

**PUBLIC JUSTICE CENTER, INC.**

**FINANCIAL REPORTS**

**June 30, 2019 and 2018**

**PUBLIC JUSTICE CENTER, INC.**

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## Independent Auditors' Report

To the Board of Directors  
Public Justice Center, Inc.  
Baltimore, MD

We have audited the accompanying financial statements of Public Justice Center, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2019 and the related statements of activities, functional expenses, and cash flows for the year 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.

### Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider 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 Public Justice Center, Inc. as of June 30, 2019, 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.

## Report on Summarized Comparative Information

We have previously audited the Public Justice Center, Inc.'s 2018 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 23, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2018, is consistent, in all material respects, with the audited financial statement from which it has been derived.

## Other Matter – Effect of Adopting New Accounting Standard

As discussed in Note 1, the Board adopted the Financial Accounting Standards Board's Accounting Standards Update ("ASU") 2016-14, *Not-for-Profit Entities (Topic 958) – Presentation of Financial Statements of Not-for-Profit Entities* as of and for the year ended June 30, 2019. The requirements of the ASU have been applied retrospectively to all periods presented. Our opinion is not modified with respect to this matter.



Columbia, Maryland  
October 23, 2019

**PUBLIC JUSTICE CENTER, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**June 30, 2019 and 2018**

	<b>2019</b>	<b>2018</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 1,221,362	\$ 1,245,716
Grants receivable	63,707	207,490
Prepaid expenses	6,754	6,667
Investments	490,309	740,417
Property and equipment, net of accumulated depreciation	14,585	10,427
Deposits	6,358	6,358
<b>Total Assets</b>	<b>\$ 1,803,075</b>	<b>\$ 2,217,075</b>
<b>Liabilities and Net Assets</b>		
<b>Liabilities</b>		
Accrued expenses	\$ 63,472	\$ 61,012
Funds held for others	-	716
<b>Total liabilities</b>	<b>63,472</b>	<b>61,728</b>
<b>Net Assets</b>		
Without donor restrictions	1,313,980	1,276,471
With donor restrictions	425,623	878,876
<b>Total net assets</b>	<b>1,739,603</b>	<b>2,155,347</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 1,803,075</b>	<b>\$ 2,217,075</b>

*See independent auditors' report and notes to financial statements.*

**PUBLIC JUSTICE CENTER, INC.**  
**STATEMENTS OF ACTIVITIES**  
**For the Year Ended June 30, 2019**  
**(With Comparative Totals for 2018)**

	<b>2019</b>		<b>2018</b>	
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	<b>Total</b>
<b>Support and Revenue</b>				
Contributions	\$ 327,336	\$ -	\$ 327,336	\$ 329,542
Contributed professional services	1,936,623	-	1,936,623	2,543,184
Private grants	-	1,235,075	1,235,075	1,859,113
Attorney fees	274,456	-	274,456	132,859
Special events	4,150	-	4,150	2,288
Interest income	8,169	-	8,169	5,440
Investment income	18,500	-	18,500	10,072
Unrealized gain on investments	10,929	-	10,929	4,722
Net assets released from donor restrictions	1,688,328	(1,688,328)	-	-
 Total support and revenue	 4,268,491	 (453,253)	 3,815,238	 4,887,220
 <b>Expenses</b>				
Program services	3,528,766	-	3,528,766	3,890,484
Management and general	249,339	-	249,339	256,959
Fundraising	452,877	-	452,877	605,372
 Total expenses	 4,230,982	 -	 4,230,982	 4,752,815
 <b>Change in Net Assets</b>	 37,509	 (453,253)	 (415,744)	 134,405
 <b>Net Assets, Beginning</b>	 1,276,471	 878,876	 2,155,347	 2,020,942
 <b>Net Assets, Ending</b>	 \$ 1,313,980	 \$ 425,623	 \$ 1,739,603	 \$ 2,155,347

*See independent auditors' report and notes to financial statements.*

**PUBLIC JUSTICE CENTER, INC.**  
**STATEMENTS OF FUNCTIONAL EXPENSES**  
**For the Year Ended June 30, 2019**  
**(With Comparative Totals for 2018)**

**Program Expenses**

	<b>Housing</b>	<b>Workers</b>	<b>Education</b>	<b>Health and Benefits</b>	<b>Appellate</b>	<b>Right to Counsel</b>	<b>Prisoner Rights</b>	<b>Total Program</b>	<b>Management and General</b>	<b>Fundraising</b>	<b>Total 2019</b>	<b>Total 2018</b>
Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 930	\$ -	\$ 930	\$ 450
Benefit dinner	-	-	-	-	-	-	-	-	-	1,953	1,953	4,953
Contributed professional services	585,097	441,043	148,898	101,903	107,233	119,506	111,270	1,614,950	114,261	207,412	1,936,623	2,543,184
Depreciation	2,274	1,715	579	396	417	465	433	6,279	444	807	7,530	6,700
Dues and subscriptions	7,331	5,525	1,865	1,277	1,343	1,497	1,394	20,232	1,431	2,599	24,262	24,221
Employee benefits	73,671	55,532	18,748	12,831	13,502	15,047	14,010	203,341	14,387	26,115	243,843	110,594
Equipment maintenance and rental	5,336	4,022	1,358	929	978	1,090	1,015	14,728	1,042	1,891	17,661	16,815
Insurance	4,582	3,454	1,166	798	840	936	871	12,647	895	1,624	15,166	13,765
Litigation expenses	6,440	4,853	1,638	1,121	1,180	1,315	1,224	17,771	-	-	17,771	(2,755)
Miscellaneous	869	655	221	151	159	177	165	2,397	170	307	2,874	2,892
Occupancy	30,230	22,787	7,693	5,265	5,540	6,174	5,749	83,438	5,903	10,716	100,057	95,982
Office and technology supplies	2,017	1,520	513	351	370	412	383	5,566	394	715	6,675	4,519
Payroll taxes	39,314	29,635	10,005	6,847	7,205	8,030	7,476	108,512	7,677	13,937	130,126	114,192
Postage and shipping	1,807	1,362	460	315	331	369	344	4,988	353	640	5,981	8,072
Printing and publications	6,255	4,716	1,592	1,090	1,147	1,278	1,190	17,268	1,222	2,217	20,707	25,537
Professional fees	49,945	37,650	12,711	8,699	9,154	10,202	9,499	137,860	9,754	17,705	165,319	249,065
Salaries	443,306	334,162	112,815	77,208	81,246	90,546	84,305	1,223,588	86,571	157,149	1,467,308	1,476,841
Staff development	5,901	4,449	1,502	1,028	1,082	1,205	1,122	16,289	1,152	2,092	19,533	23,725
Telephone	5,014	3,779	1,276	873	919	1,024	954	13,839	979	1,778	16,596	9,219
Travel, conferences, and special events	9,084	6,847	2,312	1,582	1,665	1,855	1,728	25,073	1,774	3,220	30,067	24,844
<b>Total</b>	<b>\$ 1,278,473</b>	<b>\$ 963,706</b>	<b>\$ 325,352</b>	<b>\$ 222,664</b>	<b>\$ 234,311</b>	<b>\$ 261,128</b>	<b>\$ 243,132</b>	<b>\$ 3,528,766</b>	<b>\$ 249,339</b>	<b>\$ 452,877</b>	<b>\$ 4,230,982</b>	<b>\$ 4,752,815</b>

*See independent auditors' report and notes to financial statements.*

**PUBLIC JUSTICE CENTER, INC.**  
**STATEMENTS OF CASH FLOWS**  
**For the Years Ended June 30, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ (415,744)	\$ 134,405
Adjustments to reconcile change in net assets to net cash Provided by (used in) operating activities		
Depreciation	7,530	6,700
Unrealized (gain) on investments	(10,929)	(4,722)
Changes in assets and liabilities		
Grants receivable	143,783	(2,112)
Prepaid expenses and deposits	(87)	(669)
Accrued expenses	2,460	4,559
Funds held for others	(716)	233
	<u>(273,703)</u>	<u>138,394</u>
 Net cash provided by (used in) operating activities		
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(11,689)	(4,130)
Purchase of investments	(69,000)	-
Sale of investments	348,529	-
Reinvested earnings from investments	(18,491)	(14,405)
	<u>249,349</u>	<u>(18,535)</u>
 Net cash provided by (used in) investing activities		
<b>Net increase (decrease) in cash and cash equivalents</b>	(24,354)	119,859
 <b>Cash and cash equivalents, beginning</b>	<u>1,245,716</u>	<u>1,125,857</u>
 <b>Cash and cash equivalents, ending</b>	<u><u>\$ 1,221,362</u></u>	<u><u>\$ 1,245,716</u></u>
 <b>Supplemental cash flow information:</b>		
Interest paid	\$ -	\$ -

*See independent auditors' report and notes to financial statements.*



**PUBLIC JUSTICE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2019 and 2018**

**Note 1: Nature of Organization and Summary of Significant Accounting Policies**

***Nature of Organization***

Public Justice Center, Inc. (the Organization) is a non-profit organization that pursues systemic change to build a just society. Founded in Maryland 1985, the Organization uses legal advocacy tools to pursue social justice, economic and race equity, and fundamental human rights for people who are struggling to provide for their basic needs. The Organization is a civil legal aid office that provides advice and representation to low-income clients, advocates before legislatures and government agencies, and collaborates with community and advocacy organizations.

The Organization chooses projects and cases that will make a significant impact on systems, laws, and policies. Current projects include bringing actions on behalf of low-income tenants, low-wage workers, immigrants, homeless and foster students, and families needing health care and benefits; using appellate cases to establish good law in poverty and civil rights cases; and coordinating a national coalition that works to establish a right to counsel for indigent persons in basic human needs civil cases.

***Basis of Accounting***

The financial statements of the Organization have been prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

***Financial Statement Presentation***

The financial statements include certain prior-year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended June 30, 2018, from which the summarized information was derived.

The Organization's net assets and related revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the organization 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-imposed (or certain grantor-imposed) restrictions. The governing board has designated, from net assets without donor restrictions, net assets for a board-designated reserve and investment fund.

*See Independent Auditor's Report.*

**PUBLIC JUSTICE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2019 and 2018**

**Note 1: Nature of Organization and Summary of Significant Accounting Policies**  
**(continued)**

*Financial Statement Presentation (continued)*

*Net Assets With Donor Restrictions* – Net assets subject to donor-imposed (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 that 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.

*Tax Status*

The Organization is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and comparable state law. Accordingly, no provision for income taxes has been made.

The Organization follows the provisions of Accounting for Uncertainty in Income Taxes under the Income Taxes Topic of the Codification. The Codification requires the evaluation of tax positions, which includes maintaining its tax-exempt status and the taxability of any unrelated business income, and does not allow recognition of tax positions which do not meet a “more-likely-than-not” threshold of being sustained by the applicable tax authority. Management does not believe it has taken any tax positions that would not meet this threshold. The Organization’s income tax returns are subject to possible federal examination, generally for three years after they are filed.

*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, the disclosure of contingent assets and liabilities, and reported revenue and expenses during the reporting period. Actual results could differ from those estimates.

*Functional Expense Allocations*

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 contributed professional services and fees, depreciation, dues and subscriptions, payroll and benefits costs, maintenance, insurance, office related expenses, rent, staff development, travel, and miscellaneous which are allocated on the basis of estimates of time and effort.

*See Independent Auditor’s Report.*

**PUBLIC JUSTICE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2019 and 2018**

**Note 1: Nature of Organization and Summary of Significant Accounting Policies**  
**(continued)**

***Cash and Cash Equivalents***

For purposes of financial statement reporting, the Organization considers all unrestricted highly liquid debt instruments purchased with maturities of three months or less to be cash equivalents.

***Investments***

Investments are comprised of mutual funds and certificates of deposit and are reported at fair value with realized and unrealized gains and losses included in the accompanying statements of activities. The carrying value of the certificates of deposit approximates fair value. The fair value of the mutual funds is determined primarily by reference to quoted market prices.

***Property and Equipment***

Property and equipment in excess of \$1,500 are capitalized. Property and equipment are carried at cost and are depreciated over their estimated useful lives of 3 – 10 years using the straight-line method. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend its life are expensed as incurred.

***Compensated Absences***

The Organization accrues accumulated unpaid annual leave when earned by the employee. Generally, annual leave must be taken during the fiscal year earned. However, up to 8 days may be carried forward per fiscal year. Eligible employees who end their employment with the Organization are reimbursed for each day of accumulated annual leave.

***Contributions Revenue***

Contributions received are recorded as unrestricted support depending on the existence and/or nature of grant restrictions. Amounts received by the Organization are treated as unrestricted funds unless restricted by the donor.

***Grants Revenue***

Support and revenue under grants with the respective agencies is recorded as government grants or private grants and donations in the appropriate program when the grant is awarded. Grants receivable represent amounts to be received from grants in the following year. The Organization's management has reviewed the receivables individually for collectability and determined that an allowance for uncollectible amounts is not necessary.

***Advertising***

Advertising costs are expensed as incurred. Advertising expense was \$930 and \$450 for the years ended June 30, 2019 and 2018, respectively.

*See Independent Auditor's Report.*

**PUBLIC JUSTICE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2019 and 2018**

**Note 1: Nature of Organization and Summary of Significant Accounting Policies**  
**(continued)**

***Recent Accounting Pronouncements Adopted***

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-14, *Not-for-Profit Entities (Topic 958) - Presentation of Financial Statements of Not-for-Profit Entities*. The ASU amends the current reporting model for nonprofit organizations and enhances their required disclosures. The major changes include: (a) requiring the presentation of only two classes of net assets now entitled “net assets without donor restrictions” and “net assets with donor restrictions”, (b) modifying the presentation of underwater endowment funds and related disclosures, (c) requiring the use of the placed in service approach to recognize the expirations of restrictions on gifts used to acquire or construct long-lived assets absent explicit donor stipulations otherwise, (d) requiring that all nonprofits present an analysis of expenses by function and nature in either the statement of activities, a separate statement, or in the notes and disclose a summary of the allocation methods used to allocate costs, (e) requiring the disclosure of quantitative and qualitative information regarding liquidity and availability of resources, (f) presenting investment return net of external and direct internal investment expenses, and (g) modifying other financial statement reporting requirements and disclosures intended to increase the usefulness of nonprofit financial statements. The Organization has adopted this ASU as of and for the year ended June 30, 2019 with retrospective application for the 2018 financial statements. The adoption of this ASU had no effect on net assets or the change in net assets presented for the years ended June 30, 2019 and 2018. The Organization opted to not disclose liquidity and availability information for 2018 as permitted under the ASU in the year of adoption.

***Evaluation of Subsequent Events***

Management has evaluated subsequent events through October 23, 2019, the day the financial statements were available to be issued.

**Note 2: Investments and Fair Value Measurement**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

**Level 1**

Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

*See Independent Auditor’s Report.*

**PUBLIC JUSTICE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2019 and 2018**

**Note 2: Investments and Fair Value Measurement (continued)**

**Level 2**

Inputs to the valuation methodology include

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specific (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

**Level 3**

Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2019 and 2018.

*Certificates of Deposit:* Valued at their original purchase price plus accrued interest, which approximates their fair value.

*Mutual Funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization are open-end mutual funds that are registered with the Securities and Exchange Commission (SEC). These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The following table set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2019 and 2018:

	As of June 30, 2019		
	Level 1	Level 2	Level 3
Certificates of Deposits	\$ 325,492	\$ -	\$ -
Bond Portfolio Mutual Fund	102,765	-	-
Equity Portfolio Mutual Fund	62,052	-	-
 Total Investments	 \$ 490,309	 \$ -	 \$ -

*See Independent Auditor's Report.*

**PUBLIC JUSTICE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2019 and 2018**

**Note 2: Investments and Fair Value Measurement (continued)**

	As of June 30, 2018		
	Level 1	Level 2	Level 3
Certificates of Deposits	\$ 498,050	\$ -	\$ -
Bond Portfolio Mutual Fund	146,515	-	-
Equity Portfolio Mutual Fund	95,852	-	-
	<u>\$ 740,417</u>	<u>\$ -</u>	<u>\$ -</u>
Total Investments	<u>\$ 740,417</u>	<u>\$ -</u>	<u>\$ -</u>

Investment income consisted of the following for the year ended June 30:

	2019	2018
Interest and dividends	\$ 4,023	\$ 7,701
Realized gains on investments	14,564	6,704
Unrealized gains on investments	10,929	4,722
Investment fees	(69)	(42)
	<u>\$ 29,447</u>	<u>\$ 19,085</u>

**Note 3: Property and Equipment**

Property and equipment consist of the following as of June 30, 2019 and 2018:

	2019	2018
Property and Equipment	\$ 103,401	\$ 91,713
Less: Accumulated Depreciation	(88,816)	(81,286)
	<u>\$ 14,585</u>	<u>\$ 10,427</u>

Depreciation expense for the years ended June 30, 2019 and 2018 was \$7,530 and \$6,700, respectively.

**Note 4: Commitments and Contingencies**

The Organization has a lease for its office space through April 2021. The lease contains two renewal options for up to five years each. In addition, the Organization also leases additional storage space under a separate lease agreement expiring at the same time as the office space lease. Rent expense for the years ended June 30, 2019 and 2018 was \$100,057 and \$95,982 respectively.

*See Independent Auditor's Report.*

**PUBLIC JUSTICE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2019 and 2018**

**Note 4: Commitments and Contingencies (continued)**

In March 2015, the Organization entered into a non-cancelable operating agreement for the use of a photocopier that will expire in February 2020.

Future minimum lease payments under its leases at June 30, 2019 are as follows:

Fiscal Year:	2020	\$ 117,350
	2021	131,033
	2022	<u>56,248</u>
		<u>\$ 304,631</u>

**Note 5: Agency Funds (Funds Held for Others)**

During the years ended June 30, 2019 and 2018, the Organization collected a total of \$17,125 and \$12,930, respectively on behalf of other Foundations, individuals, and organizations. Funds collected on behalf of others that remained undisbursed were \$0 and \$716 as of June 30, 2019 and 2018, respectively.

**Note 6: Concentration of Risk**

The Organization's cash balances in financial institutions at times, throughout the year, exceeded federally insured limits.

**Note 7 – Liquidity and Availability**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

Cash and cash equivalents	\$ 1,221,362
Grants receivable	63,707
Investments	<u>490,309</u>
Less:	
Net assets with donor restrictions	<u>(425,623)</u>
	<u>\$ 1,349,755</u>

*See Independent Auditor's Report.*

**PUBLIC JUSTICE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2019 and 2018**

**Note 8: Temporarily Restricted Net Assets**

Temporarily restricted net assets are funds received from donors that have been specified for use with program initiatives established by the organization. Temporarily restricted net assets as of June 30, 2019 and 2018 are summarized as follows:

	<u>2019</u>	<u>2018</u>
Abell Foundation - Home Care Workers	\$ -	\$ 88,500
Abell Foundation - Tenant	63,682	-
Appeal Bond Fund	4,325	13,025
Jacob and Hilda Blaustein Foundation	65,000	130,000
Consumer Health Foundation	6,606	20,746
Education Fund	27,500	500
Eugene & Agnes E. Meyer Foundation	40,000	-
International Academy of Trial Lawyers	15,000	-
JM Kaplan - Right to Counsel	5,000	5,000
Kresge Foundation	38,029	-
Maryland Department of Housing and Community Development	-	50,000
Maryland Legal Services Corporation - Website	-	25,000
Maryland Public Interest Law Project	-	2,424
National Black Worker Center	5,392	27,057
National Coalition for a Civil Right to Counsel	10,071	-
Open Society Institute Baltimore - Bail Bond Project	18,718	11,771
Public Welfare Foundation - Right to Counsel	82,190	382,190
Rikki Fleisher Fund	11,536	12,686
Samuel Rosenberg - Right to Counsel	7,574	7,500
Skadden Fellowship Foundation	-	2,477
Venable, LLP	25,000	100,000
	<u>\$ 425,623</u>	<u>\$ 878,876</u>

**Note 9: Retirement Plan**

The Organization has in place a 403(b) Tax Deferred Annuity Plan. An employee is eligible to become a participant in the Plan on date of hire. Elective deferrals may equal the lesser of IRS prescribed amounts or 100% of the participant's compensation specified by certain limitations and catch up allowances for specific employees. The Organization did not make a contribution to the plan during the fiscal years ending June 30, 2019 or 2018.

*See Independent Auditor's Report.*



**PUBLIC JUSTICE CENTER, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
**June 30, 2019 and 2018**

**Note 10: Donated Materials and Services**

The Organization receives a significant amount of donated time and services from attorneys, paralegals, and other professionals/volunteers. The approximate value of donated services included in the financial statements for the years ending June 30, 2019 and 2018 is as follows:

	<u>2019</u>	<u>2018</u>
Attorneys/Paralegals/Other	\$ 1,934,623	\$ 2,540,630
Other	<u>2,000</u>	<u>2,554</u>
	<u>\$ 1,936,623</u>	<u>\$ 2,543,184</u>
Hours	<u>6,556</u>	<u>6,875</u>

*See Independent Auditor's Report.*

## **SUPPLEMENTARY INFORMATION**

## Independent Accountants' Special Report for Maryland Legal Services Corporation

To the Board of Directors  
Public Justice Center, Inc.  
Baltimore, MD

We have examined the Public Justice Center, Inc.'s, (the Organization) compliance with requirements of the grant agreement with Maryland Legal Services Corporation executed on June 5, 2018, specifically including the Annotated Code of Maryland, Human Services, Title 11 - Maryland Legal Services Corporation, Sections 11-503, 11-505, 11-602, and 11-603, for the year ended June 30, 2019. We have also examined the number of cases closed as reported on the attached Schedule of Cases Closed under the Maryland Legal Services Corporation Grants (the Schedule) for the year ended June 30, 2019. Management is responsible for the Organization's compliance with those requirements and the information submitted in the referenced report. Our responsibility is to express an opinion on the Organization's compliance with those requirements and the information on the Schedule based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Organization complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Organization complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risk of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide reasonable basis for our opinion. Our examination does not provide a legal determination on the Organization's compliance with specified requirements.

In our opinion, the Organization complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2019. Also, in our opinion, the Schedule of Cases Closed under the Maryland Legal Services Corporation Grants referred to above presents fairly, in all material respects, the number of cases closed during the year ended June 30, 2019, based on the reporting requirements of Maryland Legal Services Corporation.

This report is intended solely for the information and Board of Directors, management and Maryland Legal Services Corporation and is not intended to be and should not be used by anyone other than these specified parties.



Columbia, Maryland  
October 23, 2019

**PUBLIC JUSTICE CENTER, INC.**  
**SCHEDULE OF CASES CLOSED**  
**UNDER THE MARYLAND LEGAL SERVICES CORPORATION GRANTS**  
**For the Year Ended June 30, 2019**

<b>Legal Problem Code</b>	<b><u>Number of Cases Closed</u></b>
Bankruptcy/debtor relief	1
Discipline - including expulsion and suspension	38
Education, homeless	2
Wage claims and other FLSA issues	2
Other employment	1
Federally subsidized housing	1
Private landlord/tenant	<u>823</u>
 Total	 <u><u>868</u></u>

*See independent accountants' special report for Maryland Legal Services Corporation.*