



Refugee & Immigrant Center

ASIAN ASSOCIATION OF UTAH

**Asian Association of Utah
dba Refugee & Immigrant Center**

Financial Statements

And

Independent Auditor's Report

With Supplementary Information

And

Compliance Reports

**As of June 30, 2025
and for the year then ended
with summarized comparative information for 2024**

Asian Association of Utah dba Refugee & Immigrant Center

Table of Contents

Independent Auditor's Report	1
Financial Statements	
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6
Statement of Cash Flows	7
Notes to Financial Statements	8
Supplementary Information and Compliance Reports	
Schedule of Expenditures of Federal Awards	18
Schedule of Findings and Questioned Costs	20
Report on Internal Control Over Financial Reporting And on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	21
Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	23



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Asian Association of Utah
dba Refugee & Immigrant Center
Salt Lake City, Utah

Opinion

We have audited the accompanying financial statements of Asian Association of Utah dba Refugee & Immigrant Center (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year 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 position of Asian Association of Utah dba Refugee & Immigrant Center as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Asian Association of Utah dba Refugee & Immigrant Center 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 opinion.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 Asian Association of Utah dba Refugee & Immigrant Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's 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 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, 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 Asian Association of Utah dba Refugee & Immigrant Center'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 Asian Association of Utah dba Refugee & Immigrant Center'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our reported dated December 6, 2025 on our consideration of Asian Association of Utah dba Refugee & Immigrant Center'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 solely 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 Asian Association of Utah dba Refugee & Immigrant Center'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 Asian Association of Utah dba Refugee & Immigrant Center's internal control over financial reporting and compliance.

Report on Summarized Comparative Information

We have previously audited Asian Association of Utah dba Refugee & Immigrant Center's June 30, 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 27, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Bountiful Peak Advisors

Bountiful, Utah
December 6, 2025

Asian Association of Utah
dba Refugee & Immigrant Center
Statement of Financial Position
June 30, 2025
With Comparative Totals For June 30, 2024

	<u>06/30/2025</u>	<u>06/30/2024</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,356,906	\$ 788,197
Accounts and grants receivable, including promises to give	1,143,407	964,735
Investments	1,500,747	1,000,747
Prepaid expenses	<u>19,214</u>	<u>102,929</u>
Total current assets	<u>4,020,274</u>	<u>2,856,608</u>
Property and equipment, at cost		
Buildings and improvements	3,113,123	3,020,594
Land	1,192,000	1,192,000
Vehicles	167,589	123,122
Equipment and furniture	<u>144,880</u>	<u>144,880</u>
Total property and equipment	4,617,592	4,480,596
Less: accumulated depreciation	<u>(2,012,134)</u>	<u>(1,886,008)</u>
Net property and equipment	<u>2,605,458</u>	<u>2,594,588</u>
Total assets	<u>\$ 6,625,732</u>	<u>\$ 5,451,196</u>
 LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable	\$ 107,255	\$ 75,321
Accrued vacation	195,492	157,888
Accrued payroll and payroll taxes	67,589	62,185
Earnest money deposit	250,000	-
Current portion of long-term debt	<u>-</u>	<u>85,808</u>
Total current liabilities	<u>620,336</u>	<u>381,202</u>
Long-term debt, net of current portion	<u>-</u>	<u>187,382</u>
Total liabilities	<u>620,336</u>	<u>568,584</u>
Net assets		
Without donor restrictions	5,713,388	4,825,448
With donor restrictions	<u>292,008</u>	<u>57,164</u>
Total net assets	<u>6,005,396</u>	<u>4,882,612</u>
Total liabilities and net assets	<u>\$ 6,625,732</u>	<u>\$ 5,451,196</u>

See accompanying notes to financial statements.

**Asian Association of Utah
dba Refugee & Immigrant Center**

Statement of Activities

Year Ended June 30, 2025

With Comparative Totals For The Year Ended June 30, 2024

	06/30/2025			06/30/2024
	Without Donor Restrictions	With Donor Restrictions	Total	Total
REVENUES AND SUPPORT				
Support				
Government grants	\$ 5,510,827	\$ -	\$ 5,510,827	\$ 3,910,843
Contributions and grants	849,458	496,000	1,345,458	436,808
In-kind donations	77,634	-	77,634	150,591
Net assets released from restrictions	261,156	(261,156)	-	-
Total support	6,699,075	234,844	6,933,919	4,498,242
Revenues				
Fee for service	1,922,977	-	1,922,977	1,450,396
Asian Festival income	141,949	-	141,949	115,973
Interest	57,220	-	57,220	75,344
Rental income	32,170	-	32,170	35,656
Other income	1,470	-	1,470	-
Gain on sale of assets	1,165	-	1,165	-
Total revenues	2,156,951	-	2,156,951	1,677,369
Total revenues and support	8,856,026	234,844	9,090,870	6,175,611
EXPENSES				
Program services	6,923,562	-	6,923,562	5,150,092
Management and general	877,356	-	877,356	719,354
Fundraising	167,168	-	167,168	131,957
Total expenses	7,968,086	-	7,968,086	6,001,403
Change in net assets	887,940	234,844	1,122,784	174,208
Net assets, beginning of year	4,825,448	57,164	4,882,612	4,708,404
Net assets, end of year	\$ 5,713,388	\$ 292,008	\$ 6,005,396	\$ 4,882,612

See accompanying notes to financial statements.

Asian Association of Utah
dba Refugee & Immigrant Center
Statement of Functional Expenses
Year Ended June 30, 2025
With Comparative Totals For The Year Ended June 30, 2024

	06/30/2025				06/30/2024
	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>	<u>Total</u>
Salaries	\$ 2,702,330	\$ 386,118	\$ 47,032	\$ 3,135,480	\$ 2,528,968
Payroll taxes	235,503	33,649	4,099	273,251	227,739
Employee benefits	<u>567,506</u>	<u>79,617</u>	<u>9,855</u>	<u>656,978</u>	<u>492,253</u>
 Total salaries and related expenses	 3,505,339	 499,384	 60,986	 4,065,709	 3,248,960
 Contracted services	 1,404,207	 153,907	 -	 1,558,114	 1,060,976
Client services	1,534,758	-	2,390	1,537,148	1,023,859
Repairs and maintenance	79,901	112,682	-	192,583	76,478
Rent	34,373	3,015	68,556	105,944	98,996
Travel	79,700	12,363	75	92,138	71,738
Supplies	28,892	19,593	16,968	65,453	45,908
Utilities	47,272	4,216	784	52,272	53,717
Equipment and software	30,203	14,263	2,908	47,374	43,602
Telephone	12,734	17,211	-	29,945	22,750
Insurance	5,961	19,097	382	25,440	31,451
Workshops and training	19,315	-	-	19,315	14,672
Meetings	6,710	3,105	6,484	16,299	13,114
Advertising	495	1,500	4,182	6,177	21,656
Interest	13,378	1,067	-	14,445	28,982
Dues and memberships	3,250	1,063	705	5,018	4,147
Taxes	-	3,825	-	3,825	3,601
Postage	2,781	152	-	2,933	3,545
Printing	<u>1,022</u>	<u>74</u>	<u>732</u>	<u>1,828</u>	<u>6,425</u>
 Total expenses before depreciation	 6,810,291	 866,517	 165,152	 7,841,960	 5,874,577
 Depreciation	 <u>113,271</u>	 <u>10,839</u>	 <u>2,016</u>	 <u>126,126</u>	 <u>126,826</u>
 Total expenses	 <u>\$ 6,923,562</u>	 <u>\$ 877,356</u>	 <u>\$ 167,168</u>	 <u>\$ 7,968,086</u>	 <u>\$ 6,001,403</u>

See accompanying notes to financial statements.

**Asian Association of Utah
dba Refugee & Immigrant Center**

**Statement of Cash Flows
Year Ended June 30, 2025
With Comparative Totals For The Year Ended June 30, 2024**

	<u>06/30/2025</u>	<u>06/30/2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	\$ 1,122,784	\$ 174,208
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	126,126	126,826
Amortization of loan fees	788	1,050
Gain on sale of fixed assets	(1,165)	-
Changes in current assets and liabilities:		
Accounts and grants receivable, including promises to give	(178,672)	(242,683)
Prepaid expenses	83,715	(93,852)
Accounts payable	31,934	49,766
Accrued vacation	37,603	(18,667)
Accrued payroll and payroll taxes	5,405	14,936
Earnest money deposit	<u>250,000</u>	<u>-</u>
Net cash provided by operating activities	<u>1,478,518</u>	<u>11,584</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from the sale of fixed assets	1,165	-
Cash purchases of property and equipment	(136,996)	(15,970)
Proceeds from sale of investments	750,000	500,000
Cash purchases of investments	<u>(1,250,000)</u>	<u>(224,387)</u>
Net cash (used in) provided by investing activities	<u>(635,831)</u>	<u>259,643</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on long-term debt	<u>(273,978)</u>	<u>(104,899)</u>
Net cash used in financing activities	<u>(273,978)</u>	<u>(104,899)</u>
Net change in cash and cash equivalents	568,709	166,328
Cash and cash equivalents, beginning of year	<u>788,197</u>	<u>621,869</u>
Cash and cash equivalents, end of year	<u>\$ 1,356,906</u>	<u>\$ 788,197</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	<u>\$ 14,974</u>	<u>\$ 28,432</u>
Cash paid for income taxes	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**Asian Association of Utah
dba Refugee & Immigrant Center**
Notes to Financial Statements
June 30, 2025

1. ORGANIZATION AND BASIS OF PRESENTATION

Asian Association of Utah dba Refugee & Immigrant Center (the “Organization” of “AAU”) was incorporated under the laws of the State of Utah as a nonprofit corporation on September 2, 1977. Originally established to support Asian immigrants and refugees in their transition to life in the United States, the organization has expanded its resources and services over the past 45 years to assist refugees, refugee youth, and victims of human trafficking from around the world.

Today, we serve over 2,000 refugees, refugee youth, human trafficking victims, and other community members each year. With over 60 staff members, our backgrounds cover 17 countries and over 30 languages.

Our mission is to engage, equip, and empower refugees, refugee youth, and victims of human trafficking improve, become self-sufficient, and thrive. We offer comprehensive services, reducing transportation barriers and promoting access to a wide range of resources. Individuals and families in need can get case management services, employment help, counseling and mental health treatment, English classes, after-school tutoring and more. We also work closely with the Utah resettlement agencies, refugee communities, state protective services, and many others, to ensure a greater network of support for our clients.

The Organization is committed to walking with people on their journeys to self-sufficiency. We know that our work not only makes a difference in the lives of those we serve but changes our whole community for the better.

REFUGEE SERVICES

Housing Assistance

The Housing and Rental Assistance Services program is funded through state, local, and private grants to support low- to moderate- income households with housing stability through direct rent and mortgage assistance. During the year ending June 30, 2025, we served 133 unique individuals/families utilizing over \$790,480.80 in funding. Our housing staff utilize the Arizona Self-Sufficiency Matrix to identify needs with housing and other wrap around support services and referrals. Clients accessed employment, behavioral health services, ESL classes, and case management support to ensure that all 133 clients served had support in their self-sufficiency goals.

Afterschool Programs

In the 2024-25 school year, AAU served 182 youth in its prevention-based afterschool programs. The main curriculum that was administered was Positive Action. Positive Action teaches students important social emotional skills. Teaching this prevention focused curriculum helps in the prevention of drug and alcohol use, violence and antisocial behaviors. On average, youth who took the Positive Action assessment survey scored in the 80% range indicating they are focusing on positive prosocial actions as opposed to antisocial actions.

Mentoring Programs

The AAU mentoring program was supported by funding from Salt Lake County and DHHS Funding for fiscal year 2024-25. Across the two funding sources we served 105 youth who primarily reside in Salt Lake County. Each youth worked with a mentor to create an individualized service plan focusing on improving their self-esteem, academic achievement and family attachment. Over 85% of the youth we mentored indicated that they avoid drugs and alcohol. Furthermore, each mentor worked with each mentee to identify and participate in prosocial activities such as afterschool programs, sport teams, and extracurricular activities.

Social Services

The Organization's Social Services case managers work to bridge the gap between refugees and the resources necessary for integration and resettlement in the U.S. They provide assistance with legal matters, public transportation, health coverage, safe and affordable housing, school enrollment, and other basic needs services. During the year ending June 30, 2025, the organization provided a clear path to integration for over 333 refugees, asylees, victims of trafficking, and parolees cases.

English as a Second Language (ESL) & Life Skills

AAU provides three levels of classes for ESL learners from non-literate to intermediate. These classes are all taught by TESOL certified teachers. All our classes are free. We focus on life skills for refugees and immigrants with the goal of the student being able to gain the skills necessary to get a job and be self-supporting or go on to further education or training. We emphasize digital skills including writing a resume, applying for a job, and finding job resources online. All our classes are accessible virtually through the Teams app, thus allowing flexibility for students who are dealing with jobs, child-care issues, etc. For the 2024-2025 fiscal year, we served 223 students either in-person or through our virtual classes. We have morning classes five days per week from 9:00 am - 12:00 pm.

Parenting Programs

145 parents were served in the 2024-25 fiscal year utilizing the Systematic Training for Effective Parenting (STEP) evidence-based curriculum. Each parent who participated attended 8 or more of the provided parenting class. Classes were provided in Spanish, Somali, Arabic, Kinyarwanda, French and Arabic (Dinka) so that members of the language community could more fully participate and understand the principles taught in the classes. Parents reported "My family is more united, and we do more activities together" and "We feel closer and more connected as a family" after completing the class. They added that they are now "learning to listen to their child and not hurting them" and that "there are less arguments at home. Ninety-four percent (94%) of participants strongly agreed that "the STEP course has helped improve relationships in my family," and 94.7% agreed that the "course has helped improve communication in my family. Additionally, 97.4% of the participants would recommend the "course to other parents".

BEHAVIORAL HEALTH SERVICES

AAU's Behavioral Health program, licensed by the Utah Department of Health and Human Services (DHHS), is committed to supporting trauma-affected migrants in their resettlement process through trauma-informed, culturally and linguistically responsive, and low-barrier behavioral health care. Serving individuals and families ages five and older, the program is supported by federal, state, local, and private funding and delivered by a multidisciplinary team of highly experienced professionals. Using evidence-based models, AAU promotes recovery and resilience for clients impacted by trauma, substance use, domestic violence, and a range of mental health conditions. Our services take a holistic approach to wellness, supporting engagement on a continuum from prevention through to recovery. Services provided by the department include evaluation and individual therapy, family based therapy, medication management, counseling for domestic violence victims and offenders, outpatient drug and substance use counseling, targeted behavioral health case management, psychoeducation groups, and behavioral health trainings.

Direct Client Services

In the fiscal year ending June 30, 2025, AAU served 431 clients across Utah. This includes 291 evaluation appointments, over 3930 individual and family therapy sessions, 619 targeted behavioral health case management appointments, and 332 medication management appointments. These services ensured that trauma-affected migrants and their families had access to comprehensive support addressing both clinical and practical needs, helping them stabilize and thrive during their resettlement journey.

Education and Training

AAU also prioritizes prevention and community-based support to strengthen resilience and build capacity among clients and providers. To do this, services expanded to include provision of Mental Health First Aid trainings, psychoeducation groups for Youth, and community outreach and education services.

Certified Mental Health First Aid instructors on staff delivered Youth focused Mental Health First Aid courses to local providers, equipping participants to recognize the signs and symptoms of a mental health challenge and when to connect an individual with professional support services. A total of 31 individuals were trained including staff and community members from Catholic Community Services and Youthline.

At the Sunnyvale Afterschool Program, AAU therapists implemented regular psychoeducation courses that included topics such as emotional awareness, coping strategies, self-care, and overall well-being. Regular attendance of approximately 30 youth were served.

AAU staff conducted trainings on culturally responsive and trauma-informed care for refugee populations. Audiences included 65 professionals at the Veterans Hospital, University of Utah, and Catholic Community Services Foster Care.

HUMAN TRAFFICKING SUPPORT (HTS) SERVICES

HTS Services are funded through multiple federal, state, local, and private grants. Through these grants, we are able to serve all victims of both sex and labor trafficking, of all ages, genders, and immigration statuses statewide. During the year ending June 30, 2025, HTS served 1359+ survivors of human trafficking across HTS programming.

Program Referrals: Outreach efforts resulted in 732 new client referrals to the HTS program; an 81% increase from the prior fiscal year. The large volume of referrals is addressed through case management, the interim group list and the drop-in center.

Case Management: HTS utilizes a comprehensive services model that is trauma-informed, survivor-centered, culturally and linguistically responsive, and addresses 17+ components of victim needs. This fiscal year HTS served 318 trafficking survivors, including 166 primary trafficking survivors and 152 secondary survivors in full case management services. Case managers provided 21,263+ service incidents to enrolled survivors. Service categories included Emotional Support, Safety and Health; Personal Advocacy and Accompaniment; Information and Referrals; Shelter and Housing; Education, Employment, and Life Skills; and Criminal/Civil Justice System Assistance.

Interim Group List/Crisis Services: Due to the large volume of referrals during the fiscal year, HTS also had to utilize an interim group list. Individuals on the interim group list have access to a crisis case manager, emergency services, referrals, and HTS's weekly drop-in center, but are not assigned a permanent case manager nor enrolled in full case management services until space on a caseload is available. HTS provided 4096 crisis services to individuals on the interim group list. Services included crisis case management, information and referrals, legal, safety, medical/dental, education, emotional support, employment, financial assistance, housing assistance/advocacy, interpretation, mental health, basic needs, substance abuse treatment, transportation, among other services. HTS also provided onsite/virtual crisis intervention for nine law enforcement operations.

Drop-in Center: HTS runs a weekly drop-in center. The drop-in center, funded through multiple grants, offers multiple services on a walk-in basis. HTS provided 7503 services to 692 unduplicated individuals through 1995 visits to the drop-in center. The services include necessities such as food (ready-made and dry goods), clothing, personal care items, medical screening/ treatment, housing services, daily bus passes, crisis case management, peer support, Medicaid application assistance, harm reduction including syringe exchange and safe sex kits, alternative menstrual care, access to bathrooms and safe, temperature-controlled spaces. AAU collaborates with 4 partners agencies weekly to provide these critical services to exploited populations.

Housing Programming: HTS housing services address needs across the housing spectrum: emergency shelter, short term rental assistance, transitional housing, and permanent housing. HTS provided 29 incidents of emergency hotel assistance, 2249 housing services to survivors, transitional housing to 67 survivors, and provided 561 incidents of rental assistance to survivors in Utah, totaling \$475,903.

Economic Empowerment: This fiscal year, HTS has enhanced our economic empowerment services. These services include crisis management, career exploration, financial literacy, educational opportunities, skill building/work readiness, employment services, and life skills groups, among others. HTS provided 1551+ economic empowerment services to survivors in Utah.

Youth Services: This fiscal year, HTS enhanced their services to minor survivors of trafficking by developing and implementing an HT Mentoring program. HT Mentorship focuses on social-emotional development, school attendance support, English language tutoring, community engagement, volunteering, and recreational activities. Five minor survivors have participated in mentoring thus far. With two Human Trafficking curriculums approved by the Utah School Board of Education this fiscal year, HTS is one of only a few providers statewide approved to provide human trafficking education in Utah School Systems.

Recovery Services: Understanding the intersection between human trafficking and substance use, HTS enhanced their program to address this. This fiscal year, HTS hired a dedicated Recovery and Peer Support Specialist. This position offers community connection, strength-based encouragement and practical tools for sustained recovery. Eight survivors have received 1-1 peer support services, and HTS has provided 100+ recovery/peer support services through drop-in.

Community Engagement: Increasing the community's capacity to identify and respond to human trafficking is another key focus area of the HTS services. This is accomplished through coordinated education, outreach, and strategic partnership activities. This fiscal year HTS trained 1498 community members in human trafficking awareness through 48 presentations, reached 1729+ community members through 30 outreach events, and established 183+ new collaborative partners with 39+ formal Memorandums of Understanding (MOUs). Collaborative partners span 24 of the 29 Utah counties, many serving all of Utah.

Statewide Task Force: As the lead victim services partner for the Utah Trafficking In Persons (UTIP) Task Force, AAU's HTS has partnered with the Utah Attorney General's Office since 2015 to co-facilitate the statewide task force. This multi-disciplinary group aims to enhance Utah's response to human trafficking through investigation, prosecution, and victim services. Notable projects include co-hosting a statewide Human Trafficking Conference with 540+ attendees, the approval of a new DOJ grant award for the continuation of the taskforce grant and participating as key partner in the restructuring of the task force to more closely align with the DOJ.

New Funding: This fiscal year HTS received six new grants: two new federal grants: focused on victims of labor trafficking and the UTIP Taskforce, one state grant, two local grants focused on housing, and one private grant focused on direct services and housing support.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Organization have been prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Organization follows the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958, *Not-for-Profit Entities*. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

Date of Management's Review

Subsequent events were evaluated through December 6, 2025, which is the date the financial statements were available to be issued. From their review, management has determined that there were no significant recognizable or unrecognizable subsequent events that were not properly disclosed.

Estimates in the Financial Statements

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash equivalents include time deposits, certificates of deposit, and all highly liquid debt instruments with original maturities of three months or less.

Concentrations of Credit Risks

The Organization maintains its cash in bank deposit accounts, which at times, may exceed federally insured limits. At June 30, 2025, \$638,168 exceeded the FDIC insurance limit of \$250,000, and therefore was not insured. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

The Organization receives a substantial portion of its revenue from government contracts and grants. During the year ending June 30, 2025, approximately 23% and 17% of the Organization's total revenue was from Agency A and Agency B, respectively. Any decreases in government funding would have a negative impact on the future operations of the Organization.

At June 30, 2025 approximately 46% of the Organization's total accounts receivable was due from Agency A.

Accounts and Grants Receivable and Allowance for Doubtful Accounts

Accounts and grants receivable are carried at their estimated collectible amounts. The Organization's accounts and grants receivable are generally short-term in nature; thus, accounts and grants receivable do not accrue finance or interest charges. Accounts and grants receivable are periodically evaluated for collectability based on past credit history with customers and their current financial condition. An allowance for doubtful accounts has not been established because management believes that all accounts and grants receivable will be fully collectible.

Promises to Give

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statement of activities. The Organization determines the allowance for uncollectible promises to give based on historical experience, an assessment of economic conditions, and a review of subsequent collections. An allowance for uncollectible promises has not been established at June 30, 2025 because management believes that all promises to give will be fully collectible.

Investments

Investment purchases are recorded at cost, or if donated, at fair value on the date of donation. Therefore, investments are reported at their fair values in the statement of financial position. Net investment return is reported in the statement of activities and consists of interest and dividend income, realized and unrealized capital gains and losses, less external and direct internal investment expenses.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. U.S. GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions, with highest priority given to quoted prices in active markets and lowest priority to an entity's assumptions. The Organization groups assets at fair value in three levels, based on the markets in which the assets are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1	Unadjusted quoted market prices for identical assets or liabilities in active markets as of the measurement date.
Level 2	Other observable inputs including quoted prices for similar assets in active or non-active markets, or other observable inputs for the asset.
Level 3	Unobservable inputs that cannot be corroborated by observable market data, such as pricing models, discounted cash flow models, and similar techniques.

Property and Equipment

Property and equipment are recorded at acquisition cost, or if donated, at the fair market value at the date donated. The Organization capitalizes additions that exceed \$5,000. If donors stipulate how long the assets must be used, the contributions are recorded as restricted support. In the absence of such stipulations, contributions of property and equipment are recorded as unrestricted support. Depreciation expense is provided on a straight-line basis over the estimated useful lives of the respective assets or lease terms, which range from five to thirty years. Depreciation expense for the year ended June 30, 2025 was \$126,126.

Impairment of Long-Lived Assets

The Organization evaluates its long-lived assets for any events or changes in circumstances which indicate that the carrying amounts of the assets may not be fully recoverable. The Organization evaluates the recoverability of long-lived assets by measuring the carrying amounts of the assets against the estimated undiscounted future cash flows associated with them. When future undiscounted cash flows of certain long-lived assets are not sufficient to recover the carrying amounts of the assets, the assets are adjusted to their fair values.

Classes of Net Assets

Net assets, revenues and gains are classified based on the presence or absence of donor or grantor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

- ***Net Assets Without Donor Restrictions*** – Net assets available for use in general operations and not subject to donor (or certain grantor) restrictions.
- ***Net Assets with Donor Restrictions*** – Net assets subject to donor- (or certain grantor-) imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates those resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

We report contributions restricted by donors as increases in net assets without donor restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions, depending on the nature of the restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Revenue Recognition

Contributions- Contributions are recognized as support when cash, securities or other assets, or an unconditional promise to give is received. Conditional promises to give (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 substantially met. Contributions are considered to be without donor restrictions unless restricted by the donor.

In-Kind Contributions- Contributed goods, use of facilities, and services that either create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation are recorded at fair value at the date of donation.

Program Service Revenue- Revenue is measured on the consideration specified in a contract with a customer, and excludes any sales incentives and amounts collected on behalf of third parties. The Organization recognizes revenue when it satisfies a performance obligation by transferring control over a product or service to a customer.

The following is a description of the Organization's principal activities which generate program service revenue.

Fee for service

Fee for service includes services provided directly to clients. Fee for service revenue is recognized when the service is provided to the client. Payments received in advance, if any, are deferred to the applicable period in which the related services are provided.

Rental income

Rental income is recognized when the use of facilities is provided.

Income Taxes

The Organization has been recognized by the Internal Revenue Service (IRS) as exempt from federal income taxes under Section 501(c)(3), qualifying for the charitable contribution deduction under section 170(b)(1)(A)(vi) and has been determined not to be a private foundation under Section 509(a). The Organization is annually required to file a Return of Organization Exempt from Income Tax (Form 990) and is subject to income tax on net income that is derived from business activities that are unrelated to their exempt purposes. Management has determined that the Organization is not subject to unrelated business income tax. Management believes that the Organization has appropriate support for any tax positions taken in its annual filing and does not have any uncertain tax positions that are material to the financial statements. The Organization's Forms 990 are no longer subject to tax examination for years before 2022.

Functional Allocation of Expenses

The cost of providing programs and supporting services activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include salaries, payroll taxes, employee benefits, professional fees, occupancy, and depreciation, which are allocated on the basis of estimated time and effort.

Reclassifications

Certain items from June 30, 2024 have been reclassified to conform to the June 30, 2025 presentation.

3. LIQUIDITY AND AVAILABILITY

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, consisted of the following:

Cash and cash equivalents	\$ 1,356,906
Accounts receivable, including promises to give, current portion	1,143,407
Investments	<u>1,500,747</u>
Current financial assets, at year-end	4,001,060
Less those unavailable for general expenditure within one year, due to donor-imposed time or purpose restrictions	<u>(292,008)</u>
Financial assets available to meet cash needs for general expenditure within one year	<u>\$ 3,709,052</u>

As part of its liquidity management plan, the Organization invests cash in excess of daily requirements in savings and money market funds.

4. ACCOUNTS AND GRANTS RECEIVABLE, INCLUDING PROMISES TO GIVE

Accounts and grants receivable, including promises to give, consisted of the following at June 30, 2025:

Accounts and grants receivable	\$ 1,100,926
Promises to give	40,000
Sales tax receivable	<u>2,481</u>
	<u>\$ 1,143,407</u>

5. FAIR VALUE MEASUREMENTS

The following is a summary of investments is presented by level, within the fair value hierarchy, as of June 30, 2025:

	Assets at Fair Value as of June 30, 2025			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Certificates of deposit	\$ -	\$ 1,500,747	\$ -	\$ 1,500,747
Total investments	<u>\$ -</u>	<u>\$ 1,500,747</u>	<u>\$ -</u>	<u>\$ 1,500,747</u>

6. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consisted of the following at June 30, 2025:

Subject to expenditure for specified purpose:	
Youth – After school programs	\$ 31,329
Trafficking	15,679
Housing assistance	105,000
Mental health	100,000
 Promises to give	
United Way grants	<u>40,000</u>
	<u>\$ 292,008</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the occurrence of the passage of time or other events specified by the donors as following for the year ended June 30, 2025:

Satisfaction of purpose restrictions:	
Trafficking	\$ 110,321
Youth and family services	9,335
Mental health	100,000
Expiration of time restrictions:	<u>41,500</u>
 Total net assets released from restrictions	<u>\$ 261,156</u>

7. PROGRAM SERVICES

Program service expenses of the Organization for the year ended June 30, 2025 consisted of the following:

Interpreting	\$ 1,253,373
Trafficking in Persons	1,593,097
Treatment	1,054,611
Youth and family services	1,013,211
Emergency housing	644,385
Social services	1,002,442
Sunnyvale	33,833
English as a Second Language	94,435
Employment	47,816
Other programs	<u>186,359</u>
	<u>\$ 6,923,562</u>

8. IN-KIND CONTRIBUTIONS

In-kind contributions received during the year ended June 30, 2025 consisted of the following:

Deseret Industries vouchers	\$ 77,634
	<u>\$ 77,634</u>

The Organization receives donated shop vouchers and other supplies from Deseret Industries and various individuals, corporations and government entities. The Deseret Industries vouchers are valued at thrift store values (these are value that are paid for goods in the Deseret Industries stores) and the program supplies are valued at comparable prices in the geographic area. The Deseret Industries vouchers are used in the Organization's programs and there were no restrictions on the donated items.

9. RETIREMENT PLAN

The Organization has adopted a tax-sheltered annuity which provides for a salaried deferral arrangement for participating employees. The Organization uses a contribution rate equivalent to that used by the State of Utah Retirement System. The tax-sheltered annuity permits an employee to defer an amount out of his or her salary on an individual basis. Separate accounts are maintained for each participating employee. The total retirement plan expense was \$114,074 for the year ended June 30, 2025.

10. COMMITMENTS AND CONTINGENCIES

The Organization participates in various government-assisted programs that are subject to review and audit by grantor agencies. Entitlements to these resources are generally conditional upon compliance with the terms and conditions of grant agreements and applicable government regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a government audit may become a liability of the Organization. The ultimate disallowance pertaining to these regulations, if any, is estimated to be immaterial to the overall financial condition of the Organization.

The Organization may be involved in certain claims arising from the ordinary course of operations and has purchased insurance policies to cover these risks.

11. PRIOR YEAR INFORMATION

The accompanying financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles in the United States of America. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2024 from which the summarized information was derived.

SUPPLEMENTARY INFORMATION

AND

COMPLIANCE REPORTS

Asian Association of Utah
dba Refugee & Immigrant Center
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2025

Federal Grantor Pass Through Grantor Program Title	Agency or Pass- through Number	Federal CFDA Number	Federal Expenditures
<u>U.S. Department of Health and Human Services</u>			
Support for Trauma-Affected Refugees	90ZQ00081	93.576	\$ 255,612
Passed through Utah Department of Human Services			
STEP	A03274	93.590	23,829
DSAMH	A03254	93.665	19,999
Community-based Recovery Project	A03540	93.959	56,196
Afterschool program	A03545	93.959	203,228
Passed through Utah Department of Health			
Refugee Health Services – Priority 1	226210	93.566	47,750
Refugee Mental Health Initiative 2022	226395	93.566	89,709
Refugee Health Services Screening coordination	206210	93.566	100,955
Sexual Violence Prevention – Elementary program	232700480	93.558	79,173
Passed through Utah Department of Workforce Services			
TANF – Refugee Coordinated Case Management	23DWS0111	93.558	189,789
TANF – Refugee Coordinated Case Management	23DWS0111	93.566	887,367
TANF – Teen Afterschool Prevention	23DWS0300	93.558	246,994
TANF – School-aged quality grant	23DWS0241	93.575	122,575
TANF – Family Housing (outside SL County)	24DWS0425	93.558	268,132
TANF – Family Housing (inside SL County)	23DWS0309	93.558	244,198
TANF - Mentoring (Youth development)	24DWS0479	93.558	127,816
General and Afghan Mentoring	24DWS0244	93.566	39,361
Total U.S. Department of Health and Human Services			<u>3,002,683</u>
<u>U.S. Department of Justice</u>			
Passed through Utah Office for Victims of Crime			
VOCA – CARE	2324VOCA85	16.575	199,162
Office of Violence Against Women Programs			
Transitional Housing for Survivors of Trafficking	5JOVW22GG032	16.736	225,748
U.S. Office of Justice Programs			
Minor Victims of Human Tracking 2023	5POVC23GG0274	16.320	267,840
Utah Trafficking in Persons (UTIP) Task Force 2021	15POVC21GK040	16.320	306,142
Utah Trafficking in Persons (UTIP) Task Force 2024	15POVC24GK010	16.320	30,888
Enhanced Housing Opportunities for Survivors	15POVC21GG039	16.320	237,213
Enhanced Labor Trafficking Services	2020VTBX0107	16.320	238,372
Total U.S. Department of Justice			<u>1,505,365</u>
<u>U.S. Department of Education</u>			
Passed through Utah State Office of Education			
AEFLA	170041	84.002A	99,740
Total U.S. Department of Education			<u>99,740</u>

**Asian Association of Utah
dba Refugee & Immigrant Center**
Schedule of Expenditures of Federal Awards (continued)
Year Ended June 30, 2025

U.S. Department of Treasury

Passed through Salt Lake City

Mental Health Treatment and housing assistance	N/A	21.027	108,458
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Total U.S. Department of Treasury			108,458
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U.S. Department of Homeland Security/FEMA

Passed through Utah Department of Public Safety

Nonprofit security grant program	DEMNSGP2004	97.067	66,550
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Total U.S. Department of Homeland Security/FEMA			66,550
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Total Expenditures of Federal Awards			\$ 4,782,796
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Note A - Basis of Accounting

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Asian Association of Utah dba Refugee & Immigrant Center under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Asian Association of Utah dba Refugee & Immigrant Center, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Asian Association of Utah dba Refugee & Immigrant Center.

Note B - Summary of Significant Accounting Policies

- (1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (2) Asian Association of Utah dba Refugee & Immigrant Center has elected not to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Asian Association of Utah
dba Refugee & Immigrant Center
Schedule of Findings and Questioned Costs
Year Ended June 30, 2025**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ☐ Yes ☒ None reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings that are required to be reported

In accordance with 2 CFR section 200.516(a)? ☐ Yes ☒ No

Identification of major programs:

CFDA Number: 93.566

Refugee and Entrant Assistance

Dollar threshold used to distinguish between
type A and type B programs:

\$750,000

Auditee qualified as low-risk auditee?

☒ Yes ☐ No

Section II - Financial Statement Findings

None

Section III – Federal Award Findings and Questioned Costs

None

Findings of Prior Audit - Year Ended June 30, 2024

There were no findings in the prior year.



**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**

Independent Auditor's Report

The Board of Directors
Asian Association of Utah dba Refugee & Immigrant Center
Salt Lake City, Utah

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 Asian Association of Utah dba Refugee & Immigrant Center (a nonprofit organization)(the "Organization"), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 6, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Asian Association of Utah dba Refugee & Immigrant Center'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 Asian Association of Utah dba Refugee & Immigrant Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. 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 Asian Association of Utah dba Refugee & Immigrant Center's financial statements are free of 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 statement amounts. 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 the Organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bountiful Peak Advisors

Bountiful, Utah
December 6, 2025



**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED
BY THE UNIFORM GUIDANCE**

Independent Auditor's Report

The Board of Directors
Asian Association of Utah dba Refugee & Immigrant Center
Salt Lake City, Utah

***Report on Compliance for Each Major Federal Program
Opinion on Each Major Federal Program***

We have audited Asian Association of Utah dba Refugee & Immigrant Center's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Asian Association of Utah dba Refugee & Immigrant Center's major federal programs for the year ended June 30, 2025. Asian Association of Utah dba Refugee & Immigrant Center's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Asian Association of Utah dba Refugee & Immigrant Center complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Asian Association of Utah dba Refugee & Immigrant Center and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Asian Association of Utah dba Refugee & Immigrant Center's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Asian Association of Utah dba Refugee & Immigrant Center's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Asian Association of Utah dba Refugee & Immigrant Center's compliance based on our audit. 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 GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Asian Association of Utah dba Refugee & Immigrant Center's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, 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 Asian Association of Utah dba Refugee & Immigrant Center's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of Asian Association of Utah dba Refugee & Immigrant Center's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Asian Association of Utah dba Refugee & Immigrant Center's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bountiful Peak Advisors

Bountiful, Utah
December 6, 2025