



## CALDA Biennial Report

**Mar 2021 – Jan 2023**

February 23, 2023

Dear Board Members and Stakeholders,

CALDA will step into its third year after launch in March 2021. We had walked through the two years together and witnessed its growth. As expected, we started our first long-term legal fundraising project for A Call to Start a Legal Campaign Against the China Initiative, which is aimed at the elimination of the government's systematic racial bias towards Chinese American academics and all Chinese Americans. We also collaborated with other partners to hold a series of online activities to further our impact.

During the past two years, the revenue reached \$548,299 till Jan 31, 2023. The direct public support sources include corporate contributions, individual contributions, and other sources. At the same period, our total expenses were \$102,768, which are business registration costs, outside contract services fees, outgoing grants/donations, dues & subscriptions, rent, and other fees. As a result, CALDA has a positive balance of \$445,530 at hand through Jan 31, 2023.

The goal of the long-term legal campaign project against the China Initiative program is to expose the systematic racial bias and stop the China Initiative by forcing the government to release data via the Freedom of Information Act (FOIA) requests. We have stuck to our mission and filed 17 FOIA requests as well as 1 FOIA lawsuit.

***We are entering a new and dangerous era.*** The geopolitical tensions between the U.S. and China will not fade away. The state legislatures in Texas, Georgia, and Florida are passing alien land laws as we speak. These proposed laws are not shy about its discriminatory intention and effects against the Chinese Americans. The racial hatred and fearmongering promoted by extremists and sometimes the mainstream represent a serious threat to the Chinese American communities. They are coming for us, and staying silent will not be of any help. CALDA's mission becomes more important than ever, and we are committed as ever to this just and crucial fight.

Sincerely,

Keliang (Clay) Zhu

President

## **I. Key Accomplishments and Impact**

Soon after its inception, CALDA has decided to focus its attention on the China Initiatives and hate crimes against Chinese Americans.

"China Initiative" is a government program of investigating and prosecuting economic espionage cases against U.S.-based professors, scientists, and researchers. The Department of Justice (DOJ) has brought formal charges against in over a dozen of cases under the China Initiative against academics. More than 80% of the accused are Chinese Americans, but none of the charges have anything to do with stealing technology for China or economic espionage. Instead, nearly all cases center on technical allegations that these academics failed to make proper disclosure in their grant application forms or tax returns about foreign-sourced income for attending a conference in China or conducting joint research projects with a Chinese university. As a result, the government has yet to succeed in convicting a single Chinese-American professor for espionage claims. It is a racially-biased witch hunt against Chinese Americans.

Although the DOJ has announced that it was ending this "controversial program." However, the DOJ is still actively pursuing criminal cases against the professors, continuing to create a climate of fear among Asian Americans, and helping to fuel a narrative of intolerance and bias against Asian Americans.

### **1. CALDA initiated 17 FOIA requests with government agencies and 1 lawsuit**

In Aug 2021 CALDA started working with a 30-year practice experience FOIA lawyer Peter Sorenson to represent CALDA to file FOIA requests to the Department of Justice (DOJ), National Science Foundation (NSF), National Institute of Health (NIH), Federal Bureau of Investigation (FBI), the Department of Homeland Security (DHS) and other relevant agencies. The focus of the 17 FOIA requests are to uncover any racial bias and are divided into the following three critical questions:

- Did the relevant federal agencies initiate any investigations and legal actions against academics for technical violations before the China Initiative came about? If yes, how many were there, and how many involved Chinese Americans?
- After the China Initiative was in place, how many investigations and formal charges were there, and how many involved Chinese American academics?
- Of all the investigations and formal charges under the China Initiative, how many have involved economic espionage or theft of technology for China? How many involved Chinese American academics?

In May 2022 CALDA, CALDA filed a lawsuit under the Freedom of Information Act (FOIA) against the DOJ at the U.S. District Court for the District of Columbia. The purpose is to force the DOJ to release data on how it has unfairly investigated and prosecuted Chinese-American professors for espionage-related claims under the now-defunct program called the "China Initiative". The FOIA lawsuit will help expose the practice that the government has undertaken and reduce racial bias against Asian Americans in future law enforcement actions.

CALDA plans to file similar FOIA legal actions against at least two more federal agencies soon.

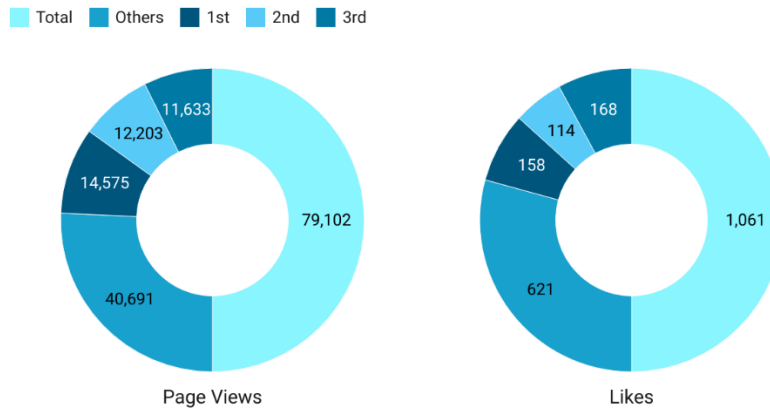
## 2. Other Notable Impact

What CALDA has done so far (by Jan 31<sup>st</sup> 2023):

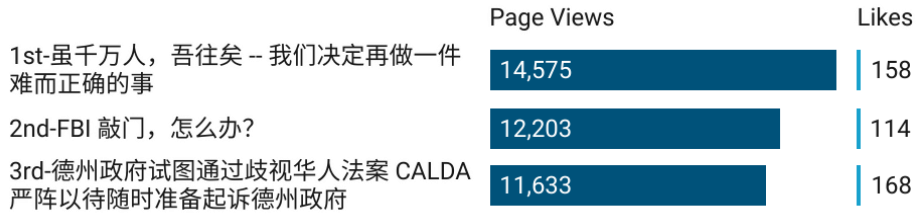
- Conducted seventeen legal actions including four FOIA Requests and one lawsuit.
  - Ten times event collaborations worked with Media and our Partnership organization to enhance awareness and enlarge our audience base.
  - Received 14 responses after launching Hate Crime Intake Form.
  - Published 23 created articles on CALDA’s official WeChat Public Account as well as 110 blogs on the website.
- (See the below chart)



The 23 WeChat articles have in total of 79,102 views and 1,061 likes.

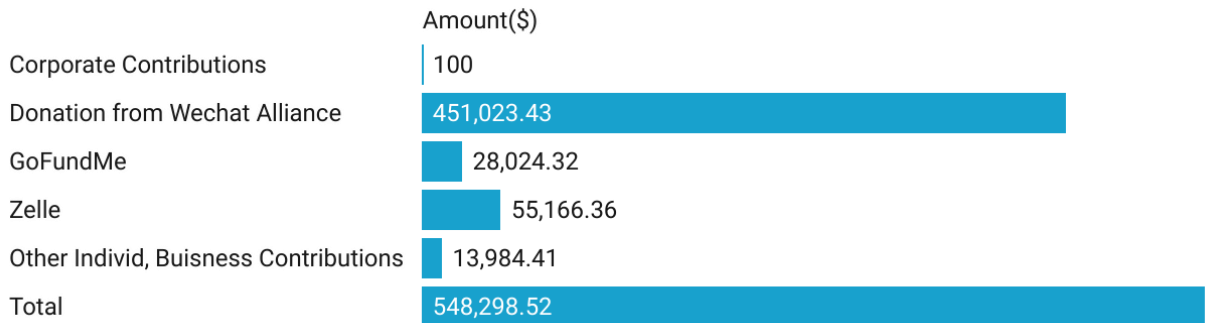


The most popular ranking top 3 articles are:

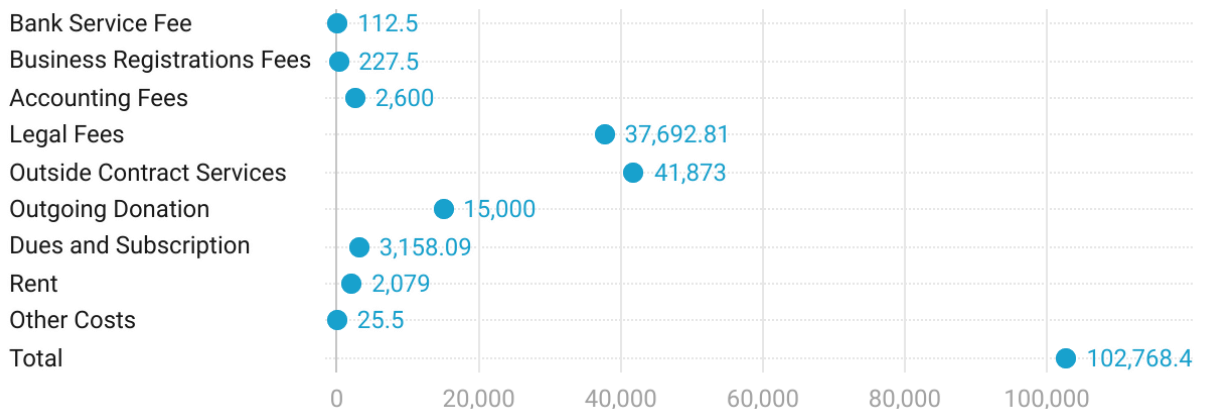


## II. Fund Raising and Financials

During Mar 2021 and Jan 2023, CALDA’s total direct public support (income) is \$548,299. The funding solicitation resources include corporate contributions, individual & business contributions (Donations from U.S. WeChat Users Alliance, GoFundMe, Zelle direct transfer), and others (See the graph below).



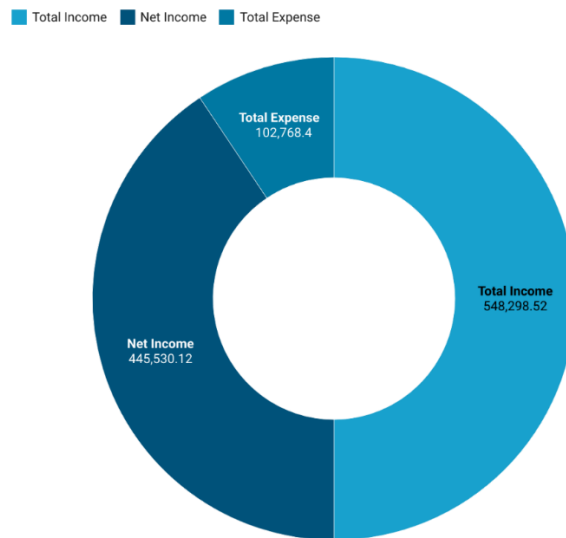
Biennial total expense is \$102,768, which are business registration cost, outside contract services fee (Legal, Accounting, Compliance, Operations, and Other outside professional services fees), outgoing donations, dues & subscriptions, rent, and other fees. (See the graph below).



A further breakdown of the main expenses paid to from Mar 2021 to Jan 2023 include the following:

- Legal Fees - Total Payments to C. Peter Sorenson (FOIA attorney): \$37,693
- Program operations and administrative support - Total Payment to Ezaims Inc. (one -part-time contractor): \$39,342
- Payment to Harbor Compliance (Jun Kang): \$2,531
- Accounting Services - Total Payment to LAM S. MUI, CPA, P.C: \$2,600
- Donation to Professor Franklin Tao’s legal defense: \$15,000
- Note: all board directors are volunteers without pay.

The Net Income till Jan 2023 is \$445,530.



We publish our quarterly financial statements audited by the third-party CPA and updated the certified letter on our website.

### III. Next Steps and Future Directions

(for board discussion)

1. Mission priorities
  - Ongoing FOIA actions, and the possibility of new lawsuits;
  - Lawsuits against Texas, Georgia, Florida and other states if alien law land bills become law;
  - Lawsuits against universities or other government entities for banning Chinese apps.
2. Fund raising
  - Current cash will run out soon if CALDA takes on any of the above priorities;
  - Plans for new rounds of fundraising

3. Organizational growth

- Board of directors and board of advisors
- Clay plans to step down from the president position this year but is willing to remain a board director
- Feasibility of hiring a full-time Executive Director
- Partnership with other organizations

## **IV. Appendix**

Appendix I – Income Statement (Profit and Loss)

Appendix II – Financial Position (Balance Sheet)

Appendix III – Certified Internal Audit Letter as of January 31<sup>st</sup> 2023

# Appendix I

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Accrual Basis

## CHINESE AMERICAN LEGAL DEFENSE ALLIANCE

### Profit & Loss

March 17, 2021 through January 31, 2023

	<u>Mar 17, '21 - Jan 31, 23</u>
Ordinary Income/Expense	
Income	
Direct Public Support	
Corporate Contributions	100.00
Individ, Business Contributions	
Donation from Wechat Alliance	451,023.43
GoFundMe	28,024.32
Zelle	55,166.36
Individ, Business Contributions - Other	<u>13,984.41</u>
Total Individ, Business Contributions	<u>548,198.52</u>
Total Direct Public Support	<u>548,298.52</u>
Total Income	548,298.52
Expense	
Bank Service Fee	112.50
Business Expenses	
Business Registration Fees	<u>227.50</u>
Total Business Expenses	227.50
Contract Services	
Accounting Fees	2,600.00
Legal Fees	37,692.81
Outside Contract Services	<u>41,873.00</u>
Total Contract Services	82,165.81
Donation	15,000.00
Due and Subscriptions	3,158.09
Facilities and Equipment	
Rent	<u>2,079.00</u>
Total Facilities and Equipment	2,079.00
Other Types of Expenses	
Other Costs	<u>25.50</u>
Total Other Types of Expenses	<u>25.50</u>
Total Expense	<u>102,768.40</u>
Net Ordinary Income	<u>445,530.12</u>
Net Income	<u><u>445,530.12</u></u>

# Appendix II

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Accrual Basis

## CHINESE AMERICAN LEGAL DEFENSE ALLIANCE

### Balance Sheet

As of January 31, 2023

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	<u>Jan 31, 23</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
Checking/Savings	
Checking at Chase	445,381.62
<b>Total Checking/Savings</b>	<u>445,381.62</u>
<b>Total Current Assets</b>	445,381.62
<b>Other Assets</b>	
Security Deposits Asset	148.50
<b>Total Other Assets</b>	<u>148.50</u>
<b>TOTAL ASSETS</b>	<b><u><u>445,530.12</u></u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Equity</b>	
Unrestricted Net Assets	40,498.29
Net Income	405,031.83
<b>Total Equity</b>	<u>445,530.12</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u><u>445,530.12</u></u></b>



## Appendix III

**LAM S. MUI, CPA, P.C.**  
**CERTIFIED PUBLIC ACCOUNTANT**  
139 FULTON STREET, #818B  
New York, New York 10038  
Tel: (347) 292-7108 Fax: (917) 591-5919

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February 22, 2023

To the Board of Trustees and Stakeholders of

CHINESE AMERICAN LEGAL DEFENSE ALLIANCE A NJ NONPROFIT  
CORPORATION

27 BLEEKER ST

MILLBURN, NJ 07041

I have compiled the accompanying Statement of Activities for the period March 17, 2021, to end January 31, 2023, and Statement of Financial Position as of January 31, 2023, for CHINESE AMERICAN LEGAL DEFENSE ALLIANCE A NJ NONPROFIT CORPORATION, in accordance with standards established by the American Institute of Certified Public Accountants.

Sincerely yours,

*Lam S. Mui, CPA, PC*