



**U.S. Committee for Refugees and Immigrants  
and Related Entity**

**Consolidated Financial Statements and  
Supplementary Information**

*For the Years Ended September 30, 2021 and 2020*



**and  
Report Thereon**



*For the Year Ended September 30, 2020*



**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

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**For the Years Ended September 30, 2021 and 2020**

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of  
U.S. Committee for Refugees and Immigrants, Inc.  
and Related Entity

### **Report on the Financial Statements**

We have audited the accompanying consolidated financial statements of U.S. Committee for Refugees and Immigrants, Inc. and Related Entity (collectively referred to as USCRI), which comprise the consolidated statement of financial position as of September 30, 2021, and 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.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of USCRI as of September 30, 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Prior Year Financial Statements*

The consolidated financial statements of USCRI as of September 30, 2020 were audited by other auditors who report dated March 29, 2021, expressed an unmodified opinion on those statements.

### *Report on Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary consolidated schedule of program related and indirect expenses is presented for purpose of additional analysis, and is not a required part of the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit 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 supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

*Marcum LLP*

Washington, DC  
April 8, 2022

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**September 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 10,701,014	\$ 9,186,650
Restricted cash	7,523,544	5,512,207
Grants receivable	46,939,089	6,814,250
Accounts receivable, net of allowance for uncollectible accounts of \$674,319 in 2021 and \$457,055 in 2020	716,978	334,461
Investments	6,682,939	6,161,451
Prepaid expenses	576,670	300,178
Advances and other assets	<u>77,213</u>	<u>82,518</u>
Total Current Assets	73,217,447	28,391,715
Noncurrent Assets		
Property and equipment, net	<u>754,373</u>	<u>817,925</u>
TOTAL ASSETS	<u>\$ 73,971,820</u>	<u>\$ 29,209,640</u>
<b>LIABILITIES AND NET ASSETS</b>		
Liabilities		
Current Liabilities		
Accounts payable and accrued expenses	\$ 2,174,901	\$ 1,937,641
Grants payable to affiliated agencies	44,401,533	4,444,219
Refundable advances – foundation grants	1,102,453	1,381,222
Government contract liabilities	624,862	216,722
IOM liability	188,928	230,766
Deferred rent	86,144	169,457
PPP loan payable	-	364,795
Refundable advances – government	<u>7,523,544</u>	<u>5,512,207</u>
TOTAL LIABILITIES	<u>56,102,365</u>	<u>14,257,029</u>
Net Assets		
Without donor restrictions	17,329,881	14,923,879
With donor restrictions	<u>539,574</u>	<u>28,732</u>
TOTAL NET ASSETS	<u>17,869,455</u>	<u>14,952,611</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 73,971,820</u>	<u>\$ 29,209,640</u>

The accompanying notes are an integral part of these consolidated financial statements.

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**CONSOLIDATED STATEMENTS OF ACTIVITIES**  
**For the Years Ended September 30, 2021 and 2020**

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
<b>REVENUE AND SUPPORT</b>						
Government grants	\$115,276,662	\$ -	\$115,276,662	\$ 65,746,427	\$ -	\$ 65,746,427
Foundation grants and other contributions	3,832,455	511,527	4,343,982	2,213,390	-	2,213,390
Government contracts	1,716,501	-	1,716,501	1,999,855	-	1,999,855
Program and other fees	1,034,938	-	1,034,938	799,564	-	799,564
IOM collection fees	948,182	-	948,182	1,066,130	-	1,066,130
Other revenue	484,347	-	484,347	743,855	-	743,855
Investment income, net of fees	473,312	-	473,312	288,027	-	288,027
Forgiveness of PPP loan payable	364,795	-	364,795	-	-	-
Member agency dues	114,500	-	114,500	142,751	-	142,751
Net asset released from restrictions:						
Satisfaction of purpose restrictions	685	(685)	-	126,970	(126,970)	-
<b>TOTAL REVENUE AND SUPPORT</b>	<b>124,246,377</b>	<b>510,842</b>	<b>124,757,219</b>	<b>73,126,969</b>	<b>(126,970)</b>	<b>72,999,999</b>
<b>EXPENSES</b>						
Program Services:						
Medical Replacement Designee programs	62,943,296	-	62,943,296	19,399,221	-	19,399,221
Center for Refugees and Immigrant Children	26,104,625	-	26,104,625	16,284,486	-	16,284,486
Refugee Services Division	17,584,117	-	17,584,117	20,444,320	-	20,444,320
Vermont programs	1,696,271	-	1,696,271	1,313,846	-	1,313,846
Erie programs	1,578,467	-	1,578,467	1,658,746	-	1,658,746
Raleigh programs	1,211,068	-	1,211,068	1,409,044	-	1,409,044
Legal	1,207,275	-	1,207,275	887,666	-	887,666
Albany programs	1,142,995	-	1,142,995	1,038,388	-	1,038,388
Des Moines programs	934,247	-	934,247	983,527	-	983,527
Cleveland programs	854,249	-	854,249	1,024,177	-	1,024,177
Dearborn programs	596,246	-	596,246	688,107	-	688,107
International Organization for Migration	343,747	-	343,747	309,723	-	309,723
Discovering Homes	70,440	-	70,440	70,462	-	70,462
<b>Total Program Services</b>	<b>116,267,043</b>	<b>-</b>	<b>116,267,043</b>	<b>65,511,713</b>	<b>-</b>	<b>65,511,713</b>
Supporting Services:						
Management and general	5,269,636	-	5,269,636	5,500,531	-	5,500,531
Fundraising	303,696	-	303,696	287,508	-	287,508
<b>Total Supporting Services</b>	<b>5,573,332</b>	<b>-</b>	<b>5,573,332</b>	<b>5,788,039</b>	<b>-</b>	<b>5,788,039</b>
<b>TOTAL EXPENSES</b>	<b>121,840,375</b>	<b>-</b>	<b>121,840,375</b>	<b>71,299,752</b>	<b>-</b>	<b>71,299,752</b>
<b>CHANGE IN NET ASSETS</b>	<b>2,406,002</b>	<b>510,842</b>	<b>2,916,844</b>	<b>1,827,217</b>	<b>(126,970)</b>	<b>1,700,247</b>
<b>NET ASSETS, BEGINNING OF YEAR</b>	<b>14,923,879</b>	<b>28,732</b>	<b>14,952,611</b>	<b>13,096,662</b>	<b>155,702</b>	<b>13,252,364</b>
<b>NET ASSETS, END OF YEAR</b>	<b>\$ 17,329,881</b>	<b>\$ 539,574</b>	<b>\$ 17,869,455</b>	<b>\$ 14,923,879</b>	<b>\$ 28,732</b>	<b>\$ 14,952,611</b>

The accompanying notes are an integral part of these consolidated financial statements.

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
For the Year Ended September 30, 2021

	Program Services												Supporting Services					
	Medical Replacement Designee Programs	Center for Refugee and Immigrant Children	Refugee Services Division	Vermont Programs	Erie Programs	Raleigh Programs	Legal	Albany Programs	Des Moines Programs	Cleveland Programs	Dearborn Programs	International Organization for Migration	Discovering Homes	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Agency / contractual payments	\$ 61,256,037	\$ 9,815,795	\$ 14,732,248	\$ -	\$ 145,149	\$ 1,025	\$ -	\$ -	\$ 45,059	\$ -	\$ 127	\$ -	\$ -	\$ 85,995,440	\$ -	\$ -	\$ -	\$ 85,995,440
Salaries and wages	1,070,058	8,350,707	1,345,642	1,023,746	703,302	585,420	757,247	612,869	391,888	392,377	239,766	134,760	-	15,607,782	3,276,399	143,471	3,419,870	19,027,652
Fringe benefits	288,217	2,668,495	366,275	277,731	354,926	182,673	221,369	142,745	146,415	97,298	93,402	49,069	-	4,888,615	935,673	20,059	955,732	5,844,347
Direct refugee assistance	-	2,042,037	773,017	131,946	175,209	307,684	865	194,109	198,165	180,303	194,134	-	-	4,197,469	-	-	-	4,197,469
Occupancy	167,154	1,814,480	166,509	85,300	28,689	58,765	88,026	47,605	63,642	30,754	29,237	16,806	32,900	2,629,867	246,531	44,766	291,297	2,921,164
Equipment rental and repair	26,780	318,925	15,813	73,419	83,200	12,768	12,891	56,475	29,527	60,294	12,003	826	18,156	721,077	69,130	7,157	76,287	797,364
Insurance	16,291	525,976	26,094	12,596	30,975	13,799	33,909	12,369	9,033	9,816	4,692	2,342	11,110	709,002	75,718	12,070	87,788	796,790
Professional fees	49,790	191,658	45,886	38,765	25,292	23,102	45,165	18,847	11,164	66,591	5,437	11,485	-	533,182	207,538	21,756	229,294	762,476
Telephone and communications	11,449	64,107	17,252	14,768	19,007	9,207	11,080	29,597	13,457	8,424	8,847	1,460	-	208,655	25,694	8,325	34,019	242,674
Travel	-	94,825	17,632	20,181	1,199	10,152	10,885	13,132	17,048	3,389	2,476	-	-	190,919	34,766	332	35,098	226,017
Subscriptions and references	3,293	67,680	20,325	633	5,962	1,900	8,754	1,630	3,036	2,315	202	360	-	116,090	82,572	9,990	92,562	208,652
Outside services and consulting	44,656	35,161	51,010	3,469	-	-	-	-	-	-	-	11,652	-	145,948	57,667	250	57,917	203,865
Bank and finance charges	-	-	-	23	19	-	4,142	-	-	529	-	75,610	-	80,323	42,698	11,149	53,847	134,170
Postage and shipping	2,010	61,509	2,630	2,945	1,029	1,941	10,312	2,240	1,278	867	495	26,853	-	114,109	11,941	7,047	18,988	133,097
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	-	8,095	8,095	122,146	-	122,146	130,241
Advertising	210	8,331	105	5,898	4,125	215	1,045	6,847	316	184	218	-	-	27,494	29,332	5,455	34,787	62,281
Printing and reproduction	3,500	19,229	305	4,149	113	24	1,316	1,440	915	113	5,084	12,520	179	48,887	2,907	10,082	12,989	61,876
Miscellaneous expenses	7	65	-	299	-	-	-	2,130	-	599	-	-	-	3,100	33,094	300	33,394	36,494
Conferences and meetings	3,001	7,721	3,059	403	146	2,296	125	-	3,241	178	126	4	-	20,300	9,827	888	10,715	31,015
Training and staff development	843	17,924	315	-	125	97	144	960	63	218	-	-	-	20,689	6,003	599	6,602	27,291
<b>TOTAL EXPENSES</b>	<b>\$ 62,943,296</b>	<b>\$ 26,104,625</b>	<b>\$ 17,584,117</b>	<b>\$ 1,696,271</b>	<b>\$ 1,578,467</b>	<b>\$ 1,211,068</b>	<b>\$ 1,207,275</b>	<b>\$ 1,142,995</b>	<b>\$ 934,247</b>	<b>\$ 854,249</b>	<b>\$ 596,246</b>	<b>\$ 343,747</b>	<b>\$ 70,440</b>	<b>\$ 116,267,043</b>	<b>\$ 5,269,636</b>	<b>\$ 303,696</b>	<b>\$ 5,573,332</b>	<b>\$ 121,840,375</b>

The accompanying notes are an integral part of these consolidated financial statements.

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended September 30, 2020**

	Program Services												Supporting Services					
	Medical Replacement Designee Programs	Center For Refugees and Immigrant Children	Refugee Services Division	Vermont Programs	Erie Programs	Raleigh Programs	Legal	Albany Programs	Des Moines Programs	Cleveland Programs	Dearborn Programs	International Organization for Migration	Discovering Homes	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Agency / contractual payments	\$ 17,501,548	\$ 4,602,008	\$ 16,645,755	\$ 30,074	\$ 131,048	\$ 6,467	\$ -	\$ 3,427	\$ 45,105	\$ 9,882	\$ -	\$ -	\$ -	\$ 38,975,314	\$ -	\$ -	\$ -	\$ 38,975,314
Salaries and wages	1,109,516	5,833,951	2,206,263	760,459	685,579	732,994	523,902	573,851	439,634	390,545	224,301	108,600	13,742	13,603,337	3,469,108	165,483	3,634,591	17,237,928
Fringe benefits	320,897	1,738,843	581,285	253,409	332,097	224,192	143,167	126,304	155,703	93,625	85,714	34,560	-	4,089,796	954,318	34,983	989,301	5,079,097
Direct refugee assistance	87,895	1,701,120	471,758	86,363	364,851	302,638	-	189,182	208,262	409,451	298,940	-	-	4,120,460	17,890	2,000	19,890	4,140,350
Occupancy	199,975	1,620,042	252,604	89,244	25,999	56,216	78,913	46,260	64,865	30,063	36,818	23,404	35,071	2,559,474	280,180	24,879	305,059	2,864,533
Equipment rental and repair	15,809	186,899	30,129	16,933	44,433	17,240	16,510	20,294	29,716	4,594	2,443	-	-	408,176	95,925	3,783	99,708	507,884
Insurance	20,523	297,665	35,045	32,617	28,952	22,742	23,756	21,099	16,495	1,823	10,972	2,089	1,565	515,343	32,359	2,683	35,042	550,385
Professional fees	32,100	101,795	37,192	11,162	21,959	12,735	38,387	20,153	17,434	43,175	7,706	9,354	-	353,152	177,971	21,946	199,917	553,069
Telephone and communications	11,727	45,183	26,113	10,686	13,425	15,088	18,251	7,995	6,141	6,426	12,347	1,521	-	174,903	33,977	1,789	35,766	210,669
Travel	23,201	33,884	60,931	4,869	2,993	11,475	8,066	9,210	3,491	1,751	3,305	24	-	163,200	35,659	268	35,927	199,127
Subscriptions and references	5,055	16,015	31,775	2,033	5,005	2,958	18,105	2,232	1,826	3,007	2,744	274	-	91,029	78,118	9,855	87,973	179,002
Outside services and consulting	57,102	53,724	35,724	2,265	-	-	-	-	-	1,782	-	-	-	150,597	97,809	-	97,809	248,406
Bank and finance charges	-	151	6	111	104	-	5,268	-	-	218	-	77,431	-	83,289	19,061	5,927	24,988	108,277
Postage and shipping	4,532	15,528	8,060	682	1,656	1,800	6,148	1,675	269	793	167	40,627	-	81,937	12,434	3,347	15,781	97,718
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	-	8,095	8,095	156,393	-	156,393	164,488
Advertising	50	51	55	3,515	84	-	-	-	45	-	-	-	-	3,800	5,325	1,094	6,419	10,219
Printing and reproduction	7,415	9,314	1,545	3,787	29	302	5,463	96	228	-	-	9,396	-	37,575	6,506	9,260	15,766	53,341
Miscellaneous expenses	-	287	11,496	1,450	-	472	203	6,852	2,650	1,412	17	-	11,989	36,828	7,319	-	7,319	44,147
Conferences and meetings	864	2,731	583	887	532	1,678	914	887	4,076	699	508	482	-	13,954	19,724	146	19,870	33,824
Training and staff development	1,012	25,295	8,001	3,300	-	47	613	2,800	386	-	-	-	-	41,454	455	65	520	41,974
<b>TOTAL EXPENSES</b>	<b>\$ 19,399,221</b>	<b>\$ 16,284,486</b>	<b>\$ 20,444,320</b>	<b>\$ 1,313,846</b>	<b>\$ 1,658,746</b>	<b>\$ 1,409,044</b>	<b>\$ 887,666</b>	<b>\$ 1,038,388</b>	<b>\$ 983,527</b>	<b>\$ 1,024,177</b>	<b>\$ 688,107</b>	<b>\$ 309,723</b>	<b>\$ 70,462</b>	<b>\$ 65,511,713</b>	<b>\$ 5,500,531</b>	<b>\$ 287,508</b>	<b>\$ 5,788,039</b>	<b>\$ 71,299,752</b>

The accompanying notes are an integral part of these consolidated financial statements.



**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**For the Years Ended September 30, 2021 and 2020**

	<u>2021</u>	<u>2020</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ 2,916,844	\$ 1,700,247
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	130,241	164,488
Realized and unrealized gains on investments	(428,467)	(179,409)
Change in allowance for doubtful accounts	217,264	367,359
Forgiveness of PPP loan payable	(364,795)	-
Changes in operating assets and liabilities:		
Grants receivable	(40,124,839)	1,337,048
Accounts receivable	(599,781)	(327,914)
Prepaid expenses	(276,492)	131,885
Advances and other assets	5,305	(8,703)
Accounts payable and accrued expenses	237,260	(1,093,914)
Grants payable to affiliated agencies	39,957,314	(209,458)
Refundable advances – foundation grants	(278,769)	379,891
Government contract liabilities	408,140	216,722
IOM liability	(41,838)	(98,420)
Deferred rent	(83,313)	-
Refundable advances – government	2,011,337	777,717
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>3,685,411</u>	<u>3,157,539</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of investments	(221,221)	(701,987)
Proceeds from sale of investments	128,200	590,625
Purchase of property and equipment	(66,689)	(1,515)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u>(159,710)</u>	<u>(112,877)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Paycheck Protection Program loan	-	364,795
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<u>-</u>	<u>364,795</u>
<b>NET INCREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	3,525,701	3,409,457
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH, BEGINNING OF YEAR</b>	<u>14,698,857</u>	<u>11,289,400</u>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH, END OF YEAR</b>	<u>\$ 18,224,558</u>	<u>\$ 14,698,857</u>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH AS REPORTED ON THE STATEMENT OF FINANCIAL POSITION</b>		
Cash and cash equivalents	\$ 10,701,014	\$ 9,186,650
Restricted cash	7,523,544	5,512,207
<b>TOTAL CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<u>\$ 18,224,558</u>	<u>\$ 14,698,857</u>
<b>NONCASH FINANCING ACTIVITIES</b>		
Forgiveness of PPP loan payable	<u>\$ 364,795</u>	<u>\$ -</u>

The accompanying notes are an integral part of these consolidated financial statements.

# U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Years Ended September 30, 2021 and 2020

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### 1. Organization and Summary of Significant Accounting Policies

#### **Organization**

The U.S. Committee for Refugees and Immigrants, Inc. is an international, non-profit, nonsectarian organization incorporated during 1917 that provides services to refugees, immigrants, and other people in migration both in the United States and abroad. The U.S. Committee for Refugees and Immigrants, Inc.'s mission is to address the needs and rights of persons in forced or voluntary migration worldwide through advocacy for fair and humane public policy, to facilitate and provide direct professional services, and to promote the full participation of migrants in their new communities. Funding is derived primarily through government grants.

On August 30, 2016, the U.S. Committee for Refugees and Immigrants, Inc. acquired all of the assets of the International Service Center of Cleveland, Ohio (ISC), a not-for-profit corporation, including its one hundred percent membership interest in Discovering Homes, LLC, an Ohio for-profit limited liability company. With the acquisition of ISC the entity was dissolved and Discovering Homes, LLC became a direct subsidiary to USCRI.

#### **Principles of Consolidation**

The consolidated financial statements include the accounts of Discovering Homes, LLC and the U.S. Committee for Refugees and Immigrants, Inc. (collectively referred to as USCRI). All significant transactions between the organizations have been eliminated in consolidation.

#### **Basis of Accounting**

The consolidated financial statements of USCRI have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). Accordingly revenue is recognized when earned and expenses are recorded when the obligation is incurred.

#### **Cash, Cash Equivalents and Restricted Cash**

Cash and cash equivalents include operating cash accounts and all liquid investments with original maturities of three months or less.

Restricted cash consists of funds forwarded to USCRI by the U.S. Department of Health and Human Services (HHS), Office of Refugee Resettlement (ORR), for use in the Medical Replacement Designee program.

#### **Grants and Accounts Receivable**

Grants receivable consist of amounts due under grants with the federal government. Accounts receivable represent amounts due from customers in the delivery of services. Grants and accounts receivable are expected to be collected within one year and have been recorded at their net realizable value.

U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
For the Years Ended September 30, 2021 and 2020

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1. Organization and Summary of Significant Accounting Policies (continued)

**Grants and Accounts Receivable (continued)**

An allowance for doubtful accounts receivable balances is provided based on management's evaluation of potential uncollectible accounts at year end. The allowance is based on experience as well as management's analysis of specific trends, including factors such as prior collection history. All grants receivable are considered fully collectible.

**Investments**

Investments include fixed income securities, equities, money funds and mutual funds. These investments are recorded in the accompanying statements of financial position at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Purchases and sales are recorded on a trade-date basis. Unrealized gains or losses on investments are determined by the change in fair value at the beginning and end of the reporting period and are included in investment return, net of fees in the accompanying consolidated statements of activities.

**Property and Equipment**

Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Amortization of leasehold improvements is computed using the straight-line method over the shorter of the remaining lease term or the estimated useful lives of the improvements. The estimated useful lives, by classes of assets, are as follows:

	<u>Estimated Useful Lives</u>
Buildings and improvements	5 - 27.5 years
Furniture and equipment	5 - 7 years
Leasehold improvements	5 - 15 years
Vehicles	3 - 7 years

Expenditures for major repairs and improvements above \$5,000 are capitalized; expenditures for minor repairs and maintenance costs are expensed when incurred. Upon the retirement or disposal of assets, the cost and accumulated depreciation or amortization are eliminated from the respective accounts and the resulting gain or loss is included in revenue or expenses.

**Impairment of Long-Lived Assets**

USCRI reviews its property for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable. When considered impaired, the carrying amount of the asset is reduced and an impairment loss is recognized in the consolidated statements of activities, to its current fair value. There was no impairment loss recognized as of September 30, 2021 or 2020.

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
For the Years Ended September 30, 2021 and 2020**

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1. Organization and Summary of Significant Accounting Policies (continued)

**Refundable Advances – Government**

USCRI receives funds from a federal grant from ORR that are held to cover health insurance costs incurred by refugees under the Medical Replacement Designee program. Such health insurance is administered by a third-party administrator. The amounts reflected on the consolidated statements of financial position represent amounts held in excess of actual costs incurred and are due back to the federal government or are to be used to offset future program needs.

**Classification of Net Assets**

USCRI's net assets are reported as follows:

- Net assets without donor restrictions represent the portion of expendable funds that are available for any purpose in performing the primary objectives of the organization at the discretion of USCRI's management and the Board of Directors.
- Net assets with donor restrictions represent funds that are specifically restricted by donors for use in various programs and/or for a specific period of time. These donor restrictions can be temporary in nature in that they will be met by actions of USCRI or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated that the funds be maintained in perpetuity. As of September 30, 2021 and 2020, USCRI had no net assets with donor restrictions that are required to be maintained in perpetuity.

**Revenue and Support**

*Government Grants*

USCRI has grants with United States government and state agencies. Under Accounting Standards Update (ASU) 2018-08, *Not-for-Profit Entities (Topic 958), Clarifying the Scope and Accounting Guidance for Contributions Received and Contributions Made*, these grants are considered contributions, as the donor does not receive commensurate value for the consideration received by USCRI. Instead, the benefit is received by the general public. USCRI's management has concluded that these agreements are conditional in nature, due to the agreements including rights of return/release and barriers to the entitlement to funds. Revenue from these conditional grants is recognized when the conditions have been satisfied. Because the nature of the conditions is either based on incurring qualifying expenses or satisfying a milestone or other deliverable, the pattern of revenue recognition remains consistent each year. USCRI records a refundable advance liability when funds are received in advance of the satisfaction of the conditions within these agreements. As of September 30, 2021, and 2020, there were refundable advances related to government grants totaling \$7,523,544 and \$5,512,207, respectively. Amounts earned, based on satisfying the underlying conditions, but not yet collected are reflected as grants receivable in the accompanying statements of financial position and total \$46,939,089 and \$6,814,250 at September 30, 2021 and 2020, respectively. Additionally, as of September 30, 2021 and 2020, USCRI had not yet recognized \$22,096,307 and \$3,100,440, respectively, under conditional government grants.

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Years Ended September 30, 2021 and 2020**

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1. Organization and Summary of Significant Accounting Policies (continued)

**Revenue and Support (continued)**

*Government Contracts*

USCRI also has contracts with United States government agencies in exchange for services. Revenue from these contracts is recognized over the period of time that services are delivered. Amounts received under contracts for which revenue has not yet been recognized are reflected as government contract liabilities in the accompanying consolidated statements of financial position.

*Foundation Grants and Other Contributions*

Unconditional foundation grants and other contributions are recognized as revenue and support in the year in which payments are received and/or unconditional promises to give are made. Foundation grants and other contributions are recorded as with or without donor restrictions depending on the existence and/or nature of any donor restrictions. Support that is designated for a future period or is restricted by the donor for specific purposes are reported as contributions with donor restrictions. When a restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions. Contributions with donor restrictions that are used for the purposes specified by the donor in the same year as the contribution is received are recognized as contributions without donor restrictions.

Contributions are reported at fair value, which is net of estimated uncollectible amounts. Contributions to be received after one year, are recorded at the present value of the estimated future cash flows. Subsequent changes in this discount resulting from the passage of time are accounted for as contributions in subsequent years.

Conditional promises to give, including those received under multi-year grant agreements, are recognized only when the conditions on which they depend are substantially met and the promises become unconditional. A promise is considered conditional only if the donor has stipulated one or more barriers that must be overcome before USCRI is entitled to the assets transferred or promised, and there also exists a right of return to the donor of any assets transferred or a right of release of the donor's obligation to honor the promise. Amounts received but not yet earned, as the underlying conditions have not yet been satisfied, are reflected as refundable advances in the accompanying consolidated statements of financial position. As of September 30, 2021 and 2020, USCRI had not yet recognized amounts under conditional foundation grants totaling \$4,114,767 and \$2,058,694, respectively.

*Program and Other Fees*

USCRI provides interpretation, translation and loan services to refugees and other organizations serving refugees. The fees are recognized at the point in time the services are rendered.

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
For the Years Ended September 30, 2021 and 2020**

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1. Organization and Summary of Significant Accounting Policies (continued)

**Revenue and Support (continued)**

*IOM Collection Fees*

USCRI administers the International Organization for Migration (IOM) program on behalf of the U.S. Department of State and receives an administrative fee of 25% of the loan value. The program is designed to provide low interest loans to refugees in order to organize their travel to the United States. The administrative fee is recognized at the point in time that the loan repayments are collected.

*Other Revenue*

Other revenue includes contracted services with other refugee service organizations and childcare services including education, before and after school care and food programs. USCRI records this revenue at the point in time that the services are delivered to the customers.

*Member Agency Dues*

USCRI has a network of partners who have met certain Partner Agency Stability Standards (PASS). PASS members are charged an annual fee to join the network and must continue to meet the standards to remain in the program. The membership fee is based on the partners' overall revenue and is recognized at the point in time when the member obtains the PASS certification.

**Functional Allocation of Expenses**

The costs of USCRI providing the various programs and other activities have been presented on a functional basis in the accompanying consolidated statements of activities and functional expenses. Accordingly, certain costs such as supplies, insurance, occupancy, equipment, depreciation and amortization, telephone, and other various management and general expenses, have been allocated among the programs and supporting services benefited. These costs are accumulated in an indirect cost pool and directly allocated to program services using square footage as a base. These directly allocated costs are further allocated to specific activities within program service functions using direct labor as the sub allocation base.

Fringe benefits consist of health insurance, life insurance, pension and payroll taxes. The fringe benefit rate is the ratio of total fringe benefits to total salaries which is first applied to direct salaries charged to program services and then to salaries included in management and general and fundraising costs.

**Use of Estimates**

The preparation of the financial statements in conformity U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
For the Years Ended September 30, 2021 and 2020**

1. Organization and Summary of Significant Accounting Policies (continued)

**Accounting Pronouncement to be Adopted**

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The guidance in this ASU supersedes the leasing guidance in Topic 840, *Leases*. Under ASU 2016-02, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. ASU 2016-02 is effective for USCRI for fiscal year beginning October 1, 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 financial statements, with certain practical expedients available. USCRI is currently evaluating the impact of ASU 2016-02 on its financial statements.

2. Liquidity and Availability of Resources

USCRI regularly monitors liquidity required to meet its annual operating needs and other contractual commitments, while also striving to preserve the principal and return on the investment of its funds. Financial assets available for general expenditures, that is, without donor restrictions limiting their use, within one year of the consolidated statements of financial position dates consist of the following at September 30:

	<u>2021</u>	<u>2020</u>
Financial assets available at year-end:		
Cash and cash equivalents	\$ 10,701,014	\$ 9,186,650
Grants receivable	46,939,089	6,814,250
Accounts receivable, net of allowance	716,978	334,461
Investments	<u>6,682,939</u>	<u>6,161,451</u>
Total Financial Assets		
Available Within One Year	<u>65,045,020</u>	<u>22,496,812</u>
Less: Amounts unavailable for general expenditures		
within one year due:		
Board designated for operating reserve	(6,862,939)	(6,161,451)
Net assets with purpose restrictions	<u>(539,574)</u>	<u>(28,732)</u>
Financial Assets Available to Meet		
General Expenditures Within		
One Year	<u>\$ 57,822,507</u>	<u>\$ 16,306,629</u>

USCRI regularly monitors liquidity required to meet its operating needs and other contractual commitments within one year of the consolidated financial position date for general expenditures without donor or other restrictions limiting their use. USCRI maintains sufficient resources to fund its operations, which includes its investment accounts that are subject to board approval before the funds are able to be utilized.

## U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS For the Years Ended September 30, 2021 and 2020

#### 3. Investments

Investments, at fair value, consisted of the following as of September 30:

	<u>2021</u>	<u>2020</u>
Fixed income	\$ 3,223,558	\$ 3,257,114
Equities	2,632,132	2,161,479
Money funds	461,226	396,634
Mutual funds	<u>366,023</u>	<u>346,224</u>
Total Investments	<u>\$ 6,682,939</u>	<u>\$ 6,161,451</u>

Investment income consisted of the following for the years ended September 30:

	<u>2021</u>	<u>2020</u>
Interest and dividends	\$ 110,460	\$ 147,698
Net realized and unrealized gains	428,467	179,896
Investment management fees	<u>(65,615)</u>	<u>(39,080)</u>
Investment Income, Net	<u>\$ 473,312</u>	<u>\$ 288,027</u>

#### 4. Fair Value Measurements

USCRI follows the provisions of FASB Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements*, in accounting for fair value measurements. ASC 820 establishes a common definition for fair value to be applied under U.S. GAAP requiring use of fair value, establishes a framework for measuring fair value, and expands disclosures about such fair value measurements.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date. ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of USCRI. Unobservable inputs are inputs that reflect USCRI’s estimates about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

The hierarchy is broken down into three levels based on the reliability of inputs as follows:

- Level 1 – Valuations based on quoted prices in active markets for identical assets or liabilities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.



**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Years Ended September 30, 2021 and 2020**

4. Fair Value Measurements (continued)

- Level 2 – Valuations based on quoted market prices of investments that are not actively traded or for which certain significant inputs are not observable, either directly or indirectly.
- Level 3 – Valuations based on inputs that are unobservable and reflect management’s best estimate of what market participants would use as fair value.

As of and for the years ended September 30, 2021 and 2020, USCRI’s investments were measured at fair value on a recurring basis and subject to the disclosure requirements of FASB ASC Topic 820.

The following tables disclose USCRI’s assets measured at fair value on a recurring basis as of September 30, 2021:

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets:				
Investments:				
Fixed income:				
U.S. government obligations	\$ 2,193,260	\$ -	\$ 2,193,260	\$ -
Corporate bonds	648,122	-	648,122	-
Municipal securities	<u>382,176</u>	<u>-</u>	<u>382,176</u>	<u>-</u>
Total Fixed Income	<u>3,223,558</u>	<u>-</u>	<u>3,223,558</u>	<u>-</u>
Equity funds:				
Technology	547,226	547,226	-	-
Health care	383,430	383,430	-	-
Financials	337,813	337,813	-	-
Communication	267,779	267,779	-	-
Industrials	265,906	265,906	-	-
Consumer discretionary	254,360	254,360	-	-
Consumer staples	245,103	245,103	-	-
Utilities	121,635	121,635	-	-
Basic materials	86,213	86,213	-	-
Real estate	78,270	78,270	-	-
Energy	<u>44,397</u>	<u>44,397</u>	<u>-</u>	<u>-</u>
Total Equity Funds	2,632,132	2,632,132	-	-

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Years Ended September 30, 2021 and 2020**

4. Fair Value Measurements (continued)

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets (continued):				
Investments (continued):				
Money funds	\$ 461,226	\$ 461,226	\$ -	\$ -
Mutual funds:				
Non-traditional	<u>366,023</u>	<u>366,023</u>	<u>-</u>	<u>-</u>
Total Investments Measured at Fair Value	<u>\$ 6,682,939</u>	<u>\$ 3,459,381</u>	<u>\$ 3,223,558</u>	<u>\$ -</u>

The following tables disclose USCRI's assets measured at fair value on a recurring basis as of September 30, 2020:

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets:				
Investments:				
Fixed income:				
Corporate bonds	1,905,790	-	1,905,790	-
Municipal securities	1,032,277	-	1,032,277	-
U.S. government obligations	<u>319,047</u>	<u>-</u>	<u>319,047</u>	<u>-</u>
Total Fixed Income	<u>3,257,114</u>	<u>-</u>	<u>3,257,114</u>	<u>-</u>
Equity funds:				
Technology	390,601	390,601	-	-
Health care	331,800	331,800	-	-
Financials	287,116	287,116	-	-
Communication	221,476	221,476	-	-
Consumer staples	221,004	221,004	-	-
Industrials	217,236	217,236	-	-

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Years Ended September 30, 2021 and 2020**

4. Fair Value Measurements (continued)

	<u>Fair Value</u>	<u>Quoted Prices in Active Markets for Identical Assets/ Liabilities (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Assets (continued):				
Investments (continued):				
Equity funds (continued):				
Consumer discretionary	\$ 206,117	\$ 206,117	\$ -	\$ -
Utilities	113,831	113,831	-	-
Basic materials	74,372	74,372	-	-
Real estate	67,065	67,065	-	-
Energy	<u>30,861</u>	<u>30,861</u>	<u>-</u>	<u>-</u>
Total				
Equity Funds	2,161,479	2,161,479	-	-
Money funds	396,634	396,634	-	-
Mutual funds:				
Non-traditional	<u>346,224</u>	<u>346,224</u>	<u>-</u>	<u>-</u>
Total Investments Measured at Fair Value	<u>6,161,451</u>	<u>\$ 2,904,337</u>	<u>\$ 3,257,114</u>	<u>\$ -</u>

5. Property and Equipment

Property and equipment consisted of the following as of September 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Building and improvements	\$ 1,067,452	\$ 1,067,452
Furniture and equipment	750,520	750,520
Leasehold improvements	414,265	414,265
Vehicles	186,119	119,428
Land	<u>120,550</u>	<u>120,550</u>
Total Property and Equipment	<u>2,538,905</u>	<u>2,472,215</u>
Less: Accumulated depreciation and amortization	<u>(1,784,532)</u>	<u>(1,654,290)</u>
Total Property and Equipment, Net	<u>\$ 754,373</u>	<u>\$ 817,925</u>

Depreciation and amortization expense for the years ended September 30, 2021 and 2020 totaled \$130,241 and \$164,488, respectively.

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
For the Years Ended September 30, 2021 and 2020**

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6. Grants Payable to Affiliated Agencies

USCRI distributes grants to affiliated agencies who are working in partnership with USCRI to help refugees and other newcomers to become full contributing members of their new American communities. Amounts awarded to affiliated agencies but unpaid at September 30, 2021 and 2020 totaled \$44,401,533 and \$4,444,219, respectively, and is payable within one year.

7. Commitments and Contingencies

*Concentrations of Credit Risk*

Financial instruments which potentially subject USCRI to concentrations of credit risk consist principally of cash and cash equivalents and investments held at creditworthy financial institutions. At September 30, 2021 and 2020, substantially all of USCRI's cash and cash equivalents and investments were held at six financial institutions in accounts over the Federal Deposit Insurance Corporation (FDIC) limit of \$250,000. Cash held in excess of the FDIC limit totaled approximately \$17,000,000 and \$13,400,000 as of September 30, 2021 and 2020, respectively. USCRI's total cash and cash equivalents include approximately \$7,500,000 and \$5,500,000 of restricted cash held as refundable advances – government as of September 30, 2021 and 2020, respectively. Historically, USCRI has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash, cash equivalents, restricted cash, and investments.

Credit risk with respect to receivables is limited because 98% and 95% of USCRI's receivables are from federal and state governments as of September 30, 2021 and 2020, respectively. The federal and state governments are anticipated to clear their receivables timely.

*Federal and State Government Contingencies*

USCRI receives a substantial portion of its revenue from the federal and state government. If a significant reduction in this revenue should occur, it may have a material adverse effect on USCRI's programs. During the years ended September 30, 2021 and 2020, USCRI earned revenue from federal and state governments under government grants and contracts totaling \$116,993,163 and \$67,746,282, which is 94% and 92% of the total revenue and support earned in each of these years, respectively.

USCRI administers the Reception and Placement (R&P) program on behalf of the U.S. Department of State. Amounts awarded are based on the annual Presidential Determination for refugee admission and proposed projection for Special Immigrant Visa (SIV) holders. For the year ended September 30, 2022, the refugee admission projection for the United States is 125,000 refugees. Of this, USCRI is approved to resettle 9,417 refugees and SIVs. As of February 14, 2022, USCRI has resettled 256 refugee and SIV clients, representing 3% of USCRI's approved projected resettlements.

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
For the Years Ended September 30, 2021 and 2020**

7. Commitments and Contingencies (continued)

*Federal Grants Subject to Audit*

USCRI has received federal grants that are subject to review, audit and adjustment by various federal agencies for qualified expenses charged to the grants. Such audits could lead to requests for reimbursement to the federal agencies for any expenditures or claims disallowed under the terms of the agreements. The amount of expenditures which may be disallowed by the federal agencies cannot be determined at this time although USCRI expects such amounts, if any, to be insignificant.

*Lease Commitments*

USCRI has entered into a noncancelable lease with a landlord for its headquarters location through October 31, 2030. This lease includes rent abatements recorded as deferred rent in the consolidated statements of financial position. In addition, the lease has stated rent escalations and the effect of this has also been recorded as deferred rent which is amortized over the lease term. As a security deposit, USCRI obtained a letter of credit for the benefit of the landlord totaling \$43,249. No amounts were drawn against the letter of credit during the years ended September 30, 2021 and 2020.

In August 2018, USCRI entered into a noncancelable lease with a landlord for its Albany location through July 2023. The lease provides no incentives or lease abatements, however, the lease provides for escalating payments through the end of the lease term.

In September 2016, USCRI entered into a noncancelable lease with a landlord for its Des Moines location through August 2021. In August 2021, the lease was renewed under a new five-year term through August 2026. The lease and amendment provides for escalating rental payments in years three and five of the lease. The lease also required a security deposit equivalent to one month's rent which is included in advances and other assets in the accompanying consolidated statements of financial position.

USCRI is committed under short-term leases for office space in North Carolina, Michigan, Texas, Florida, Missouri, Tennessee, California, Ohio and Honduras that expire at various times through December 2022.

Future minimum rental payments, by year and in aggregate, under all operating leases are as follows:

For the Year Ending September 30,	
2022	\$ 2,243,355
2023	1,162,553
2024	785,210
2025	807,640
2026	819,634
Thereafter	<u>3,206,746</u>
Total Future Minimum Principal Payments	<u>\$ 9,025,138</u>

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Years Ended September 30, 2021 and 2020**

7. Commitments and Contingencies (continued)

*Lease Commitments (continued)*

Rental expense totaled \$2,921,164 and \$2,864,533 for years ended September 30, 2021 and 2020, respectively.

*Uncertainty*

On January 30, 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the COVID-19 outbreak) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will continue to have on USCRI's consolidated financial condition, liquidity, and future results of operations. Management continues to actively monitor the impact of the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. USCRI will continue to monitor the financial and business implications of the pandemic on its operations and will implement new strategies as appropriate.

8. Net Assets

**Without Donor Restrictions**

As of September 30, 2021 and 2020, net assets without donor restrictions included funds designated by the Board of Directors totaling \$6,682,939 and \$6,161,451, respectively. The board-designated reserves are intended to serve as an operating reserve.

**With Donor Restrictions**

Net assets with donor restrictions are restricted to the following programs as of September 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Albany program	\$ 319,668	\$ -
Refugee services division	157,492	28,732
Dearborn program	24,667	-
Vermont program	19,626	-
Des Moines program	10,905	-
Erie program	<u>7,216</u>	<u>-</u>
Total Net Assets With Donor Restrictions	<u>\$ 539,574</u>	<u>\$ 28,732</u>

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
For the Years Ended September 30, 2021 and 2020**

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9. PPP Loan Forgiveness

On May 10, 2020, USCRI received loan proceeds in the amount of \$364,795 under the Small Business Administration's (SBA) Paycheck Protection Program (PPP). The PPP, established as part of the CARES Act, provided for loans to qualifying businesses for eligible purposes including payroll costs, group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations. The application of these funds required USCRI to, in good faith, certify that the current economic uncertainty made the loan request necessary to support the ongoing operation of USCRI. This certification further required USCRI to take into account current business activity and the ability to access other sources of liquidity sufficient to support ongoing operations in a manner that is not significantly detrimental to the business. The receipt of these funds, and the forgiveness of the loan attendant to these funds, was dependent on USCRI having initially qualified for the loan and qualifying for the forgiveness of such loan was based on USCRI's adherence to the forgiveness criteria.

Under the terms of the PPP loan, once a borrower receives the funds, the amount spent over the covered period on eligible purposes can be forgiven. Any portion of a PPP loan that is not forgiven must be repaid over two years after the deferral period ending on the date which the amount of forgiveness is determined at an interest rate of 1%.

USCRI expended funds for the purposes consistent with PPP and applied for loan forgiveness in November 2020. USCRI received approval of the loan forgiveness application on February 24, 2021, and recognized the amounts as revenue during the year ended September 30, 2021. This amount is included as forgiveness of PPP loan payable in the accompanying consolidated statements of activities.

10. Retirement

USCRI sponsors a defined contribution retirement plan for all employees who have met certain age and length of service requirements. Annual contributions are made to the plan at a rate of 10% of each participant's annual compensation. Pension expense for the years ended September 30, 2021 and 2020 totaled \$1,345,136 and \$994,756, respectively, and is included in fringe benefits in the accompanying consolidated statements of functional expenses.

11. Income Taxes

Under Section 501(c)(3) of the Internal Revenue Code (IRC), USCRI is exempt from the payment of taxes on income other than unrelated business income. As of September 30, 2021 and 2020, no provision for income taxes has been made, as USCRI had no unrelated business income.

Discovering Homes, LLC is a single-member limited liability company. For tax purposes, a single-member limited liability company is disregarded as an entity separate from its owner, absent an election otherwise. Activities of a single-member limited liability company are therefore treated as a division of the sole member, USCRI. The activities of Discovering Homes, LLC are consistent with the mission of USCRI and its activities are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**For the Years Ended September 30, 2021 and 2020**

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11. Income Taxes (continued)

Under ASC 740-10, *Accounting for Uncertainty in Income Taxes*, USCRI must recognize the tax benefit associated with tax positions taken for tax return purposes when it is more-likely than not that the position will be sustained on examination. USCRI does not believe there are any unrecognized tax benefits that would require recognition in the consolidated financial statements or that may have any effect on its tax-exempt status. U.S. federal jurisdiction and/or the various states and local jurisdictions in which USCRI files tax returns are open for examination; however, there are currently no examinations pending or in progress. It is USCRI's policy to recognize interest and penalties related to uncertainty in income taxes, if any, in interest expense and income tax expense, respectively. For the years ended September 30, 2021 and 2020, there were no interest or penalties recorded or included in the consolidated statements of activities related to uncertain tax positions.

12. Reclassifications

Certain 2020 financial statement amounts have been updated to conform with the 2021 financial statement presentation.

13. Subsequent Events

USCRI evaluated subsequent events through April 8, 2022, which is the date the consolidated financial statements were available to be issued. There were no events noted that required adjustment to or disclosure in these consolidated financial statements.



**SUPPLEMENTARY INFORMATION**

**U.S. COMMITTEE FOR REFUGEES AND IMMIGRANTS, INC. AND RELATED ENTITY**

**CONSOLIDATED SCHEDULE OF PROGRAM RELATED AND INDIRECT EXPENSES  
For the Year Ended September 30, 2021**

	Program Services												Supporting Services					
	Medical Replacement Designee Programs	Center For Refugees and Immigrant Children	Refugee Services Division	Vermont Programs	Erie Programs	Raleigh Programs	Legal	Albany Programs	Des Moines Programs	Cleveland Programs	Dearborn Programs	International Organization for Migration	Discovering Homes	Total Program Services	Management and General	Fundraising	Total Supporting Services	Total
Agency / contractual payments	\$ 61,256,037	\$ 9,815,795	\$ 14,732,248	\$ -	\$ 145,149	\$ 1,025	\$ -	\$ -	\$ 45,059	\$ -	\$ 127	\$ -	\$ -	\$ 85,995,440	\$ -	\$ -	\$ -	\$ 85,995,440
Salaries and wages	1,070,058	8,350,707	1,345,642	1,023,746	703,302	585,420	757,247	612,869	391,888	392,377	239,766	134,760	-	15,607,782	3,276,399	143,471	3,419,870	19,027,652
Fringe benefits	288,217	2,668,495	366,275	277,731	354,926	182,673	221,369	142,745	146,415	97,298	93,402	49,069	-	4,888,615	935,673	20,059	955,732	5,844,347
Direct refugee assistance	-	2,042,037	773,017	131,946	175,209	307,684	865	194,109	198,165	180,303	194,134	-	-	4,197,469	-	-	-	4,197,469
Occupancy	167,154	1,814,480	166,509	85,300	28,689	58,765	88,026	47,605	63,642	30,754	29,237	16,806	32,900	2,629,867	246,531	44,766	291,297	2,921,164
Equipment rental and repair	26,780	318,925	15,813	73,419	83,200	12,768	12,891	56,475	29,527	60,294	12,003	826	18,156	721,077	69,130	7,157	76,287	797,364
Insurance	16,291	525,976	26,094	12,596	30,975	13,799	33,909	12,369	9,033	9,816	4,692	2,342	11,110	709,002	75,718	12,070	87,788	796,790
Professional fees	49,790	191,658	45,886	38,765	25,292	23,102	45,165	18,847	11,164	66,591	5,437	11,485	-	533,182	207,538	21,756	229,294	762,476
Telephone and communications	11,449	64,107	17,252	14,768	19,007	9,207	11,080	29,597	13,457	8,424	8,847	1,460	-	208,655	25,694	8,325	34,019	242,674
Travel	-	94,825	17,632	20,181	1,199	10,152	10,885	13,132	17,048	3,389	2,476	-	-	190,919	34,766	332	35,098	226,017
Subscriptions and references	3,293	67,680	20,325	633	5,962	1,900	8,754	1,630	3,036	2,315	202	360	-	116,090	82,572	9,990	92,562	208,652
Outside services and consulting	44,656	35,161	51,010	3,469	-	-	-	-	-	-	-	11,652	-	145,948	57,667	250	57,917	203,865
Bank and finance charges	-	-	-	23	19	-	4,142	-	-	529	-	75,610	-	80,323	42,698	11,149	53,847	134,170
Postage and shipping	2,010	61,509	2,630	2,945	1,029	1,941	10,312	2,240	1,278	867	495	26,853	-	114,109	11,941	7,047	18,988	133,097
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	-	8,095	8,095	122,146	-	122,146	130,241
Advertising	210	8,331	105	5,898	4,125	215	1,045	6,847	316	184	218	-	-	27,494	29,332	5,455	34,787	62,281
Printing and reproduction	3,500	19,229	305	4,149	113	24	1,316	1,440	915	113	5,084	12,520	179	48,887	2,907	10,082	12,989	61,876
Miscellaneous expenses	7	65	-	299	-	-	-	2,130	-	599	-	-	-	3,100	33,094	300	33,394	36,494
Conferences and meetings	3,001	7,721	3,059	403	146	2,296	125	-	3,241	178	126	4	-	20,300	9,827	888	10,715	31,015
Training and staff development	843	17,924	315	-	125	97	144	960	63	218	-	-	-	20,689	6,003	599	6,602	27,291
<b>Total expenses before allocated indirect costs</b>	<b>62,943,296</b>	<b>26,104,625</b>	<b>17,584,117</b>	<b>1,696,271</b>	<b>1,578,467</b>	<b>1,211,068</b>	<b>1,207,275</b>	<b>1,142,995</b>	<b>934,247</b>	<b>854,249</b>	<b>596,246</b>	<b>343,747</b>	<b>70,440</b>	<b>116,267,043</b>	<b>5,269,636</b>	<b>303,696</b>	<b>5,573,332</b>	<b>121,840,375</b>
<b>Indirect costs allocated</b>	<b>389,078</b>	<b>3,502,713</b>	<b>488,148</b>	<b>191,584</b>	<b>121,973</b>	<b>107,605</b>	<b>95,971</b>	<b>133,418</b>	<b>80,766</b>	<b>65,668</b>	<b>41,200</b>	<b>-</b>	<b>-</b>	<b>5,218,124</b>	<b>(5,218,124)</b>	<b>-</b>	<b>(5,218,124)</b>	<b>-</b>
<b>Total Expenses after Allocated Indirect Costs</b>	<b>\$ 63,332,374</b>	<b>\$ 29,607,338</b>	<b>\$ 18,072,265</b>	<b>\$ 1,887,855</b>	<b>\$ 1,700,440</b>	<b>\$ 1,318,673</b>	<b>\$ 1,303,246</b>	<b>\$ 1,276,413</b>	<b>\$ 1,015,013</b>	<b>\$ 919,917</b>	<b>\$ 637,446</b>	<b>\$ 343,747</b>	<b>\$ 70,440</b>	<b>\$ 121,485,167</b>	<b>\$ 51,512</b>	<b>\$ 303,696</b>	<b>\$ 355,208</b>	<b>\$ 121,840,375</b>

See independent auditors' report.