

FINANCIAL STATEMENTS



**UNITED STATES ASSOCIATION
FOR UNHCR**

**FOR THE YEARS ENDED
DECEMBER 31, 2017 AND 2016**

UNITED STATES ASSOCIATION FOR UNHCR

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
United States Association for UNHCR
Washington, D.C.

We have audited the accompanying financial statements of the United States Association for UNHCR (USA for UNHCR), which comprise the statements of financial position as of December 31, 2017 and 2016, and the related statements of activities and changes in net assets, 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 audits 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 USA for UNHCR as of December 31, 2017 and 2016, 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.



May 5, 2018

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UNITED STATES ASSOCIATION FOR UNHCR

STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2017 AND 2016

ASSETS

	<u>2017</u>	<u>2016</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 19,968,211	\$ 20,443,413
Investments	19,361	2,671,268
Contributions receivable	3,341,141	2,626,389
Prepaid expenses	<u>934,182</u>	<u>1,207,204</u>
Total current assets	<u>24,262,895</u>	<u>26,948,274</u>
FURNITURE AND EQUIPMENT		
Furniture and fixtures	42,578	42,578
Computers and equipment	115,906	115,906
Computer software	53,203	8,428
Leasehold improvements	<u>48,107</u>	<u>42,629</u>
	259,794	209,541
Less: Accumulated depreciation and amortization	<u>(196,580)</u>	<u>(173,099)</u>
Net furniture and equipment	<u>63,214</u>	<u>36,442</u>
OTHER ASSETS		
Deposits	99,009	99,009
Contributions receivable, net of current maturities	<u>1,796,420</u>	<u>-</u>
Total other assets	<u>1,895,429</u>	<u>99,009</u>
TOTAL ASSETS	<u>\$ 26,221,538</u>	<u>\$ 27,083,725</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 4,696,960	\$ 854,460
Due to UNHCR	<u>5,459,781</u>	<u>9,912,299</u>
Total current liabilities	<u>10,156,741</u>	<u>10,766,759</u>
NET ASSETS		
Unrestricted	10,563,360	11,971,460
Temporarily restricted	<u>5,501,437</u>	<u>4,345,506</u>
Total net assets	<u>16,064,797</u>	<u>16,316,966</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 26,221,538</u>	<u>\$ 27,083,725</u>

UNITED STATES ASSOCIATION FOR UNHCR

**STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016**

	<u>2017</u>		
	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUE			
Grants and contributions	\$ 27,944,672	\$ 14,707,225	\$ 42,651,897
Contributions from UNHCR	12,040,958	-	12,040,958
In-kind contributions	2,731,868	-	2,731,868
Interest and investment income	114,932	-	114,932
Net assets released from donor restrictions - satisfaction of donor restrictions	<u>13,551,294</u>	<u>(13,551,294)</u>	<u>-</u>
Total revenue	<u>56,383,724</u>	<u>1,155,931</u>	<u>57,539,655</u>
EXPENSES			
Program Services:			
Refugee Programs and Awareness Activities	<u>36,428,675</u>	<u>-</u>	<u>36,428,675</u>
Supporting Services:			
Management and General	2,143,827	-	2,143,827
Fundraising	<u>19,219,322</u>	<u>-</u>	<u>19,219,322</u>
Total supporting services	<u>21,363,149</u>	<u>-</u>	<u>21,363,149</u>
Total expenses	<u>57,791,824</u>	<u>-</u>	<u>57,791,824</u>
Changes in net assets	(1,408,100)	1,155,931	(252,169)
Net assets at beginning of year	<u>11,971,460</u>	<u>4,345,506</u>	<u>16,316,966</u>
NET ASSETS AT END OF YEAR	<u>\$ 10,563,360</u>	<u>\$ 5,501,437</u>	<u>\$ 16,064,797</u>

2016		
<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
\$ 25,394,967	\$ 11,137,863	\$ 36,532,830
10,676,248	-	10,676,248
5,102,236	-	5,102,236
68,985	-	68,985
<u>7,363,395</u>	<u>(7,363,395)</u>	<u>-</u>
<u>48,605,831</u>	<u>3,774,468</u>	<u>52,380,299</u>
<u>33,013,746</u>	<u>-</u>	<u>33,013,746</u>
1,602,500	-	1,602,500
<u>12,305,696</u>	<u>-</u>	<u>12,305,696</u>
<u>13,908,196</u>	<u>-</u>	<u>13,908,196</u>
<u>46,921,942</u>	<u>-</u>	<u>46,921,942</u>
1,683,889	3,774,468	5,458,357
<u>10,287,571</u>	<u>571,038</u>	<u>10,858,609</u>
<u>\$ 11,971,460</u>	<u>\$ 4,345,506</u>	<u>\$ 16,316,966</u>

See accompanying notes to financial statements.

UNITED STATES ASSOCIATION FOR UNHCR

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2017

	Program Services	Supporting Services			Total Expenses
	Refugee Programs and Awareness Activities	Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 1,175,321	\$ 833,263	\$ 2,236,541	\$ 3,069,804	\$ 4,245,125
Payroll taxes and related benefits	244,280	131,125	504,267	635,392	879,672
Depreciation and amortization	2,778	5,361	15,342	20,703	23,481
Computers and equipment	17,598	76,719	21,766	98,485	116,083
Insurance	9,031	6,581	18,059	24,640	33,671
Dues and subscriptions	39,657	7,849	21,632	29,481	69,138
Postage and delivery	945	4,811	1,610,023	1,614,834	1,615,779
Printing, productions and publications	30,591	(2,018)	7,991,428	7,989,410	8,020,001
List rental and processing fees	4,243	16,367	1,129,825	1,146,192	1,150,435
Professional fees and consulting	681,155	669,344	689,750	1,359,094	2,040,249
Licenses and permits	-	22,133	-	22,133	22,133
Supplies and office expenses	35,251	50,230	8,343	58,573	93,824
Rent and utilities	241,391	77,250	204,179	281,429	522,820
Telephone and communications	10,863	25,028	557	25,585	36,448
Travel, meetings and special events	79,879	183,433	141,552	324,985	404,864
Bank and merchant service charges	1,740	21,918	391,225	413,143	414,883
Marketing, advertising and recruitment	1,815	8,933	19,103	28,036	29,851
Online, telemarketing and face-to-face	60,103	5,500	4,215,730	4,221,230	4,281,333
Grants to other organizations	706,886	-	-	-	706,886
In-kind professional services	250,000	-	-	-	250,000
Grants to UNHCR:					
Transfers	30,353,280	-	-	-	30,353,280
In-kind	2,481,868	-	-	-	2,481,868
TOTAL	\$ 36,428,675	\$ 2,143,827	\$ 19,219,322	\$ 21,363,149	\$ 57,791,824

See accompanying notes to financial statements.

UNITED STATES ASSOCIATION FOR UNHCR

STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2016

	Program Services		Supporting Services		
	Refugee Programs and Awareness Activities	Management and General	Fundraising	Total Supporting Services	Total Expenses
Salaries	\$ 930,526	\$ 774,699	\$ 1,672,558	\$ 2,447,257	\$ 3,377,783
Payroll taxes and related benefits	204,534	158,727	359,187	517,914	722,448
Depreciation and amortization	495	1,978	6,182	8,160	8,655
Computers and equipment	75,125	30,757	13,426	44,183	119,308
Insurance	10,379	7,388	23,086	30,474	40,853
Dues and subscriptions	48,226	7,715	22,975	30,690	78,916
Postage and delivery	622	1,116	1,292,507	1,293,623	1,294,245
Printing, productions and publications	2,506	1,708	3,597,056	3,598,764	3,601,270
List rental and processing fees	1	11,997	1,023,170	1,035,167	1,035,168
Professional fees and consulting	795,190	358,382	807,920	1,166,302	1,961,492
Licenses and permits	-	211	1,355	1,566	1,566
Supplies and office expenses	36,162	54,607	28,666	83,273	119,435
Rent and utilities	223,913	69,944	218,574	288,518	512,431
Telephone and communications	8,324	8,910	9,370	18,280	26,604
Travel, meetings and special events	61,582	86,097	158,380	244,477	306,059
Bank and merchant service charges	-	18,848	330,876	349,724	349,724
Marketing, advertising and recruitment	102,307	9,416	18,703	28,119	130,426
Online, telemarketing and face-to-face	22,827	-	2,721,705	2,721,705	2,744,532
Grants to other organizations	245,000	-	-	-	245,000
In-kind professional services	222,241	-	-	-	222,241
Grants to UNHCR:					
Transfers	25,143,791	-	-	-	25,143,791
In-kind	4,879,995	-	-	-	4,879,995
TOTAL	\$ 33,013,746	\$ 1,602,500	\$ 12,305,696	\$ 13,908,196	\$ 46,921,942

See accompanying notes to financial statements.

UNITED STATES ASSOCIATION FOR UNHCR
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Changes in net assets	\$ (252,169)	\$ 5,458,357
Adjustments to reconcile changes in net assets to net cash (used) provided by operating activities:		
Donated investments	-	(2,116,001)
Unrealized gain	(53,799)	(48,300)
Realized gain	(657)	(201)
Depreciation and amortization	23,481	8,655
(Increase) decrease in:		
Contributions receivable	(2,511,172)	487,873
Prepaid expenses	273,022	(48,056)
Increase (decrease) in:		
Accounts payable and accrued liabilities	3,842,500	159,167
Due to UNHCR	<u>(4,452,518)</u>	<u>1,699,268</u>
Net cash (used) provided by operating activities	<u>(3,131,312)</u>	<u>5,600,762</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of computers and equipment	(50,253)	(20,717)
Net proceeds from sale of investments	<u>2,706,363</u>	<u>14,447</u>
Net cash provided (used) by investing activities	<u>2,656,110</u>	<u>(6,270)</u>
Net (decrease) increase in cash and cash equivalents	(475,202)	5,594,492
Cash and cash equivalents at beginning of year	<u>20,443,413</u>	<u>14,848,921</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 19,968,211</u>	<u>\$ 20,443,413</u>

UNITED STATES ASSOCIATION FOR UNHCR

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 AND 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

Organization -

United States Association for UNHCR (USA for UNHCR) helps and protects refugees and people displaced by violence, conflict and persecution. Working with UNHCR - the UN Refugee Agency - and its partners, USA for UNHCR provides life-saving essentials including shelter, water, food, safety and protection. Around the world, USA for UNHCR helps refugees survive, recover and build a better future.

USA for UNHCR gives refugees the hope and dignity they deserve and help them rebuild their lives.

Established by concerned American citizens, USA for UNHCR is a 501(c)(3) non-profit organization, headquartered in Washington, D.C., with an office in New York, NY.

Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with the Financial Accounting Standards Board (FASB) ASC 958, Not-for-Profit Entities.

Net asset classification -

The net assets are reported in two self-balancing groups as follows:

- **Unrestricted net assets** include unrestricted revenue and contributions received without donor-imposed restrictions. These net assets are available for the operation of USA for UNHCR and include both internally designated and undesignated resources.
- **Temporarily restricted net assets** include revenue and contributions subject to donor-imposed stipulations that will be met by the actions of USA for UNHCR and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statements of Activities and Changes in Net Assets as net assets released from restrictions.

Income taxes -

USA for UNHCR is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in the accompanying financial statements. USA for UNHCR is not a private foundation as described in Section 509(a)(1) of the Internal Revenue Code. USA for UNHCR is subject to unrelated business income taxes under Section 512 of the Internal Revenue Code.

Uncertain tax positions -

For the years ended December 31, 2017 and 2016, USA for UNHCR has documented its consideration of FASB ASC 740-10 (*Income Taxes*) and determined that no material uncertain tax positions qualify for either recognition or disclosure in the financial statements.

Cash and cash equivalents -

For financial statement purposes, USA for UNHCR considers cash on hand and money market accounts held in local financial institutions to be cash equivalents.

UNITED STATES ASSOCIATION FOR UNHCR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

Cash and cash equivalents (continued) -

Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. At times during the year, USA for UNHCR maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

Investments -

Investments are stated at their readily determinable fair value with realized and unrealized gains and losses included in investment income. Investments donated to USA for UNHCR are recorded at their readily determinable fair value as of the date of donation. As of December 31, 2017 and 2016, investments on hand totaled \$19,361 and \$2,671,268, respectively.

Furniture and equipment -

Furniture and equipment in excess of \$5,000, purchased with unrestricted funds, are stated at cost and are depreciated on the straight-line basis over their related estimated useful lives, generally three to seven years. Leasehold improvements are amortized over the remaining life of the lease. Furniture and equipment purchased with restricted funds are expensed and charged to the corresponding program. The cost of maintenance and repairs is recorded as expenses are incurred.

Contributions receivable -

Contributions receivable are stated at their net realizable value. Management considers all amounts to be fully collectible. Accordingly, an allowance for doubtful accounts has not been established.

Due to UNCHR -

USA for UNHCR receives gifts with donor-imposed restrictions for various programs that UNHCR is implementing around the world. Funds are collected by USA for UNHCR and then granted to UNHCR for the specific purpose as stated by the donor. The balance in Due to UNHCR are the funds received but not yet transferred to UNHCR. The balance at December 31, 2017 and 2016 totaled \$5,459,781 and \$9,912,299, respectively.

In-kind contributions -

During 2017 and 2016, USA for UNHCR received in-kind contributions totaling \$2,731,868 and \$5,102,236, respectively. In-kind contributions for 2017 consisted of shoes, advertisements, transportation services, and shipping costs. In-kind contributions for 2016 consisted of donated software, subscriptions, legal and professional services pro-bono, advertisements, transportation services and shipping costs. The fair value of the in-kind contributions has been recorded as in-kind revenue and expense in the accompanying Statements of Activities and Changes in Net Assets.

Grants and contributions -

Unrestricted and temporarily restricted contributions and grants are recorded as revenue in the year notification is received from the donor.

UNITED STATES ASSOCIATION FOR UNHCR

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION**
(Continued)

Grants and contributions (continued) -

Temporarily restricted contributions and grants are recognized as unrestricted support only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions. Such funds received in excess of expenses incurred are shown as temporarily restricted net assets in the accompanying financial statements.

Allocation of functional expenses -

The costs of providing program and supporting services have been summarized on a functional basis in the Statements of Activities and Changes in Net Assets. Expenses that relate directly to a program or supporting service are charged to that program or supporting service. Certain supporting service expenses have been allocated among the programs benefited based on employee time records and ratios determined by management.

Use of estimates -

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

Accordingly, actual results could differ from those estimates.

Investment risks and uncertainties -

USA for UNHCR invests in various investment securities. Investment securities are exposed to various risks such as interest rates, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

Fair value measurement -

USA for UNHCR adopted the provisions of FASB ASC 820, *Fair Value Measurement*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs (assumptions that market participants would use in pricing assets and liabilities, including assumptions about risk) used to measure fair value, and enhances disclosure requirements for fair value measurements. USA for UNHCR accounts for a significant portion of its financial instruments at fair value or considers fair value in their measurement.

New accounting pronouncements (not yet adopted) -

In August 2016, the FASB issued ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), intended to improve financial reporting for not-for-profit entities. The ASU will reduce the current three classes of net assets into two: with and without donor restrictions. The change in each of the classes of net assets must be reported on the Statements of Activities and Changes in Net Assets. The ASU also requires various enhanced disclosures around topics such as board designations, liquidity, functional classification of expenses, investment expenses, donor restrictions, and underwater endowments.

UNITED STATES ASSOCIATION FOR UNHCR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION
(Continued)**

New accounting pronouncements (not yet adopted) (continued) -

The ASU is effective for years beginning after December 15, 2017. Early adoption is permitted. The ASU should be applied on a retrospective basis in the year the ASU is first applied. While the ASU will change the presentation of the USA for UNHCR's financial statements, it is not expected to alter the USA for UNHCR's reported financial position.

In May 2014, the FASB issued ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606) (ASU 2014-09). The ASU establishes a comprehensive revenue recognition standard for virtually all industries under generally accepted accounting principles in the United States (U.S. GAAP) including those that previously followed industry-specific guidance. The guidance states 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. The FASB issued ASU 2015-14 in August 2015 that deferred the effective date of ASU 2014-09 by a year; thus, the effective date is years beginning after December 15, 2018. Early adoption is permitted. USA for UNHCR has not yet selected a transition method and is currently evaluating the effect that the updated standard will have on its financial statements.

In 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842). The ASU changes the accounting treatment for operating leases by recognizing a lease asset and lease liability at the present value of the lease payments in the Statements of Financial Position and disclosing key information about leasing arrangements. The ASU is effective for private entities for years beginning after December 15, 2019. Early adoption is permitted. The ASU should be applied at the beginning of the earliest period presented using a modified retrospective approach.

USA for UNHCR plans to adopt the new ASUs at the respective required implementation dates.

2. INVESTMENTS

Investments consisted of the following at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
	<u>Fair Value</u>	<u>Fair Value</u>
Common Stocks	\$ <u>19,361</u>	\$ <u>2,671,268</u>

Included within interest and investment income are the following:

	<u>2017</u>	<u>2016</u>
Interest and dividends	\$ 60,476	\$ 20,484
Unrealized gain	53,799	48,300
Realized gain	<u>657</u>	<u>201</u>
TOTAL INVESTMENT INCOME	\$ <u>114,932</u>	\$ <u>68,985</u>

UNITED STATES ASSOCIATION FOR UNHCR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016**

3. CONTRIBUTIONS RECEIVABLE

As of December 31, 2017 and 2016, contributors to USA for UNHCR have made written promises to give totaling \$5,137,561 and \$2,626,389, respectively.

Contributions are due as follows at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Less than one year	\$ 3,341,141	\$ 2,626,389
One to five years	<u>1,796,420</u>	<u>-</u>
CONTRIBUTIONS RECEIVABLE	<u>\$ 5,137,561</u>	<u>\$ 2,626,389</u>

4. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets consisted of the following at December 31, 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Program Services:		
Grants commitments to UNHCR	\$ 5,496,416	\$ 3,745,997
Grant commitments to other organizations	<u>5,021</u>	<u>599,509</u>
TOTAL TEMPORARILY RESTRICTED NET ASSETS	<u>\$ 5,501,437</u>	<u>\$ 4,345,506</u>

5. NET ASSETS RELEASED FROM RESTRICTIONS

The following temporarily restricted net assets were released from donor restrictions by incurring expenses which satisfied the restricted purposes specified by the donors:

	<u>2017</u>	<u>2016</u>
Grants to UNHCR	\$ 13,551,294	\$ 6,692,357
HIVE/Digital/LG	-	571,038
Connectivity	<u>-</u>	<u>100,000</u>
	<u>\$ 13,551,294</u>	<u>\$ 7,363,395</u>

6. GRANTS TO UNHCR

During the years ended December 31, 2017 and 2016, USA for UNHCR committed grants to the United Nations High Commissioner for Refugees (UNHCR) totaling \$32,835,148 and \$30,023,786 (including in-kind contributions), respectively. These grants were made for the purpose of supporting programs administered by UNHCR.

UNITED STATES ASSOCIATION FOR UNHCR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016**

6. GRANTS TO UNHCR (Continued)

Following is a list of the committed grants made during 2017 and 2016:

	<u>2017</u>	<u>2016</u>
Cash Transfers:		
Afghan Refugees	\$ 1,845	\$ 109
Afghan Shelter	-	21
Baltic States	118,128	-
Belarus	62,186	-
Burkina Faso	-	12,750
Capacity Building/Glob Fleet	94,160	69,000
Cash Afghan Ref Return	71,332	-
Cash Assistance/Lifeline Jordan	453,434	-
Chad-Sudan	3,950	4,694
Children on Run NTCA	14,204	-
DAFI Scholarship Program	50,000	-
Digital Learning	956,580	-
DRC WASH	299,575	-
Ecuador Airlift	-	75,023
Ecuador Emergency	-	90,513
Education	-	1,905
Educate A Child	-	7,604
Emergency Supply Train	47,080	44,000
Ethiopia	205,000	-
European/Med. Crisis	48,308	9,893
Food Crisis	4,261	-
Greatest Needs *	17,509,172	18,451,434
General Emergency	407,363	807,816
Global Education PYE	3,750	-
Global Humanitarian	-	100,059
Global Shelter	-	818,625
Goldman Sachs	-	198
Greece Emergency	-	250,037
Greece Shelter/Reception	-	225,000
Global Shelter Bangladesh	200,000	-
HQ Support	19,626	21,000
Iraq	301,383	-
Iraq IDPs	-	45,186
Italy Women & Children	300,000	-
Jolie-Pitt Kenya	-	163,588
Jordan Support	517,905	-
Kakuma and Rwanda Education	2,060	95,139
LifeLine Jordan	-	507,825
Morneau Shepell	-	463
Mosul Iraq Emergency	6,174	-
Myanmar - Burma	202,400	-
Poland	62,186	-
Ref Hlth Greek Islands	315,000	-
Relief Link Initiative	-	66,000
Rohingya in Bangladesh	805,590	-

UNITED STATES ASSOCIATION FOR UNHCR

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016**

6. GRANTS TO UNHCR (Continued)

Following is a list of the committed grants made during 2017 and 2016 (continued):

	<u>2017</u>	<u>2016</u>
Rwanda	\$ -	\$ 38
Safe Road Use Workshop	51,760	-
Shelter	54,009	1,618
Shelter and Protection	-	50,000
Somalia	196,030	-
Somali Refugees	-	375
South Sudan	1,337,722	260,115
Syria	1,854,735	-
Syria Children	-	27,180
Syria Education	-	880
Syria Emergency	-	1,767,679
Syria Winterization	-	145
Syria Lifeline	-	999,967
Tanzania	-	13,515
Uganda	1,210,234	8,828
W. NFI Syr & Dis Iraq	40,000	-
Winterization	264,551	145,569
Yemen	<u>308,917</u>	<u>-</u>
Subtotal - Cash Transfers	<u>28,400,610</u>	<u>25,143,791</u>

* Funded through unrestricted contributions and grants

In-kind Donations:		
Angola Airlifts	\$ 530,000	\$ -
Burkina Faso	116,150	-
Greatest Needs	-	1,700,000
Relief Link Initiative	-	115,000
Shelter and Protection	-	3,024,450
Nairobi surf trans	262,190	-
Tanzania	420,969	40,545
Uganda	<u>1,152,559</u>	<u>-</u>
Subtotal - In-kind Donations	<u>2,481,868</u>	<u>4,879,995</u>
Grants committed, not yet paid	<u>1,952,670</u>	<u>-</u>
TOTAL GRANTS TO UNHCR	<u>\$ 32,835,148</u>	<u>\$ 30,023,786</u>

7. LEASE COMMITMENTS

USA for UNHCR extended the original lease for its D.C. office to December 31, 2018. USA for UNHCR is responsible for its proportional share of real estate taxes and operating costs for the duration of the lease agreement.

During 2015, USA for UNHCR entered into a sub-lease agreement for office space in New York expiring March 30, 2018. USA for UNHCR is responsible for its proportional share of operating costs for the duration of the sub-lease agreement.

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NOTES TO FINANCIAL STATEMENTS
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7. LEASE COMMITMENTS (Continued)

In 2018, USA for UNHCR entered into a new 10-year lease agreement for office space in New York. In accordance with the lease agreement, USA for UNHCR will not be required to make rent payments for the first three months of the lease. USA for UNHCR is responsible for its proportional share of real estate taxes for the duration of the sub-lease agreement.

Following is a schedule of future minimum lease commitments as of December 31, 2017:

<u>Year Ending December 31,</u>	
2018	\$ 393,266
2019	366,368
2020	375,527
2021	384,915
2022	394,538
Thereafter	<u>2,309,960</u>
	<u>\$ 4,224,574</u>

Total rent and utilities expense was \$522,820 and \$512,431, for the years ended December 31, 2017 and 2016, respectively.

8. RETIREMENT PLAN

USA for UNHCR administers a defined contribution plan (401(k) plan) that covers all employees with a minimum of one month of service. USA for UNHCR contributes 5% of each eligible employee's annual salary. Total retirement expense for the years ended December 31, 2017 and 2016 was \$187,187 and \$130,133, respectively.

9. FAIR VALUE MEASUREMENT

In accordance with FASB ASC 820, *Fair Value Measurement*, USA for UNHCR has categorized its financial instruments, based on the priority of the inputs to the valuation technique, into a three-level fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the financial instruments fall within different levels of hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

Investments recorded in the Statements of Financial Position are categorized based on the inputs to valuation techniques as follows:

Level 1. These are investments where values are based on unadjusted quoted prices for identical assets in an active market USA for UNHCR has the ability to access.

Level 2. These are investments where values are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques that utilize inputs that are observable either directly or indirectly for substantially the full-term of the investments.

Level 3. These are investments where inputs to the valuation methodology are unobservable and significant to the fair value measurement.

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**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016**

9. FAIR VALUE MEASUREMENT (Continued)

Following is a description of the valuation methodology used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

Common stocks - Valued at the closing price reported on the active market in which the individual securities are traded.

The table below summarizes, by level within the fair value hierarchy, USA for UNHCR's investments as of December 31, 2017:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total December 31, 2017
Asset Class:				
Common Stocks	\$ <u>19,361</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>19,361</u>

The table below summarizes, by level within the fair value hierarchy, USA for UNHCR's investments as of December 31, 2016:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total December 31, 2016
Asset Class:				
Common Stocks	\$ <u>2,671,268</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>2,671,268</u>

10. SUBSEQUENT EVENTS

In preparing these financial statements, USA for UNHCR has evaluated events and transactions for potential recognition or disclosure through May 5, 2018, the date the financial statements were issued.