

**CHICAGO LAWYERS' COMMITTEE FOR
CIVIL RIGHTS UNDER LAW, INC.**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT**

DECEMBER 31, 2019 AND 2018

CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC.
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WSDD

WSDD CPAs, Ltd.
Certified Public Accountants & Consultants

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC.
Chicago, Illinois

We have audited the accompanying financial statements of CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC., which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC. as of December 31, 2019 and 2018, 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.

WSDD CPAs, Ltd.

WSDD CPAs, Ltd.

Chicago, Illinois
October 30, 2020

CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC.
Statements of Financial Position
December 31, 2019 and 2018

	2019			2018		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 1,329,435	\$ 312,511	\$ 1,641,946	\$ 255,573	\$ 232,523	\$ 488,096
Grants and other receivables	183,492	325,000	508,492	194,744		194,744
Prepaid expenses	35,915		35,915	36,367		36,367
Total Current Assets	<u>1,548,842</u>	<u>637,511</u>	<u>2,186,353</u>	<u>486,684</u>	<u>232,523</u>	<u>719,207</u>
Fixed Assets						
Equipment	89,513		89,513	89,513		89,513
Less: Accumulated depreciation	<u>(89,513)</u>		<u>(89,513)</u>	<u>(88,124)</u>		<u>(88,124)</u>
Total Fixed Assets, Net				<u>1,389</u>		<u>1,389</u>
Other Assets						
Security deposits	<u>6,467</u>		<u>6,467</u>	<u>6,467</u>		<u>6,467</u>
TOTAL ASSETS	<u>\$ 1,555,309</u>	<u>\$ 637,511</u>	<u>\$ 2,192,820</u>	<u>\$ 494,540</u>	<u>\$ 232,523</u>	<u>\$ 727,063</u>
LIABILITIES AND NET ASSETS						
Liabilities						
Accounts payable	\$ 41,680	\$	\$ 41,680	\$ 57,846	\$	\$ 57,846
Accrued expenses	39,900		39,900	20,496		20,496
Lease obligations payable	42,338		42,338	35,598		35,598
Fiscal sponsorship	<u>192,970</u>		<u>192,970</u>	<u>125,101</u>		<u>125,101</u>
Total Liabilities	316,888		316,888	239,041		239,041
Net Assets	<u>1,238,421</u>	<u>637,511</u>	<u>1,875,932</u>	<u>255,499</u>	<u>232,523</u>	<u>488,022</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,555,309</u>	<u>\$ 637,511</u>	<u>\$ 2,192,820</u>	<u>\$ 494,540</u>	<u>\$ 232,523</u>	<u>\$ 727,063</u>

See independent auditors' report and notes to financial statements.

CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC.
Statements of Activities
For the Years Ended December 31, 2019 and 2018

	2019			2018		
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL
SUPPORT AND REVENUE						
Government grants	\$ 334,816	\$	\$ 334,816	\$ 429,072	\$	\$ 429,072
Contributions:						
Foundations and corporate	727,198	637,008	1,364,206	432,524	235,408	667,932
Individuals	31,480	449	31,929	50,581	1,103	51,684
Law firm memberships	317,750		317,750	289,000		289,000
Special events including annual meeting:						
Proceeds (annual benefit \$498,079 in 2019 and \$190,589 in 2018)	610,494		610,494	290,985		290,985
Direct expenses (annual benefit \$117,129 in 2019 and \$71,633 in 2018)	(118,740)		(118,740)	(72,426)		(72,426)
Attorney fees	787,122		787,122	79,145		79,145
Contractual services	28,500		28,500	33,225		33,225
Application fees	22,760		22,760	34,320		34,320
Workshops	7,257		7,257	8,141		8,141
Interest and dividends	8,559		8,559	2,914		2,914
Miscellaneous	41,169		41,169	51,114		51,114
	<u>2,798,365</u>	<u>637,457</u>	<u>3,435,822</u>	<u>1,628,595</u>	<u>236,511</u>	<u>1,865,106</u>
NET ASSETS RELEASED FROM RESTRICTIONS	<u>232,469</u>	<u>(232,469)</u>		<u>136,936</u>	<u>(136,936)</u>	
TOTAL SUPPORT AND REVENUE	<u>3,030,834</u>	<u>404,988</u>	<u>3,435,822</u>	<u>1,765,531</u>	<u>99,575</u>	<u>1,865,106</u>
EXPENSES						
Program services	1,380,412		1,380,412	1,419,491		1,419,491
Supporting services	667,500		667,500	575,773		575,773
Total Expenses	<u>2,047,912</u>		<u>2,047,912</u>	<u>1,995,264</u>		<u>1,995,264</u>
CHANGE IN NET ASSETS	982,922	404,988	1,387,910	(229,733)	99,575	(130,158)
NET ASSETS - BEGINNING OF YEAR	<u>255,499</u>	<u>232,523</u>	<u>488,022</u>	<u>485,232</u>	<u>132,948</u>	<u>618,180</u>
NET ASSETS - END OF YEAR	<u>\$ 1,238,421</u>	<u>\$ 637,511</u>	<u>\$ 1,875,932</u>	<u>\$ 255,499</u>	<u>\$ 232,523</u>	<u>\$ 488,022</u>

See independent auditors' report and notes to financial statements.

CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC.
Statements of Cash Flows
For the Years Ended December 31, 2019 and 2018

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,387,910	\$ (130,158)
<i>Adjustments to reconcile change in net assets to net cash provided by operating activities:</i>		
Depreciation	1,389	4,784
Increase (decrease) in cash due to change in:		
Grants and other receivables	(313,748)	10,210
Prepaid expenses	452	(10,302)
Accounts payable	(16,166)	52,760
Accrued expenses	19,404	(50,660)
Lease obligations payable	6,740	9,585
Fiscal sponsorships	<u>67,869</u>	<u>125,101</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>1,153,850</u>	<u>11,320</u>
 CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	 <u>488,096</u>	 <u>476,776</u>
 CASH AND CASH EQUIVALENTS - END OF YEAR	 <u>\$ 1,641,946</u>	 <u>\$ 488,096</u>

CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC.

Statement of Functional Expenses
For the Year Ended December 31, 2019

	PROGRAM SERVICES							SUPPORTING SERVICES			TOTAL 2019
	COMMUNITY LAW PROJECT	HOUSING OPPORTUNITY PROJECT	SETTLEMENT ASSISTANCE PROJECT	VOTING RIGHTS	EDUCATIONAL EQUITY	OTHER PROGRAMS	TOTAL PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUND RAISING	TOTAL SUPPORTING SERVICES	
Salaries	\$ 289,403	\$ 217,596	\$ 62,324	\$ 166,379	\$ 131,483	\$ 35,938	\$ 903,123	\$ 257,405	\$ 170,852	\$ 428,257	\$ 1,331,380
Payroll taxes	23,580	17,082	4,881	13,071	10,460	3,692	72,766	20,271	12,837	33,108	105,874
Employee benefits	18,714	6,060	422	11,932	7,404	1,201	45,733	13,177	4,536	17,713	63,446
	<u>331,697</u>	<u>240,738</u>	<u>67,627</u>	<u>191,382</u>	<u>149,347</u>	<u>40,831</u>	<u>1,021,622</u>	<u>290,853</u>	<u>188,225</u>	<u>479,078</u>	<u>1,500,700</u>
Rent	45,417	29,140	12,377	24,861	22,810	5,681	140,286	33,784	21,081	54,865	195,151
Insurance	5,148	3,745	1,230	2,974	2,829	913	16,839	3,092	2,263	5,355	22,194
Information resources	2,095	2,259	1,924	2,330	1,595	94	10,297	1,050	4,011	5,061	15,358
Meetings and travel	5,006	4,629	845	3,295	6,168	987	20,930	4,172	1,753	5,925	26,855
Contracted and student services	11,716	16,697	1,098	59,414	5,323	10,100	104,348	4,677	67,990	72,667	177,015
Professional fees	2,447	1,911	687	1,596	1,366	267	8,274	22,270	1,442	23,712	31,986
Telecommunications	1,460	954	348	882	880	218	4,742	1,214	633	1,847	6,589
Supplies	2,951	1,891	736	1,712	1,736	2,479	11,505	1,766	1,857	3,623	15,128
Printing and duplicating	1,092	718	215	563	511	192	3,291	823	1,250	2,073	5,364
Equipment rental and maintenance	1,303	956	307	774	722	154	4,216	1,050	629	1,679	5,895
Recruitment and advertising	34	442	6	18	189	345	1,034	30	381	411	1,445
Staff development	3,012	168	19	1,350	49	559	5,157	1,622	25	1,647	6,804
Depreciation	355	335	50	58	230	15	1,043	228	118	346	1,389
Litigation	379	23,834				1,806	26,019				26,019
Miscellaneous	1,033	(86)	(20)	(59)	(50)	(9)	809	9,261	(50)	9,211	10,020
Total Expenses Before Allocation	<u>\$ 415,145</u>	<u>\$ 328,331</u>	<u>\$ 87,449</u>	<u>\$ 291,150</u>	<u>\$ 193,705</u>	<u>\$ 64,632</u>	<u>\$ 1,380,412</u>	<u>\$ 375,892</u>	<u>\$ 291,608</u>	<u>\$ 667,500</u>	<u>\$ 2,047,912</u>

CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC.
Statement of Functional Expenses
For the Year Ended December 31, 2018

	PROGRAM SERVICES								SUPPORTING SERVICES			TOTAL 2018
	COMMUNITY LAW PROJECT	HOUSING OPPORTUNITY PROJECT	HATE CRIMES	SETTLEMENT ASSISTANCE PROJECT	VOTING RIGHTS	EDUCATIONAL EQUITY	OTHER PROGRAMS	TOTAL PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUND RAISING	TOTAL SUPPORTING SERVICES	
Salaries	\$ 387,510	\$ 225,302	\$ 26,070	\$ 54,406	\$ 87,842	\$ 145,267	\$ 42,178	\$ 968,575	\$ 266,857	\$ 156,606	\$ 423,463	\$ 1,392,038
Payroll taxes	32,851	28,905	2,092	4,535	7,148	11,937	4,316	91,784	21,448	12,455	33,903	125,687
Employee benefits	25,539	7,838		(1,068)	2,604	10,524	1,736	47,173	18,457	5,455	23,912	71,085
	<u>445,900</u>	<u>262,045</u>	<u>28,162</u>	<u>57,873</u>	<u>97,594</u>	<u>167,728</u>	<u>48,230</u>	<u>1,107,532</u>	<u>306,762</u>	<u>174,516</u>	<u>481,278</u>	<u>1,588,810</u>
Rent	52,173	30,995	2,886	10,487	10,774	21,629	2,631	131,575	33,752	17,426	51,178	182,753
Insurance	5,958	4,552	297	736	977	3,239	227	15,986	4,481	1,766	6,247	22,233
Information resources	2,862	2,182	240	2,121	1,451	1,402	1,118	11,376	1,108	2,809	3,917	15,293
Meetings and travel	5,963	5,150	573	356	1,106	7,256	533	20,937	2,670	1,246	3,916	24,853
Contracted and student services	8,541	39,863	2,046	1,018	14,253	8,646	12,566	86,933	5,993	4,662	10,655	97,588
Professional fees	2,258	1,564	133	266	377	1,215	120	5,933	3,897	580	4,477	10,410
Telecommunications	1,942	1,306	118	232	328	788	111	4,825	1,470	748	2,218	7,043
Supplies	2,678	2,369	95	186	1,191	1,563	108	8,190	1,418	3,537	4,955	13,145
Printing and duplicating	1,467	1,062	223	105	197	479	50	3,583	1,171	1,192	2,363	5,946
Equipment rental and maintenance	1,661	1,141	99	198	279	738	90	4,206	1,263	584	1,847	6,053
Recruitment and advertising	330	50						380	165	443	608	988
Staff development	1,663	4,765	50	101	162	817	83	7,641	671	211	882	8,523
Depreciation	1,223	1,152	41	174	198	793	12	3,593	786	405	1,191	4,784
Litigation		2,813				1,458	13	4,284				4,284
Miscellaneous	2,458	59						2,517	11	30	41	2,558
Total Expenses Before Allocation	<u>\$ 537,077</u>	<u>\$ 361,068</u>	<u>\$ 34,963</u>	<u>\$ 73,853</u>	<u>\$ 128,887</u>	<u>\$ 217,751</u>	<u>\$ 65,892</u>	<u>\$ 1,419,491</u>	<u>\$ 365,618</u>	<u>\$ 210,155</u>	<u>\$ 575,773</u>	<u>\$ 1,995,264</u>

CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC.
Notes to Financial Statements
December 31, 2019 and 2018

NOTE 1 - NATURE OF ACTIVITIES

The Chicago Lawyers' Committee for Civil Rights Under Law, Inc. ("Committee") was incorporated in 1976, as an Illinois not-for-profit corporation. The Committee provides legal services without charge to individuals and organizations located in the Chicago metropolitan area that are unable to afford such services. The Committee also administers specially funded projects in connection with similar legal assistance programs.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

Under generally accepted accounting principles, the Committee is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions. The net assets of the Committee are reported in two self-balancing groups as follows:

- Net Assets without Donor Restrictions: Net assets without donor restrictions are for use at the discretion of management for general operating purposes.
- Net Assets with Donor Restrictions: Net assets with donor restrictions consist of assets whose use is limited by donor imposed time and/or purpose restrictions. The Committee reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions. Some net assets with donor restrictions may include a stipulation that assets provided be maintained permanently (perpetual in nature) while permitting the Committee to expend the income generated by the assets in accordance with the provisions of additional donor imposed stipulations or a Board approved spending policy. The Committee has no net assets required to be maintained permanently.

Revenue and Expense Recognition

The financial statements of the Committee have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables, and other liabilities. Thus, revenue is recognized when earned and expenses are recognized when incurred.

Support Recognition

Contributions, including corporate sponsors, received or pledged, are recorded as unrestricted unless specifically restricted by the donor. All donor-restricted contributions are reported as an increase in net assets with donor restrictions, and are transferred to net assets without donor restrictions, as the restrictions are met. Contributions that are restricted by the donor are reported as increases in net assets without donor restrictions if the restrictions expire in the fiscal year in which the contributions are received.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Committee considers all highly liquid investments with an initial maturity date of three months or less to be cash equivalents.

Grants and Other Receivables

Grants and other receivables represent amounts committed by a donor that has not been received by the Committee, or amounts due for services rendered and not yet collected. The Committee is on the direct write-off method for bad debt recognition.

Fixed Assets

Furniture and equipment additions in excess of \$1,000 are capitalized. Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Property and equipment are depreciated using the straight-line method over the useful lives of the assets as follows:

Computer hardware and software	3 Years
Furniture and other equipment	5 Years

Contributed Services

The Committee receives a substantial amount of donated services from citizens interested in its programs. The kinds of services generally involve the contribution of time and pro bono legal services. Cost constraints require that if the services are not provided without charge, the Committee would not have the financial ability to accept the legal cases and therefore the service would not be offered. Accordingly, such services are not valued and recorded in the financial statement as in-kind services.

Functional Expense Allocation

The Committee charges direct program expenses to each individual program. Certain indirect general and administrative expenses are allocated to program services on the basis determined by management.

Use of Estimates

The preparation of the financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Committee is exempt from federal income taxes under Section 501c(3) of the Internal Revenue Code. Thus, no provision for income taxes has been provided in the financial statements.

Accounting standards provide guidance for how certain tax positions should be recognized, measured and disclosed and presented in the financial statements. This requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Committee's information returns to determine whether the tax position are "more-likely-than-not" of being sustained "when challenged" or "when examined" by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit and asset or expense and liability in the current year. The Committee files information returns in the U.S. federal and state jurisdictions. The Committee is no longer subject to U.S. federal and state examinations by tax authorities for years before 2016. As of and for the year ended December 31, 2019, management has determined that there are no uncertain tax positions.

New Accounting Pronouncement

Effective January 1, 2019, the Committee adopted ASU 2018-08, Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The guidance provides a more robust framework for determining whether a transaction should be accounted for as a contribution or as an exchange transaction. The guidance also helps determine whether a contribution is conditional and better distinguishes a donor-imposed condition from a donor-imposed restriction. The Committee implemented this standard to all period presented, with no effect on net assets.

NOTE 3 - NET ASSETS WITH DONOR RESTRICTIONS

This category includes contributions received with donor imposed stipulations that can be fulfilled by the Committee pursuant to those stipulations or that expire by the passage of time. Net assets with donor restrictions at December 31, 2019 and 2018 are available for the following purposes:

	<u>2019</u>	<u>2018</u>
General Operations	\$ 250,000	\$
Community Law Project	73,752	111,858
Voting Rights	78,816	95,470
Education Equity Project	131,944	
Housing Opportunity Project	102,500	
Other Programs	499	25,195
	<u>\$ 637,511</u>	<u>\$ 232,523</u>

NOTE 4 - DESCRIPTION OF PROGRAMS

Community Law Project

Designed to offer complex, sophisticated tax, corporate, and real estate counsel to community groups in low-income neighborhoods which undertake development projects to improve local housing, employment, and community services, and to low and moderate income entrepreneurs.

Housing Opportunity Project

Offers pro bono legal assistance to address issues of housing discrimination and unfair lending practices.

Hate Crime Project

Represents victims of hate crimes in civil legal cases, provides information and training to communities that are targeted, and conducts policy and advocacy work to prevent hate crimes in and around Chicago.

Settlement Assistance Project

In collaboration with the federal court, this program provides meaningful access to justice to indigent litigants with civil rights claims, including prisoners and victims of employment discrimination. The project recruits pro bono volunteer counsel to assist these filers in settling their cases without going to trial, providing swift resolution and an opportunity for closure.

Voting Rights Project

Works to prevent, reduce and eliminate barriers to voting for people of color and low-income residents within Illinois and throughout the Midwest region.

Education Equity Project

Strives to eliminate educational disparities to promote equality in educational opportunities and resources for people of color.

NOTE 5 - CONCENTRATION OF RISK

The Committee at certain times concentrates its risk for cash by maintaining deposits at financial institutions that exceed the federally insured limits. The Committee is of the opinion that deposits are maintained in financially sound institutions, and it is not exposed to any significant credit risk on cash and cash equivalents.

NOTE 6 - GRANTS AND OTHER RECEIVABLES

Grants and other receivables consist of the following as of December 31, 2019 and 2018.

	<u>2019</u>	<u>2018</u>
Grants receivable	\$ 40,149	\$ 47,649
Pledges and other receivables	<u>468,343</u>	<u>147,095</u>
	<u>\$ 508,492</u>	<u>\$ 194,744</u>

NOTE 7 - LEASE COMMITMENTS

During 2014, the Committee entered into a lease for its Chicago office space commencing January 2015. The lease requires base monthly rental payments ranging from \$13,451 to \$16,037 over the lease term, and expires on August 31, 2025. In addition to the monthly lease payments, the Committee is also liable for their proportionate share of operating expenses as defined in the lease.

The lease provides for seven months of rent abatement throughout the term, as well as scheduled rent increases, all of which are required to be recognized ratably in accordance with generally accepted accounting principles. Accordingly, the amount of rent expense does not coincide with cash payments. This gives rise to a deferred lease benefit liability which is being amortized over the term of the lease. The deferred lease benefit liability at December 31, 2019 and 2018 amounted to \$42,338 and \$35,598, respectively.

The future minimum base rental payments for the years ending December 31, are as follows:

<u>YEAR</u>	<u>AMOUNT</u>
2020	\$ 162,184
2021	165,029
2022	167,874
2023	170,720
2024	189,344
Thereafter	<u>128,299</u>
	<u>\$ 983,450</u>

Total rent expense for the years ended December 31, 2019 and 2018 amounted to \$195,151 and \$182,753, respectively.

NOTE 8 - RETIREMENT PLAN

In 2019 and 2018, the Committee provided retirement benefits for eligible employees under a 403(b) tax deferred annuity plan. Under the plan the Committee may match employee contributions up to 3%. No retirement benefits were contributed by the Committee during 2019 and 2018.

NOTE 9 - HUD CONTRACT

In October 2016, U.S. Department of Housing and Urban Development extended its three year contract with the Committee; \$300,000 and \$299,863 was earned in 2019 and 2018, respectively.

NOTE 10 - SUBSEQUENT EVENTS

The COVID-19 outbreak in the United States has caused significant disruption to operations. While the disruption is currently expected to be temporary, there is considerable uncertainty around its duration. The related financial impact and duration cannot be reasonably estimated at this time. Subsequent to year end, the Committee applied for and was approved for a \$272,623 loan under the Paycheck Protection Program created as part of the relief efforts related to COVID-19 and administered by the Small Business Administration. The loan accrues interest at 1%, but payments are not required to begin for six months after the funding of the loan. The Committee is eligible for loan forgiveness of up to 100% of the loan, upon meeting certain requirements. The loan is uncollateralized and is fully guaranteed by the Federal government.

Subsequent events were evaluated through October 30, 2020, the date the financial statements were available to be issued.

NOTE 11 - LIQUIDITY AND AVAILABILITY OF RESOURCES

At December 31, 2019 and 2018, the Committee had a working capital surplus of \$1,869,465 and \$480,166, respectively.

The Committee's financial assets available within one year of the statements of financial position date for general expenditures are as follows:

	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 1,641,946	\$ 488,096
Grants and other receivables	<u>508,492</u>	<u>194,744</u>
	2,150,438	682,840
Less:		
Amounts restricted by donors	(637,511)	(232,523)
Fiscal sponsorship	<u>(192,970)</u>	<u>(125,101)</u>
Total Financial Assets Available to Management for General Expenditure Within One year	<u>\$ 1,319,957</u>	<u>\$ 325,216</u>

The Committee maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities and obligations become due.

NOTE 12 - NEW ACCOUNTING STANDARDS UPDATE

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606), as amended, which supersedes or replaces nearly all GAAP revenue recognition guidance. These standards establish a new contract and control-based revenue recognition model, changes the basis for deciding when revenue is recognized over time or at a point in time, and expands disclosure about revenue. The new standard will be effective for the Committee's fiscal year ended December 31, 2020. Early adoption is permitted.

In February 2016, the FASB issued ASU No. 2016-02, Leases (Topic 842), which will supersede the current lease recording requirements in Topic 842. The ASU looks to increase transparency and comparability by conforming US GAAP with International Accounting Standards as it relates to leases. The new standard will require that all leases, including operating leases, be included on the balance sheet as a "right of use" asset with an offsetting liability for the payments remaining on the lease. The new guidance will be effective for the Committee's year ending December 31, 2022, with early application permitted.

Management is evaluating the effects of these pronouncements on its financial statements.

WSDD

WSDD CPAs, Ltd.
Certified Public Accountants & Consultants

**INDEPENDENT AUDITORS' REPORT ON
SUPPLEMENTARY INFORMATION**

Board of Directors
CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC.
Chicago, Illinois

We have audited the financial statements of CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC. as of and for the years ended December 31, 2019 and 2018, and our report thereon dated 30, 2020, which expressed an unmodified opinion on those financial statements, appears on pages 1 - 2. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of unrestricted support and revenue, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information, was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That information has been subjected to the auditing procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, that information is fairly stated in all material respects in relation to the financial statements taken as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

WSDD CPAs, Ltd.

WSDD CPAs, Ltd.

Chicago, Illinois
October 30, 2020

CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC.
Schedule of Unrestricted Support and Revenue
For the Year Ended December 31, 2019

	PROGRAM SERVICES							SUPPORTING SERVICES	TOTAL 2019
	COMMUNITY LAW PROJECT	HOUSING OPPORTUNITY PROJECT	SETTLEMENT ASSISTANCE PROJECT	VOTING RIGHTS	EDUCATIONAL EQUITY	OTHER PROGRAMS	TOTAL PROGRAM SERVICES		
SUPPORT AND REVENUE									
Government grants	\$ 34,816	\$ 300,000	\$	\$	\$	\$	\$ 334,816	\$	\$ 334,816
Contributions:									
Foundations and corporate	242,442		15,000	312,342	85,708	2,000	657,492	299,613	957,105
Individuals		288			50	2,632	2,970	31,077	34,047
Law firm memberships								317,750	317,750
Special events including annual meeting:									
Proceeds	111,715						111,715	498,779	610,494
Direct expenses								(118,740)	(118,740)
Attorney fees		28,000			60,000	699,122	787,122		787,122
Contractual services			25,000		3,500		28,500		28,500
Application fees	22,760						22,760		22,760
Workshops	7,257						7,257		7,257
Cy Pres award									
Interest and dividends								8,559	8,559
Miscellaneous								41,164	41,164
TOTAL SUPPORT AND REVENUE	\$ 418,990	\$ 328,288	\$ 40,000	\$ 312,342	\$ 149,258	\$ 703,754	\$ 1,952,632	\$ 1,078,202	\$ 3,030,834

CHICAGO LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW, INC.
Schedule of Unrestricted Support and Revenue
For the Year Ended December 31, 2018

	PROGRAM SERVICES							SUPPORTING SERVICES	TOTAL 2018	
	COMMUNITY LAW PROJECT	HOUSING OPPORTUNITY PROJECT	HATE CRIMES	SETTLEMENT ASSISTANCE PROJECT	VOTING RIGHTS	EDUCATIONAL EQUITY	OTHER PROGRAMS			TOTAL PROGRAM SERVICES
SUPPORT AND REVENUE										
Government grants	\$	\$ 370,505	\$	\$	\$	\$	\$	\$ 370,505	\$ 370,505	
Contributions:										
Foundations and corporate	380,906		3,200	15,000	124,323	10,000	4,156	537,585	60,848	
Individuals	1,627	103			2,500		7,543	11,773	46,351	
Law firm memberships									289,000	
Special events including annual meeting:										
Proceeds	100,396							100,396	190,589	
Direct expenses									(72,426)	
Attorney fees							65,395	65,395	13,750	
Contractual services				25,000	150	8,075		33,225	79,145	
Application fees	34,320							34,320	33,225	
Workshops	8,141							8,141	8,141	
Cy Pres award				22,051				22,051	22,051	
Interest and dividends	14							14	2,900	
Miscellaneous						22,800		22,800	2,914	
									28,314	
TOTAL SUPPORT AND REVENUE	\$ 525,404	\$ 370,608	\$ 3,200	\$ 62,051	\$ 126,973	\$ 40,875	\$ 77,094	\$ 1,206,205	\$ 559,326	\$ 1,765,531