



Financial Statements

For the Years Ended June 30, 2024 and 2023

**MASSACHUSETTS IMMIGRANT AND
REFUGEE ADVOCAY COALITION, INC.**

Financial Statements

For the Years Ended June 30, 2024 and 2023

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Independent Auditors' Report

To the Board of Directors
Massachusetts Immigrant and Refugee Advocacy Coalition, Inc.
Boston, Massachusetts

Opinion

We have audited the accompanying financial statements of Massachusetts Immigrant and Refugee Advocacy Coalition, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2024 and 2023 and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial positions of Massachusetts Immigrant and Refugee Advocacy Coalition, Inc. as of June 30, 2024 and 2023, 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.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Massachusetts Immigrant and Refugee Advocacy Coalition, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Massachusetts Immigrant and Refugee Advocacy Coalition, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Massachusetts Immigrant and Refugee Advocacy Coalition, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Massachusetts Immigrant and Refugee Advocacy Coalition, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 4, 2025 on our consideration of Massachusetts Immigrant and Refugee Advocacy Coalition, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant, agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Massachusetts Immigrant and Refugee Advocacy Coalition, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Massachusetts Immigrant and Refugee Advocacy Coalition, Inc.'s internal control over financial reporting and compliance.

Kelly Vitale Raffol, LLC

Boston, Massachusetts

April 4, 2025

**MASSACHUSETTS IMMIGRANT AND
REFUGEE ADVOCACY COALITION, INC.**

Statements of Financial Position

As of June 30, 2024 and 2023

<i>Assets</i>	<i>2024</i>	<i>2023</i>
Cash and cash equivalents	\$ 2,418,218	\$ 3,939,809
Investments	219,133	206,712
Pledges, contracts and grants receivable	609,201	361,312
Prepaid expenses	19,253	13,731
Security deposit	12,668	-
Fixed assets, net	31,826	22,635
Right of use asset	557,356	-
<i>Total assets</i>	<i>\$ 3,867,655</i>	<i>\$ 4,544,199</i>
<i>Liabilities and Net Assets</i>		
<i>Liabilities:</i>		
Accounts payable and accrued expenses	\$ 419,164	\$ 232,887
Lease liability	591,155	-
<i>Total liabilities</i>	<i>1,010,319</i>	<i>232,887</i>
<i>Net Assets:</i>		
Without donor restrictions	2,320,420	2,979,395
With donor restrictions	536,916	1,331,917
<i>Total net assets</i>	<i>2,857,336</i>	<i>4,311,312</i>
<i>Total liabilities and net assets</i>	<i>\$ 3,867,655</i>	<i>\$ 4,544,199</i>

See accompanying notes to financial statements.

**MASSACHUSETTS IMMIGRANT AND
REFUGEE ADVOCACY COALITION, INC.**

Statement of Activities

For the Year Ended June 30, 2024

	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>
<i>Revenues and Other Support:</i>			
Grants and contributions	\$ 1,093,896	\$ 702,214	\$ 1,796,110
Public contracts	1,458,825	-	1,458,825
Service fees	187,273	-	187,273
Special project revenue	77,994	-	77,994
Unrealized gain on investment	12,422	-	12,422
Interest income	54,185	-	54,185
Other income	6,071	-	6,071
Net assets released from restrictions	1,497,215	(1,497,215)	-
<i>Total revenues</i>	4,387,881	(795,001)	3,592,880
Special events:			
Special events	58,506	-	58,506
Special events expense	(109,100)	-	(109,100)
<i>Special events, net</i>	(50,594)	-	(50,594)
<i>Total revenues and other support</i>	4,337,287	(795,001)	3,542,286
<i>Expenses:</i>			
Program services	4,120,078	-	4,120,078
Management and general	626,228	-	626,228
Fundraising	249,955	-	249,955
<i>Total expenses</i>	4,996,262	-	4,996,262
<i>Change in net assets</i>	(658,975)	(795,001)	(1,453,976)
<i>Net Assets, beginning</i>	2,979,395	1,331,917	4,311,312
<i>Net Assets, ending</i>	\$ 2,320,420	\$ 536,916	\$ 2,857,336

See accompanying notes to financial statements.

**MASSACHUSETTS IMMIGRANT AND
REFUGEE ADVOCACY COALITION, INC.**

Statement of Activities

For the Year Ended June 30, 2023

	<i>Without Donor Restrictions</i>	<i>With Donor Restrictions</i>	<i>Total</i>
<i>Revenues and Other Support:</i>			
Grants and contributions	\$ 1,297,348	\$ 1,325,000	\$ 2,622,348
Public contracts	613,546	-	613,546
Federated fundraising	20,964	-	20,964
Fiscal sponsor revenue	16,372	-	16,372
Special project revenue	180,415	-	180,415
Unrealized gain on investment	1,660	-	1,660
Interest income	31,843	-	31,843
Other income	4,263	-	4,263
Net assets released from restrictions	366,633	(366,633)	-
<i>Total revenues</i>	2,533,044	958,367	3,491,411
Special events:			
Special events	334,550	-	334,550
Special events expense	(80,315)	-	(80,315)
<i>Special events, net</i>	254,235	-	254,235
<i>Total revenues and other support</i>	2,787,279	958,367	3,745,646
<i>Expenses:</i>			
Program services	1,629,997	-	1,629,997
Management and general	1,278,672	-	1,278,672
Fundraising	196,291	-	196,291
<i>Total expenses</i>	3,104,960	-	3,104,960
<i>Change in net assets</i>	(317,681)	958,367	640,686
<i>Net Assets, beginning</i>	3,297,076	373,550	3,670,626
<i>Net Assets, ending</i>	\$ 2,979,395	\$ 1,331,917	\$ 4,311,312

See accompanying notes to financial statements.

**MASSACHUSETTS IMMIGRANT AND
REFUGEE ADVOCACY COALITION, INC.**

Statement of Functional Expenses

For the Year Ended June 30, 2024

	<i>Program Services</i>	<i>Management and General</i>	<i>Fundraising</i>	<i>Total</i>
Salaries and related expenses:				
Salaries	\$ 1,759,151	\$ 266,863	\$ 188,054	\$ 2,214,068
Payroll taxes	142,484	21,615	15,232	179,330
Fringe benefits	177,067	26,861	18,928	222,856
	2,078,702	315,338	222,214	2,616,254
Training, meetings and conferences:				
Training	13,112	5,957	-	19,069
Conferences and meetings	15,023	29,856	-	44,879
	28,135	35,813	-	63,948
Occupancy:				
Rent expenses	80,767	13,508	8,773	103,048
Utilities, repairs and maintenance	2,870	480	312	3,662
	83,637	13,988	9,085	106,710
Information technology	72,331	12,097	7,857	92,284
Staff mileage and travel	33,252	2,528	697	36,477
Office supplies	33,928	5,674	3,685	43,287
Program supplies	196,850	-	-	196,850
Telephone	15,048	2,517	1,635	19,199
Insurance expenses	-	11,754	-	11,754
Special event expenses	-	-	109,100	109,100
Professional fees	205,669	169,905	4,783	380,357
Payroll, recruiting and subscriptions	-	46,028	-	46,028
Advertising	3,055	-	-	3,055
Subcontracted direct care	1,366,324	-	-	1,366,324
Depreciation	-	10,587	-	10,587
Miscellaneous	3,148	-	-	3,148
<i>Total expenses by function of revenues on the statement of activities</i>	4,120,078	626,228	359,055	5,105,362
Direct costs	-	-	(109,100)	(109,100)
<i>Total expenses included in expenses on the statement of activities</i>	\$ 4,120,078	\$ 626,228	\$ 249,955	\$ 4,996,262

See accompanying notes to financial statements.

**MASSACHUSETTS IMMIGRANT AND
REFUGEE ADVOCACY COALITION, INC.**

Statement of Functional Expenses

For the Year Ended June 30, 2023

	<i>Program Services</i>	<i>Management and General</i>	<i>Fundraising</i>	<i>Total</i>
Salaries and related expenses:				
Salaries	\$ 957,135	\$ 670,689	\$ 139,248	\$ 1,767,072
Payroll taxes	18,079	131,985	11,150	161,213
Fringe benefits	89,551	91,335	15,317	196,203
	1,064,765	894,009	165,715	2,124,489
Training, meetings and conferences:				
Training	4,213	10,633	-	14,846
Conferences and meetings	21,514	11,795	44	33,353
	25,727	22,428	44	48,199
Occupancy:				
Rent expenses	59,264	10,164	4,880	74,308
Repairs and maintenance	13,487	5,209	284	18,980
	72,750	15,373	5,164	93,288
Information technology	-	1,866	14,212	16,078
Staff mileage and travel	16,717	2,150	892	19,759
Office supplies	21,203	26,254	1,218	48,674
Program supplies	96,498	20,449	110	117,057
Telephone	18,638	13,880	1,322	33,839
Insurance expenses	-	16,297	-	16,297
Special event expenses	-	-	98,015	80,315
Professional fees	307,323	242,620	7,347	557,290
Dues and subscriptions	5,438	9,704	266	15,408
Advertising	-	6,907	-	6,907
Depreciation	-	6,686	-	6,686
Bad debt expenses	-	50	-	50
Miscellaneous	939	-	-	939
<i>Total expenses by function of revenues on the statement of activities</i>	1,629,997	1,278,672	294,305	3,185,275
Direct costs	-	-	(98,015)	(98,015)
<i>Total expenses included in expenses on the statement of activities</i>	<u>\$ 1,629,997</u>	<u>\$ 1,278,672</u>	<u>\$ 196,291</u>	<u>\$ 3,087,260</u>

See accompanying notes to financial statements.

**MASSACHUSETTS IMMIGRANT AND
REFUGEE ADVOCACY COALITION, INC.**

Statements of Cash Flows

For the Years Ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<i>Cash Flows from Operating Activities:</i>		
Change in net assets	\$ (1,453,976)	\$ 640,686
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	10,587	6,686
Unrealized gains on investments	(12,422)	(1,660)
Right of use asset amortization	90,807	-
Changes in:		
Pledges, contracts and grants receivable	(247,889)	189,946
Prepaid expenses	(5,522)	(152)
Security deposit	(12,668)	-
Accounts payable and accrued expenses	186,277	(107,913)
Lease liability	(57,006)	-
<i>Net cash provided by operating activities</i>	<u>(1,501,812)</u>	<u>727,593</u>
<i>Cash Flows from Investing Activities:</i>		
Purchase of equipment	(19,779)	(19,513)
Purchase of investments	-	(7,041)
<i>Net cash used in investing activities</i>	<u>(19,779)</u>	<u>(26,554)</u>
<i>Net change in cash and cash equivalents</i>	<u>(1,521,591)</u>	<u>701,039</u>
<i>Cash and cash equivalents, beginning</i>	<u>3,939,809</u>	<u>3,238,770</u>
<i>Cash and cash equivalents, ending</i>	<u>\$ 2,418,218</u>	<u>\$ 3,939,809</u>

See accompanying notes to financial statements

**MASSACHUSETTS IMMIGRANT AND
REFUGEE ADVOCACY COALITION, INC.**

Notes to Financial Statements

For the Years Ended June 30, 2024 and 2023

Note 1. Nature of Activities

Massachusetts Immigrant and Refugee Advocacy Coalition, Inc. (MIRA or the Organization) is a nonprofit organization incorporated under the laws of the Commonwealth of Massachusetts on December 14, 1987. The Organization is dedicated to advocacy and promotion of the rights, privileges, and opportunities of immigrants and refugees. To this end, MIRA seeks to bring together individuals and organizations to help in shaping and evolving just, equitable and non-discriminatory policies as they relate to refugees, immigration and citizenship.

MIRA is a dynamic and multi-ethnic coalition with more than 130 organizational members, including grassroots community organizations; refugee resettlement agencies; providers of social, legal and health services; faith-based organizations; and civil and human rights advocates. MIRA organizes and empowers its members and allies, and they collectively mobilize immigrant communities to advocate for themselves, and amplify and support their voices. MIRA is a respected leader on immigrant issues at the state and national levels, and an authoritative source of information and policy analysis for policymakers, advocates, immigrant communities and the media.

Activities organized by MIRA include the dissemination of information relating to United States immigration, refugee and citizenship policies; the facilitation of co-operative educational and other related activities between members and all interested groups; the education and empowerment of immigrants and refugees; and participation in national and state conferences.

Note 2. Program Services

Program services consist of the following:

Training and education: This is designed to prepare members for service to their constituencies through training in various skills.

Policy and analysis: Dissemination of such analysis equips stakeholders with the understanding of the impact of policies of federal, state and local authorities on the immigrant and refugee communities.

Organization and leadership: This program focuses on organizing, equipping and empowering identified local immigrant leaders for advocacy and leadership roles. The following is a summary of significant accounting policies used in preparing and presenting the accompanying financial statements.

absence of donor-imposed restrictions. In the accompanying financial statements, net assets that have similar characteristics are combined into the following categories.

**MASSACHUSETTS IMMIGRANT AND
REFUGEE ADVOCACY COALITION, INC.**

Notes to Financial Statements

For the Years Ended June 30, 2024 and 2023

Note 3. Summary of Accounting Policies

Basis of Accounting and Financial Statement Presentation

The accompanying financial statements 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) established by the Financial Accounting Standards Board (FASB). These standards require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets available that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Board of Directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Revenue Recognition

Contributions

Contributions: The Organization recognizes contributions when cash, securities, other assets, an unconditional promise to give, or notification of a beneficial interest are received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met.

Unconditional contributions may or may not be subject to donor-imposed restrictions. Donor-imposed restrictions limit the use of the donated assets but are less specific than donor-imposed conditions. Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets. The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations about the use of the donated assets, or if they are designated as support for future periods.

Exchange transactions: Reciprocal transfers in which each party receives and sacrifices goods or services with approximate commensurate value are recognized as exchange transactions. The Organization adopted Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers ("Topic 606"). The core principle is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should apply the following steps: (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

**MASSACHUSETTS IMMIGRANT AND
REFUGEE ADVOCACY COALITION, INC.**

Notes to Financial Statements

For the Years Ended June 30, 2024 and 2023

Note 3. Summary of Accounting Policies (Continued)

Contract and Grant Revenue

The Organization derives revenues through contracts and grants received through the Commonwealth of Massachusetts Department of Refugee Assistance, and from various donors. Accordingly, the Organization is subject to the regulations and reporting requirements of the applicable governmental and grantor agencies. Contract and grant revenue is recorded in accordance with the provisions of the applicable award amounts, including the recognition of any purpose or time restriction on the use of the proceeds.

Financial awards from federal, state and local governmental entities in the form of grants are subject to special audits. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

Donated Goods and Services

The Organization reports gifts of land, building, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support.

Leases

The Organization follows ASU No. 2016-02 Leases (Topic 842), which required the Trust to capitalize on any operating leases which are greater than 12-months as an asset and liability on the statement of financial position and amortize the lease over the term of the lease on a straight-line basis. Finance leases have both an interest factor and depreciation of the lease asset. Non-lease components of monthly payment are a consideration, and the standard allows a practical expedient to lessees to not account for non-lease components separately. As a result of the lease accounting treatment, there are differences between the amount of rent expensed on the Statement of Activities and Changes in Net Assets and the amount of cash paid pursuant to the lease agreement.

Cash and Cash Equivalents

The Organization considers as cash equivalents all highly liquid investments, which can be converted into known amounts of cash and have a maturity period of 90 days or less at the time of purchase.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their value in the statements of financial position. Unrealized gains and losses are included in change in net assets. Investment income and gains restricted by a donor are reported as an increase in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

**MASSACHUSETTS IMMIGRANT AND
REFUGEE ADVOCACY COALITION, INC.**

Notes to Financial Statements

For the Years Ended June 30, 2024 and 2023

Note 3. Summary of Accounting Policies (Continued)

Functional Allocation of Expenses

The costs of providing the Organization's programs and other activities have been summarized on a functional basis in the statement of activities. Expenses that can be identified with a specific program or support service are charged directly to that program or support services. Costs common to multiple functions have been allocated among the various functions benefited using a reasonable allocation method that is consistently applied, as follows:

- Salaries and wages, benefits, and payroll taxes are allocated based on activity reports prepared by key personnel.
- Occupancy, depreciation, and amortization, and interest are allocated on a square foot basis dependent on the programs and supporting activities occupying the space.
- Telephone and internet services, insurance, and supplies and miscellaneous expenses that cannot be directly identified are allocated on the basis of employee headcount for each program and supporting activity. Every few years or more often when new space or programs are added, the bases on which costs are allocated are evaluated. General and administrative expenses include those costs that are not directly identifiable with any specific program, but which provide for the overall support and direction of the Organization.

Fundraising costs are expenses as incurred, even though they may result in contributions received in future years. The organization generally does not conduct its fundraising activities in conjunction with its other activities. In the few cases where this might occur, joint costs have been allocated between fundraising and general and administrative expenses in accordance with the standards for accounting for costs of activities that include fundraising.

Fixed Assets

Fixed asset purchases in excess of \$1,500 are capitalized at cost if purchased or at fair market value at the date of receipt if donated. Expenditures for maintenance, repairs and renewals are charged to expense as incurred, whereas major betterments are capitalized as additions to fixed assets. Depreciation of fixed assets is computed using the straight-line method over the estimated useful lives of the assets as follows:

Office equipment	3-5 years
Furniture and fixtures	7 years
Software	3 years
Leasehold improvements	4 years

**MASSACHUSETTS IMMIGRANT AND
REFUGEE ADVOCACY COALITION, INC.**

Notes to Financial Statements

For the Years Ended June 30, 2024 and 2023

Note 3. *Summary of Accounting Policies (Continued)*

Pledges, Grants and Contracts Receivable

Pledges consist of unconditional promises to give that are expected to be collected in future years and classified as conditional promises to the extent that conditions have been met but reimbursement from the grantor has not yet been received. Pledges receivables represent amounts that are due from individual donors, which are classified as current if they are scheduled for payment within one year and noncurrent when the expected payment date exceeds one year.

Management believes that all pledges receivables are collectible; therefore, no allowance for doubtful pledges has been established. If pledges are determined to be uncollectible in subsequent periods, they will be charged to activities at that time.

Income Tax Status

The Organization is exempt from federal income tax under the provision of Internal Revenue Code (IRC) Section 501(c)(3). In addition, the Organization qualifies for the charitable contribution deduction under IRC Section 170(b)(1)(a) and has been classified as an organization that is not a private foundation under IRC Section 509(a)(1). The Organization is also exempt from Massachusetts state taxes.

Adopted Accounting Pronouncements

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses* (Topic 326). The ASU introduces a new credit loss methodology, Current Expected Credit Losses (CECL), which requires earlier recognition of credit losses, while also providing additional transparency about credit risk. The CECL methodology utilizes a lifetime “expected credit loss” measurement objective for the recognition of credit losses at the time the financial asset is originated or acquired. The expected credit losses are adjusted each period for changes in expected lifetime credit losses. The CECL methodology replaces the multiple impairment methods permitted to be utilized in prior years, which generally require that a loss be incurred before it is recognized. On July 1, 2023, the Organization adopted the ASU prospectively. The impact of the adoption of this ASU was immaterial to the financial statements. Accordingly, there was no adjustment to net assets upon adoption.

Note 4. *Cash and Cash Equivalents*

The Organization maintains its cash balance in bank deposit accounts. Accounts at the institutions are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Organization has not experienced any losses in such accounts and does not believe it is exposed to any significant credit risk on its cash and cash equivalents. As of June 30, 2024, and 2023, the uninsured portion and uncollateralized portion of this balance was \$1,914,499 and \$3,178,769, respectively.

**MASSACHUSETTS IMMIGRANT AND
REFUGEE ADVOCACY COALITION, INC.**

Notes to Financial Statements

For the Years Ended June 30, 2024 and 2023

Note 5. Pension Plan

The Organization maintains a noncontributory simple employee pension plan. An annual contribution to the plan is 5% of employees' annual compensation. To qualify for the plan, employees must have two years of continuous employment. Additionally, the Organization offers a tax-deferred annuity plan for participating employees to make contributions, whereby there is no required match, and contributions are directed by the participants. Pension expenses for the year ended June 30, 2024, and 2023 was \$30,923 and \$23,209, respectively, and is included under fringe benefits.

Note 6. Fixed Assets

Fixed assets consist of the following as of June 30:

	<u>2024</u>	<u>2023</u>
Equipment and furniture	\$ 94,251	\$ 74,472
Leasehold improvement	13,293	13,293
Website	14,500	14,500
Database	4,850	4,850
	126,894	107,115
Less: accumulated depreciation	(95,068)	(84,480)
Fixed assets, net	<u>\$ 31,826</u>	<u>\$ 22,635</u>

Depreciation expenses for the years ended June 30, 2024, and 2023 were \$10,587 and \$6,686 respectively

Note 7. Fair Value Measurements

The Organization has adopted the provision of FASB Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurements and Disclosures*, for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. ASC Topic 820 defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When determining the fair value measurements for assets and liabilities required to be recorded at fair value, the Organization considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance.

FASB ASC 820 also establishes a fair value hierarchy that requires the Organization to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The categorization of each investment type within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. FASB ASC 820 establishes three levels of inputs that may be used to measure fair value:

**MASSACHUSETTS IMMIGRANT AND
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Notes to Financial Statements

For the Years Ended June 30, 2024 and 2023

Note 7. Fair Value Measurements (Continued)

- **Level 1:** Quoted prices in active markets for identical assets or liabilities at the measurement date;
- **Level 2:** Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and
- **Level 3:** Unobservable inputs that are supported by little or no market activity and that reflect the Organization's own assumptions about market participants and investment prices. The following is a description of the valuation methodology used for assets measured at fair value:
- **Fixed-income financial instruments:** Valued at cost plus accrued interest at year-end or valued at the closing price reported on the active market on which the individual instrument is traded, as applicable.

Investments are reported at their fair values as of June 30, 2024. The fair values of financial instruments appearing on the accompanying statements of financial position have the following valuation approaches as defined by the FASB ASC 820 hierarchy:

- Assets utilizing Level 1 inputs include mutual funds, which amounted to \$219,133 and \$206,712 as of June 30, 2024, and 2023, respectively. Investments are valued at cost plus accrued interest, which approximates fair value. There are no liabilities utilizing Level 1 inputs.
- There are no assets and liabilities utilizing Level 2 inputs.
- There are no assets and liabilities utilizing Level 3 inputs.

Note 8. Liquidity and Availability

The following represents the Organization's financial assets that are available to meet general expenses over the next 12 months:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 2,418,218	\$ 3,939,809
Investments	219,133	206,712
Pledges, contracts and grants receivable	609,201	361,312
Total financial assets	<u>3,246,552</u>	<u>4,507,833</u>
Less amounts not available for use within one year:		
Total net assets with donor restrictions	<u>(536,916)</u>	<u>(1,331,917)</u>
Financial assets available to meet general expenditures over the next 12 months	<u><u>\$ 2,709,636</u></u>	<u><u>\$ 3,175,916</u></u>

**MASSACHUSETTS IMMIGRANT AND
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Notes to Financial Statements

For the Years Ended June 30, 2024 and 2023

Note 8. *Liquidity and Availability (Continued)*

The Organization's goal is to maintain financial assets to meet 180 days of operating expenses. As part of its liquidity plan, only one to two months' worth of operating cash is kept in business checking and the rest is kept in a money market account.

Note 9. *Right of Use Asset and Lease Liability*

The Organization leases operating space in Boston, Massachusetts under a 6-year lease agreement expiring September 2029, with monthly payments increasing each year from \$6,334 in fiscal year 2024 to \$11,615 in fiscal year 2029.

The components of lease expense, lease term and discount for the year ended June 30, 2024 are as follows:

Operating lease cost	\$ 57,006
Weighted-average remaining lease term, years	5.25
Weighted-average discount rate	4.70%
Right-of-use asset	\$ 626,844
Less: accumulated amortization	<u>(69,488)</u>
<i>Right-of-use asset, net</i>	<u><u>\$ 557,356</u></u>

Future minimum payments on the lease are:

Years ending June 30:	
2025	\$ 109,596
2026	124,275
2027	128,928
2028	133,575
2029	138,219
Thereafter	<u>34,845</u>
Total undiscounted lease payments	669,438
Less: discount to net present value	<u>(78,283)</u>
<i>Present value of lease liability</i>	<u><u>\$ 591,155</u></u>

Note 10. *Subsequent Events*

The Organization has evaluated subsequent events through April 4, 2025, the date the financial statements were available to be issued.



Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Board of Directors

Massachusetts Immigrant and Refugee Advocacy Coalitions, Inc.
Boston, Massachusetts

We have audited, in accordance with the 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, the financial statements of Massachusetts Immigrant and Refugee Advocacy Coalitions, Inc., (a nonprofit Organization) which comprise the statement of financial position as of June 30, 2024, the related statements of activities, cash flows, and functional expenses for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated April 4, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Massachusetts Immigrant and Refugee Advocacy Coalitions, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Massachusetts Immigrant and Refugee Advocacy Coalitions, Inc. internal control. Accordingly, we do not express an opinion on the effectiveness of Massachusetts Immigrant and Refugee Advocacy Coalitions, Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Massachusetts Immigrant and Refugee Advocacy Coalitions, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Massachusetts Immigrant and Refugee Advocacy Coalitions, Inc.'s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Massachusetts Immigrant and Refugee Advocacy Coalitions, Inc.'s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kelly Vitale Raffol, LLC

Boston, Massachusetts

April 4, 2025