9,498,027</u>	<u>7,817,498</u>
Amounts not available within one year:		
Net assets with donor restrictions (purpose restricted)	<u>(3,751,220)</u>	<u>(3,405,361)</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 5,746,807</u>	<u>\$ 4,412,137</u>

The Organization's Board of Directors has designated a portion of its net assets without donor restriction. While board-designated net assets are invested to achieve long-term appreciation in addition to current income, such funds remain available and may be spent within one year at the discretion of the Board of Directors. Thus, they are included within the funds available for general expenditures total presented above.

National Immigration Forum, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 5. Property and Equipment

Property and equipment consisted of the following at December 31, 2020 and 2019:

	2020	2019
Property and equipment	\$ 504,447	\$ 482,795
Leasehold improvements	491,482	491,482
	995,929	974,277
Accumulated depreciation	(961,650)	(899,181)
	<u>\$ 34,279</u>	<u>\$ 75,096</u>

Note 6. Net Assets With Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes at December 31:

	2020	2019
Constituencies – integration and reform program restricted	\$ 3,751,220	\$ 3,405,361
General support/time restricted	2,130,000	1,495,833
	<u>\$ 5,881,220</u>	<u>\$ 4,901,194</u>

Note 7. Retirement Plan

The Organization has established a 401(k) retirement plan. An employee becomes eligible to participate once they have attained the age of eighteen and completed six months of service. Employer contributions to the 401(k) plan consist of discretionary amounts based on employee salary, years of service and total salary of all the participants. The Organization made contributions to the plan of \$118,890 and \$117,180 for the years ended December 31, 2020 and 2019, respectively.

Note 8. Line of Credit

In March 2015, the Organization obtained a line of credit of \$450,000. Under the terms of the line of credit, interest on the outstanding balance is calculated monthly using the London Interbank Offering Rate (LIBOR) plus a determined spread percentage. There is no termination date for the line of credit. There were no draws or repayments on the line of credit during the years ended December 31, 2020 and 2019.

National Immigration Forum, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 9. Commitments and Contingencies

Lease commitments: The Organization leased an office space in Washington, D.C. under a lease which will expire on May 31, 2021. In January 2021, the Organization entered into a new lease agreement which commences in June 2021. The base rent increases annually based on scheduled increases provided for in the lease. The difference between the straight-line rent expense and the required lease payments, is reflected as deferred rent in the accompanying consolidated statements of financial position.

The Organization also maintains an operating lease for a copier, which was entered into in 2020 and will expire in 2026. Future minimum payments under the terms of these lease agreements for future years are as follows:

Years ending December 31:	
2021	\$ 226,862
2022	166,201
2023	295,300
2024	344,486
2025	353,002
Thereafter	2,593,460
	<u>\$ 3,979,311</u>

Total rent expense attributable to the Organization's office space for the years ended December 31, 2020 and 2019 was \$257,907 and \$247,598, respectively.

Note 10. COVID-19 Pandemic

The continued global pandemic in 2020 has created substantial volatility in financial markets and the economy, including the geographic areas in which the Foundation operates. While the Organization has mitigated the financial impact to its business, it is unknown how long these conditions will last. Accordingly, there could be further negative impact to operations, the extent to which will depend on future developments which are highly uncertain and cannot be predicted, and as such cannot be determined.

As part of its response to the pandemic, the Organization applied for a federal Paycheck Protection Program (PPP) loan. The Organization's application was approved and a PPP loan of \$357,700 was received during the year ended December 31, 2020. The Organization has elected to account for the loan as a financial liability until the time at which forgiveness is received. Under the terms of the agreement, monthly payments will continue until either the lending institution receives communication of loan forgiveness from SBA, or May 2023, whichever is earlier. The loan bears interest at a fixed rate of 1%, and will be payable in equal payments of principal and interest. The loan is not security by any property of the Organization. The Organization believes that it will meet most, if not all, of the PPP loan requirements for debt forgiveness and the loan will be forgiven.

The PPP loans' future projected principal payments are as follows as of December 31:

Years ending December 31:	
2021	\$ 239,659
2022	118,041
	<u>\$ 357,700</u>

National Immigration Forum, Inc. and Affiliate

Notes to Consolidated Financial Statements

Note 10. COVID-19 Pandemic (Continued)

In March 2021, the Organization applied for and received forgiveness for the above mentioned PPP loan.

Also, in March 2021, the Organization applied for and received a second PPP loan in the amount of \$357,700. The Organization has elected to account for this loan as a financial liability until the time at which forgiveness is received. Under the terms of the agreement, monthly payments will continue until either the lending institution receives communication of loan forgiveness from Small Business Administration (SBA), or May 2023, whichever is earlier. The loan bears interest at a fixed rate of 1%, and will be payable in equal payments of principal and interest. The loan is not security by any property of the Organization. The Organization believes that it will meet most, if not all, of the PPP loan requirements for debt forgiveness and the loan will be forgiven.



RSM US LLP

Independent Auditor's Report on the Supplementary Information

Board of Directors
National Immigration Forum, Inc.

We have audited the consolidated financial statements of National Immigration Forum, Inc. and Affiliate (the Organization) as of and for the years ended December 31, 2020 and 2019, and have issued our report thereon, which contains an unmodified opinion on those consolidated financial statements. See page 1. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating and other supplementary information is presented for purposes of additional analysis rather than to present the financial position, changes in net assets and cash flows of the individual entities and is 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 consolidated financial statements. The consolidating and other supplementary information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated 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 consolidated financial statements as a whole.

RSM US LLP

Washington, D.C.
June 18, 2021

National Immigration Forum, Inc. and Affiliate

**Consolidating Statement of Financial Position
December 31, 2020**

	Forum	AIB	Eliminations	Total
Assets				
Cash and cash equivalents	\$ 254,337	\$ 1,162,653	\$ -	\$ 1,416,990
Investments	6,028,209	251,704	-	6,279,913
Accounts receivable	25,000	15,000	-	40,000
Contributions and grants receivable	1,711,124	50,000	-	1,761,124
Due from America is Better	228,711	-	(228,711)	-
Prepaid expenses and deposits	74,359	-	-	74,359
Property and equipment, net	34,279	-	-	34,279
Total assets	\$ 8,356,019	\$ 1,479,357	\$ (228,711)	\$ 9,606,665
Liabilities and Net Assets				
Liabilities:				
Accounts payable and accrued expenses	\$ 232,152	\$ 13,757	\$ -	\$ 245,909
Due to Forum	-	228,711	(228,711)	-
Deferred revenue	41,800	-	-	41,800
Note payable	357,700	-	-	357,700
Deferred rent	35,017	-	-	35,017
Total liabilities	666,669	242,468	(228,711)	680,426
Net assets:				
Without donor restrictions:				
Undesignated	1,313,967	735,022	71,000	2,119,989
Board-designated	925,030	-	-	925,030
	<u>2,238,997</u>	<u>735,022</u>	<u>71,000</u>	<u>3,045,019</u>
With donor restrictions	5,450,353	501,867	(71,000)	5,881,220
Total net assets	7,689,350	1,236,889	-	8,926,239
Total liabilities and net assets	\$ 8,356,019	\$ 1,479,357	\$ (228,711)	\$ 9,606,665

National Immigration Forum, Inc. and Affiliate

**Consolidating Statement of Activities
Year Ended December 31, 2020**

	Forum	AIB	Eliminations	Total
Activities without donor restrictions:				
Revenue and support:				
Contributions	\$ 255,371	\$ -	\$ -	\$ 255,371
Awards event	139,500	15,000	-	154,500
Comprehensive immigration reform and integration	57,500	-	-	57,500
Other revenue	6,591	-	-	6,591
Interest income	4,703	391	-	5,094
Net assets released from restrictions	4,943,924	1,285,800	-	6,229,724
Total revenue	5,407,589	1,301,191	-	6,708,780
Expense:				
Program services:				
Communications	1,976,834	720,942	-	2,697,776
Constituencies – integration	767,204	-	-	767,204
Constituencies – reform	680,123	250,358	-	930,481
Policy	747,390	154,598	-	901,988
Awards event	184,362	14,776	-	199,138
Associates and governance	75,507	10,828	-	86,335
Total program services	4,431,420	1,151,502	-	5,582,922
Supporting services:				
Management and general	230,044	74,264	-	304,308
Fundraising	416,524	50,593	-	467,117
Total supporting services	646,568	124,857	-	771,425
Total expenses	5,077,988	1,276,359	-	6,354,347
Change in net assets without restrictions	329,601	24,832	-	354,433
Activities with donor restrictions:				
Contributions and grants	6,009,750	1,200,000	-	7,209,750
Net assets released from restrictions	(4,943,924)	(1,285,800)	-	(6,229,724)
Change in net assets with restriction	1,065,826	(85,800)	-	980,026
Change in net assets	1,395,427	(60,968)	-	1,334,459
Net assets:				
Beginning	6,293,923	1,297,857	-	7,591,780
Ending	\$ 7,689,350	\$ 1,236,889	\$ -	\$ 8,926,239

National Immigration Forum, Inc. and Affiliate

Schedule of Functional Expenses – National Immigration Forum, Inc. Year Ended December 31, 2020

	Program Services						Supporting Services				Total
	Constituencies –		Constituencies –		Awards Event	Associates and Governance	Total Program Services	Management and General	Fundraising	Total Supporting Services	
	Communications	Integration	Policy	Reform							
Salaries	\$ 442,646	\$ 345,389	\$ 450,453	\$ 197,505	\$ 62,628	\$ 49,496	\$ 1,548,117	\$ 148,602	\$ 235,251	\$ 383,853	\$ 1,931,970
Consultants	623,534	198,214	48,856	371,672	83,669	1,755	1,327,700	5,270	39,387	44,657	1,372,357
Advertising	567,268	-	-	-	-	-	567,268	-	-	-	567,268
Office rent	56,513	40,354	55,949	24,973	7,968	6,214	191,971	6,613	29,561	36,174	228,145
Health insurance	54,967	39,219	54,105	24,416	7,968	5,977	186,652	5,417	28,563	33,980	220,632
Dues and publications	97,396	49,496	22,418	3,482	265	209	173,266	628	18,036	18,664	191,930
FICA	35,686	25,599	35,548	15,767	4,984	3,964	121,548	4,929	18,761	23,690	145,238
Retirement plan	26,012	18,635	25,830	11,545	3,735	2,858	88,615	2,990	13,614	16,604	105,219
Depreciation expense	14,503	10,486	14,759	6,470	2,052	1,622	49,892	4,869	7,708	12,577	62,469
Telephone	7,202	6,510	9,784	4,486	658	520	29,160	1,560	4,695	6,255	35,415
Vacation accrual	-	-	-	-	-	-	-	33,723	-	33,723	33,723
Travel	10,814	5,729	4,855	4,790	129	68	26,385	168	7,140	7,308	33,693
Accounting fees	6,497	4,698	6,612	2,899	919	726	22,351	2,181	3,453	5,634	27,985
Office supplies	8,964	1,334	1,708	1,280	1,641	470	15,397	513	1,218	1,731	17,128
Space meeting rental	881	7,735	239	500	5,618	1	14,974	2	3	5	14,979
Disability insurance	2,926	2,074	2,888	1,278	391	324	9,881	1,462	1,534	2,996	12,877
Family leave	2,860	2,057	2,872	1,262	394	320	9,765	1,164	1,519	2,683	12,448
Professional development	1,246	960	-	548	-	-	2,754	7,049	-	7,049	9,803
Insurance - d & o, business	2,224	1,608	2,263	992	315	249	7,651	747	1,182	1,929	9,580
Legal services	1,884	1,362	1,917	840	267	211	6,481	632	1,001	1,633	8,114
Printing	1,278	830	1,419	2,125	242	96	5,990	287	631	918	6,908
Equipment purchases	1,590	849	896	959	125	99	4,518	296	468	764	5,282
Unemployment insurance	821	746	1,123	389	108	132	3,319	382	547	929	4,248
Commissary	1,033	590	822	457	30	24	2,956	72	524	596	3,552
Postage	1,253	414	549	312	84	60	2,672	181	287	468	3,140
Recruitment	1,732	870	95	380	-	-	3,077	-	-	-	3,077
Conference calls	1,729	316	529	296	19	15	2,904	44	82	126	3,030
Couriers	2,536	27	52	17	5	4	2,641	13	20	33	2,674
Interest Expense	539	390	549	241	76	60	1,855	181	287	468	2,323
Bank charges	300	213	300	242	72	33	1,160	69	1,052	1,121	2,281
Organizational support	-	500	-	-	-	-	500	-	-	-	500
Total	\$ 1,976,834	\$ 767,204	\$ 747,390	\$ 680,123	\$ 184,362	\$ 75,507	\$ 4,431,420	\$ 230,044	\$ 416,524	\$ 646,568	\$ 5,077,988

National Immigration Forum, Inc. and Affiliate

**Schedule of Functional Expenses – America is Better
Year Ended December 31, 2020**

	Program Services						Supporting Services			Total
	Communications	Constituencies – Reform	Policy	Awards Event	Associates and Governance	Total Program Services	Management and General	Fundraising	Total Supporting Services	
Consultants	\$ 241,487	\$ 116,977	\$ 67,374	\$ 393	\$ 287	\$ 426,518	\$ 1,810	\$ 3,288	\$ 5,098	\$ 431,616
Advertising	258,115	-	-	-	-	258,115	-	-	-	258,115
Salaries	78,234	60,376	44,785	7,415	5,415	196,225	34,139	24,293	58,432	254,657
Overhead	38,607	29,795	22,101	3,659	2,672	96,834	16,847	11,988	28,836	125,670
Dues and publications	58,018	-	-	-	-	58,018	-	-	-	58,018
Office rent	9,168	7,012	5,251	860	630	22,921	4,008	2,834	6,842	29,763
Health insurance	8,994	6,681	5,091	817	605	22,188	3,939	2,743	6,681	28,869
Travel	3,554	16,000	-	-	-	19,554	-	-	-	19,554
FICA	5,762	4,450	3,301	537	402	14,452	2,528	1,795	4,323	18,775
Retirement plan	4,243	3,188	2,399	387	290	10,507	1,859	1,304	3,162	13,669
Telephone	2,212	1,707	1,266	210	153	5,548	965	687	1,652	7,200
Accounting fees	1,843	1,423	1,055	175	128	4,624	804	572	1,377	6,001
Unemployment insurance	122	105	49	2	14	292	4,194	47	4,241	4,533
Commissary	1,221	943	699	116	85	3,064	533	379	912	3,976
Legal services	3,608	-	-	-	-	3,608	-	-	-	3,608
Family leave	491	372	281	46	33	1,223	1,929	151	2,080	3,303
Office supplies	3,011	-	-	-	-	3,011	-	-	-	3,011
Insurance - d & o, business	614	474	352	58	43	1,541	268	191	459	2,000
Disability insurance	468	376	277	48	33	1,202	203	147	351	1,553
Printing	288	276	166	28	20	778	123	92	215	993
Conference calls	230	178	132	22	16	578	101	72	172	750
Postage	540	-	-	-	-	540	-	-	-	540
Bank charges	63	25	19	3	2	112	14	10	24	136
Equipment purchases	49	-	-	-	-	49	-	-	-	49
Total	\$ 720,942	\$ 250,358	\$ 154,598	\$ 14,776	\$ 10,828	\$ 1,151,502	\$ 74,264	\$ 50,593	\$ 124,857	\$ 1,276,359