

PUBLIC JUSTICE CENTER, INC.

FINANCIAL REPORTS

June 30, 2020 and 2019

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, 2020 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, 2020, 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 2019 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 23, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2019, is consistent, in all material respects, with the audited financial statement from which it has been derived.

A handwritten signature in black ink that reads "Dembo Jones, P.C.". The signature is written in a cursive, flowing style.

Columbia, Maryland
October 27, 2020

PUBLIC JUSTICE CENTER, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2020 and 2019

	2020	2019
Assets		
Cash and cash equivalents	\$ 1,868,829	\$ 1,221,362
Grants receivable	81,973	63,707
Prepaid expenses	7,182	6,754
Investments	1,221,179	490,309
Property and equipment, net of accumulated depreciation	22,702	14,585
Deposits	6,358	6,358
Total Assets	\$ 3,208,223	\$ 1,803,075
Liabilities and Net Assets		
Liabilities		
Accrued expenses	\$ 112,808	\$ 63,472
Funds held for others	200,978	-
Note payable	368,327	-
Total liabilities	682,113	63,472
Net Assets		
Without donor restrictions	1,435,384	1,313,980
With donor restrictions	1,090,726	425,623
Total net assets	2,526,110	1,739,603
Total Liabilities and Net Assets	\$ 3,208,223	\$ 1,803,075

See independent auditors' report and notes to financial statements.

PUBLIC JUSTICE CENTER, INC.
STATEMENTS OF ACTIVITIES
For the Year Ended June 30, 2020
(With Comparative Totals for 2019)

	2020			2019
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and Revenue				
Contributions	\$ 620,486	\$ -	\$ 620,486	\$ 327,336
Contributed professional services	2,562,306	-	2,562,306	1,936,623
Private grants	-	2,462,055	2,462,055	1,235,075
Attorney fees	11,238	-	11,238	274,456
Other income	126,402	-	126,402	-
Special events	5,728	-	5,728	4,150
Interest income	2,932	-	2,932	8,169
Investment income	16,873	-	16,873	18,500
Unrealized gain on investments	59,173	-	59,173	10,929
Net assets released from donor restrictions	1,796,952	(1,796,952)	-	-
Total support and revenue	5,202,090	665,103	5,867,193	3,815,238
Expenses				
Program services	3,995,751	-	3,995,751	3,528,766
Management and general	373,041	-	373,041	249,339
Fundraising	711,894	-	711,894	452,877
Total expenses	5,080,686	-	5,080,686	4,230,982
Change in Net Assets	121,404	665,103	786,507	(415,744)
Net Assets, Beginning	1,313,980	425,623	1,739,603	2,155,347
Net Assets, Ending	\$ 1,435,384	\$ 1,090,726	\$ 2,526,110	\$ 1,739,603

See independent auditors' report and notes to financial statements.

PUBLIC JUSTICE CENTER, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2020
(With Comparative Totals for 2019)

	Program Expenses										Total 2020	Total 2019
	Housing	Workers	Education	Health and Benefits	Appellate	Right to Counsel	Prisoner Rights	Total Program	Management and General	Fundraising		
Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 97	\$ -	\$ 97	\$ 930
Benefit dinner	-	-	-	-	-	-	-	-	-	-	-	1,953
Contributed professional services	644,636	543,911	261,883	161,159	120,869	241,738	40,290	2,014,485	188,329	359,492	2,562,306	1,936,623
Depreciation	1,631	1,377	663	408	306	612	102	5,099	477	909	6,485	7,530
Dues and subscriptions	6,166	5,202	2,505	1,541	1,156	2,312	385	19,267	1,801	3,438	24,506	24,262
Employee benefits	71,311	60,168	28,970	17,827	13,371	26,741	4,457	222,843	20,833	39,767	283,443	243,843
Equipment maintenance and rental	4,244	3,581	1,724	1,061	796	1,591	265	13,262	1,240	2,366	16,868	17,661
Insurance	3,849	3,247	1,564	962	722	1,443	241	12,027	1,124	2,147	15,298	15,166
Litigation expenses	2,082	1,755	845	520	390	780	130	6,500	-	-	6,500	17,771
Miscellaneous	3,100	2,615	1,259	775	581	1,162	194	9,684	905	1,727	12,316	2,874
Occupancy	28,565	24,102	11,605	7,141	5,356	10,712	1,785	89,266	8,345	15,930	113,541	100,057
Office and technology supplies	1,302	1,099	529	326	244	488	81	4,069	380	726	5,175	6,675
Payroll taxes	34,515	29,122	14,022	8,629	6,472	12,943	2,157	107,859	10,083	19,248	137,190	130,126
Postage and shipping	1,484	1,253	603	371	278	557	93	4,639	434	828	5,901	5,981
Printing and publications	6,297	5,314	2,558	1,574	1,181	2,362	394	19,680	1,840	3,512	25,032	20,707
Professional fees	40,676	34,322	16,525	10,169	7,627	15,254	2,542	127,118	11,884	22,685	161,687	165,319
Salaries	417,543	352,302	169,627	104,386	78,289	156,579	26,096	1,304,822	121,985	232,849	1,659,656	1,467,308
Staff development	2,032	1,715	826	508	381	762	127	6,352	594	1,134	8,080	19,533
Telephone	4,372	3,689	1,776	1,093	820	1,640	273	13,664	1,277	2,439	17,380	16,596
Travel, conferences, and special events	4,837	4,081	1,965	1,209	907	1,814	302	15,115	1,413	2,697	19,225	30,067
Total	\$ 1,278,642	\$ 1,078,855	\$ 519,449	\$ 319,659	\$ 239,746	\$ 479,490	\$ 79,914	\$ 3,995,751	\$ 373,041	\$ 711,894	\$ 5,080,686	\$ 4,230,982

See independent auditors' report and notes to financial statements.

PUBLIC JUSTICE CENTER, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2020 and 2019

	2020	2019
Cash flows from operating activities		
Change in net assets	\$ 786,507	\$ (415,744)
Adjustments to reconcile change in net assets to net cash		
Provided by (used in) operating activities		
Depreciation	6,485	7,530
Unrealized (gain) on investments	(59,173)	(10,929)
Changes in assets and liabilities		
Grants receivable	(18,266)	143,783
Prepaid expenses and deposits	(428)	(87)
Accrued expenses	49,336	2,460
Funds held for others	200,978	(716)
	<u>965,439</u>	<u>(273,703)</u>
Net cash provided by (used in) operating activities		
Cash flows from investing activities		
Purchase of property and equipment	(14,601)	(11,689)
Purchase of investments	(1,792,517)	(69,000)
Sale of investments	1,137,418	348,529
Reinvested earnings from investments	(16,599)	(18,491)
	<u>(686,299)</u>	<u>249,349</u>
Net cash provided by (used in) investing activities		
Cash flows from financing activities		
Proceeds from note payable	368,327	-
	<u>647,467</u>	<u>(24,354)</u>
Net increase (decrease) in cash and cash equivalents		
Cash and cash equivalents, beginning	<u>1,221,362</u>	<u>1,245,716</u>
Cash and cash equivalents, ending	<u>\$ 1,868,829</u>	<u>\$ 1,221,362</u>
Supplemental cash flow information:		
Interest paid	\$ -	\$ -

See independent auditors' report and notes to financial statements.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2020 and 2019

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 in 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, 2019, 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.

Net Assets Without Donor Restrictions-Board Designated – Certain funds, while not subject to donor-imposed restrictions, have been designated by the Organization as operating or strategic reserves. Operating reserves are invested in low-risk money market and bond funds with maturities of three months or less. Strategic reserves are invested in money market and bond funds with maturities of nine month or less. Total board designated funds are \$250,000 for FY20 and FY19.

See independent auditor's report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2020 and 2019

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.

Recent Accounting Pronouncements Adopted

In June 2018, FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* (Topic 958). This standard assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. The Organization has implemented the provisions of ASU 2018-08 applicable to both contributions received and to contributions made in the accompanying financial statements under a modified prospective basis. Accordingly, there is no effect on net assets in connection with the implementation of ASU 2018-08.

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.

See independent auditor’s report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2020 and 2019

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

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.

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 support without donor restrictions depending on the existence and/or nature of grant restrictions. Amounts received by the Organization are treated as funds without donor restrictions unless restricted by the donor.

Advertising

Advertising costs are expensed as incurred. Advertising expense was \$97 and \$930 for the years ended June 30, 2020 and 2019, respectively.

See independent auditor's report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2020 and 2019

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

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 are recorded as revenue in the year the grants are made. The Organization's management has reviewed the receivables individually for collectability and determined that an allowance for uncollectible amounts is not necessary.

Evaluation of Subsequent Events

Management has evaluated subsequent events through October 27, 2020, 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.

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.

See independent auditor's report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2020 and 2019

Note 2: Investments and Fair Value Measurement (continued)

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, 2020 and 2019.

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, 2020 and 2019:

	As of June 30, 2020		
	Level 1	Level 2	Level 3
Bond Portfolio Mutual Fund	\$ 108,543	\$ -	\$ -
Equity Portfolio Mutual Fund	1,112,636	-	-
Total Investments	\$ 1,221,179	\$ -	\$ -
	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	\$ -	\$ -

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

	2020	2019
Interest and dividends	\$ 14,703	\$ 4,023
Realized gains on investments	7,966	14,564
Unrealized gains on investments	59,173	10,929
Investment fees	(5,796)	(87)
	\$ 76,046	\$ 29,429

See independent auditor's report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2020 and 2019

Note 3: Property and Equipment

Property and equipment consist of the following as of June 30, 2020 and 2019:

	2020	2019
Property and Equipment	\$ 118,003	\$ 103,401
Less: Accumulated Depreciation	(95,301)	(88,816)
	\$ 22,702	\$ 14,585

Depreciation expense for the years ended June 30, 2020 and 2019 was \$6,485 and \$7,530, respectively.

Note 4: Commitments and Contingencies

The Organization has a lease for its office space through April 2031. 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, 2020 and 2019 was \$113,541 and \$100,057 respectively.

In June 2019, the Organization entered into a non-cancelable operating agreement for the use of a photocopier that will expire in May 2024.

Future minimum lease payments under its leases at June 30, 2020 are as follows:

Fiscal Year:	2021	\$	149,484
	2022		164,787
	2023		167,875
	2024		170,069
	2025		163,098
	Thereafter		1,111,373
		\$	1,926,686

Note 5: Agency Funds (Funds Held for Others)

During the years ended June 30, 2020 and 2019, the Organization collected a total of \$361,871 and \$17,125, respectively on behalf of other foundations, individuals, and organizations. Funds collected on behalf of others that remained undisbursed were \$200,978 and \$0 as of June 30, 2020 and 2019, respectively.

See independent auditor's report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2020 and 2019

Note 6: Note Payable

In April 2020, the Organization received an SBA Loan under the CARES Act, Paycheck Protection Program. The loan is for the amount of \$368,327 with an interest rate of 1% and matures in November 2022. Certain principal and interest borrowed on the loan might qualify to be forgiven by the SBA if the qualified costs are incurred in the 24-week period following the first loan disbursement in accordance with requirements of the Payment Protection Program, including the provisions of Section 1106 of the CARES Act. No interest has been accrued as management believes the Organization will meet the criteria for forgiveness based on the funds being used for qualified purposes.

Note 7: Concentration of Credit Risk

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

Note 8: 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 may make discretionary contributions to the Plan. The Organization did not make contributions to the plan during the fiscal years ending June 30, 2020 or 2019.

Note 9: 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, 2020 and 2019 is as follows:

	<u>2020</u>	<u>2019</u>
Attorneys/Paralegals/Other	\$ 2,544,093	\$ 1,934,623
Other	<u>18,213</u>	<u>2,000</u>
	<u>\$ 2,562,306</u>	<u>\$ 1,936,623</u>
Hours	<u>9,546</u>	<u>6,556</u>

See independent auditor's report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2020 and 2019

Note 10: Net Assets With Donor Restrictions

Net assets with donor restrictions are funds received from donors that have been specified for use with program initiatives established by the Organization. Net assets with donor restrictions as of June 30, 2020 and 2019 are summarized as follows:

	<u>2020</u>	<u>2019</u>
Abell Foundation - Health	\$ 22,850	\$ -
Abell Foundation - Home Care Workers	7,257	-
Abell Foundation - Tenant	82,379	63,682
ACTL/NCCRC	16,972	-
Appeal Bond Fund	3,811	4,325
BWGC/HR2H	26,000	-
Jacob and Hilda Blaustein Foundation	-	65,000
Consumer Health Foundation	9,631	6,606
Education Fund	7,313	27,500
Eugene & Agnes E. Meyer Foundation	40,000	40,000
Family Values at Work	36,667	-
International Academy of Trial Lawyers	2,096	15,000
JPB Foundation	29,681	-
JM Kaplan - Right to Counsel	-	5,000
Kresge Foundation	-	38,029
Murnaghan/Dena	16,489	-
National Black Worker Center	-	5,392
National Coalition for a Civil Right to Counsel	57,669	10,071
Open Society Institute Baltimore - Bail Bond Project	11,070	18,718
Public Welfare Foundation - Right to Counsel	696,248	82,190
Rikki Fleisher Fund	10,041	11,536
Samuel Rosenberg - Right to Counsel	7,500	7,574
Skadden Fellowship Foundation	-	-
Venable, LLP	3,552	25,000
WJP	3,500	-
	<u>\$ 1,090,726</u>	<u>\$ 425,623</u>

See independent auditor's report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2020 and 2019

Note 11: 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:

	2020	2019
Cash and cash equivalents	\$ 1,868,829	\$ 1,221,362
Grants receivable	81,973	63,707
Investments	1,221,179	490,309
Less:		
Funds held for others	(200,978)	-
Net assets with donor restrictions	(1,090,726)	(425,623)
Board designated net assets	(250,000)	(250,000)
	\$ 1,630,277	\$ 1,099,755

As part of the Organization's liquidity management, it invests cash in various investments including certificates of deposit, money market funds, bond funds and mutual funds. The Organization manages its liquidity resources focusing on investing excess cash in investments that maximize earnings potential balanced with the amount of risk the Organization has decided can be tolerated. The board, at its discretion, can undesignate the balance of board designated net assets so that the Organization can meet obligations for general expenditures.

See independent auditor's report.

SUPPLEMENTARY INFORMATION

Independent Accountants' Special Report for Maryland Legal Services Corporation

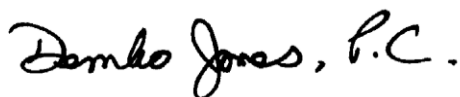
To the Board of Directors
Public Justice Center, Inc.
Baltimore, MD

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 May 30, 2019, 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, 2020. 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, 2020. 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, 2020. 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, 2020, based on the reporting requirements of Maryland Legal Services Corporation.

This report is intended solely for the use of the 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 27, 2020

PUBLIC JUSTICE CENTER, INC.
SCHEDULE OF CASES CLOSED
UNDER THE MARYLAND LEGAL SERVICES CORPORATION GRANTS
For the Year Ended June 30, 2020

Legal Problem Code	<u>Number of Cases Closed</u>
Discipline - including expulsion and suspension	41
Wage claims and other FLSA issues	1
Other health	1
Private landlord/tenant	755
Prisoner's rights	<u>3</u>
 Total	 <u><u>801</u></u>

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