

PUBLIC JUSTICE CENTER, INC.

FINANCIAL REPORTS

June 30, 2021 and 2020

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, 2021 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, 2021, 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 2020 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 27, 2020. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2020, is consistent, in all material respects, with the audited financial statement from which it has been derived.



Columbia, Maryland
November 30, 2021

PUBLIC JUSTICE CENTER, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Cash and cash equivalents	\$ 968,581	\$ 1,868,829
Grants receivable	990,967	81,973
Prepaid expenses	7,902	7,182
Investments	2,193,816	1,221,179
Property and equipment, net of accumulated depreciation	97,499	22,702
Deposits	<u>19,000</u>	<u>6,358</u>
Total Assets	<u><u>\$ 4,277,765</u></u>	<u><u>\$ 3,208,223</u></u>
Liabilities and Net Assets		
Liabilities		
Accrued expenses	\$ 198,419	\$ 112,808
Funds held for others	8,385	200,978
Note payable - Paycheck Protection Program	<u>-</u>	<u>368,327</u>
Total liabilities	<u>206,804</u>	<u>682,113</u>
Net Assets		
Without donor restrictions	2,026,203	1,435,384
With donor restrictions	<u>2,044,758</u>	<u>1,090,726</u>
Total net assets	<u>4,070,961</u>	<u>2,526,110</u>
Total Liabilities and Net Assets	<u><u>\$ 4,277,765</u></u>	<u><u>\$ 3,208,223</u></u>

See independent auditors' report and notes to financial statements.

PUBLIC JUSTICE CENTER, INC.
STATEMENTS OF ACTIVITIES
For the Year Ended June 30, 2021
(With Comparative Totals for 2020)

	2021			2020
	Without Donor Restrictions	With Donor Restrictions	Total	Total
Support and Revenue				
Contributions				
Corporate and individual contributions	\$ 656,161	\$ 46,601	\$ 702,762	\$ 620,486
Contributed professional services	1,388,985	-	1,388,985	2,562,306
Private grants	45,000	3,028,332	3,073,332	2,462,055
Attorney fees	6,000	-	6,000	11,238
Other income	-	-	-	126,402
Special events	4,038	-	4,038	5,728
Interest income	5	-	5	2,932
Investment income	64,860	-	64,860	16,873
Unrealized gain on investments	244,144	-	244,144	59,173
Paycheck Protection Program	368,327	-	368,327	-
Net assets released from donor restrictions	2,120,901	(2,120,901)	-	-
Total support and revenue	4,898,421	954,032	5,852,453	5,867,193
Expenses				
Program services	3,360,533	-	3,360,533	3,995,751
Management and general	354,045	-	354,045	373,041
Fundraising	593,024	-	593,024	711,894
Total expenses	4,307,602	-	4,307,602	5,080,686
Change in Net Assets	590,819	954,032	1,544,851	786,507
Net Assets, Beginning	1,435,384	1,090,726	2,526,110	1,739,603
Net Assets, Ending	\$ 2,026,203	\$ 2,044,758	\$ 4,070,961	\$ 2,526,110

See independent auditors' report and notes to financial statements.

PUBLIC JUSTICE CENTER, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2021
(With Comparative Totals for 2020)

	Program Expenses													
	Housing	Workers	Education	Health and Benefits	Appellate	Right to Counsel	Prisoner Rights	Organizing Black	Baltimore Black Worker Center	Total Program	Management and General	Fundraising	Total 2021	Total 2020
Advertising	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,669	\$ -	\$ 1,669	\$ 97
Contributed professional services	346,692	227,516	140,843	65,004	54,170	140,843	21,668	75,839	10,834	1,083,408	113,897	191,680	1,388,985	2,562,306
Depreciation	2,885	1,894	1,173	541	451	1,173	180	631	90	9,020	948	1,596	11,564	6,485
Dues and subscriptions	7,325	4,806	2,975	1,373	1,144	2,975	458	1,602	229	22,888	2,406	4,049	29,343	24,506
Employee benefits	78,041	51,214	31,704	14,633	12,194	31,704	4,878	17,071	2,439	243,875	25,638	43,147	312,660	283,443
Equipment maintenance and rental	8,605	5,647	3,496	1,613	1,345	3,496	538	1,882	269	26,890	2,827	4,757	34,474	16,868
Insurance	4,427	2,905	1,798	830	692	1,798	277	968	138	13,833	1,454	2,447	17,734	15,298
Litigation expenses	2,774	1,819	1,126	520	433	1,126	173	606	87	8,662	-	-	8,662	6,500
Miscellaneous	1,508	989	612	282	235	612	94	330	47	4,708	495	833	6,036	12,316
Occupancy	24,503	16,080	9,954	4,594	3,829	9,954	1,531	5,360	766	76,573	8,050	13,548	98,171	113,541
Office and technology supplies	2,514	1,650	1,021	471	393	1,021	157	550	79	7,857	826	1,390	10,073	5,175
Payroll taxes	36,580	24,006	14,861	6,859	5,716	14,861	2,286	8,002	1,143	114,314	12,018	20,225	146,557	137,190
Postage and shipping	1,183	776	481	222	185	481	74	259	37	3,697	389	654	4,740	5,901
Printing and publications	4,593	3,015	1,866	861	718	1,866	287	1,005	144	14,356	1,509	2,540	18,405	25,032
Professional fees	64,635	42,418	26,259	12,120	10,100	26,259	4,040	14,139	2,020	201,992	21,235	35,737	258,964	161,687
Salaries	476,914	312,975	193,746	89,421	74,518	193,746	29,807	104,325	14,904	1,490,355	156,678	263,679	1,910,712	1,659,656
Staff development	1,414	928	575	265	221	575	88	309	44	4,421	465	782	5,668	8,080
Telephone	7,593	4,983	3,085	1,424	1,186	3,085	475	1,661	237	23,727	2,494	4,198	30,419	17,380
Travel, conferences, and special events	3,186	2,091	1,294	597	498	1,294	199	697	100	9,957	1,047	1,762	12,766	19,225
Total	\$ 1,075,372	\$ 705,712	\$ 436,869	\$ 201,630	\$ 168,028	\$ 436,869	\$ 67,210	\$ 235,236	\$ 33,607	\$ 3,360,533	\$ 354,045	\$ 593,024	\$ 4,307,602	\$ 5,080,686

See independent auditors' report and notes to financial statements.

PUBLIC JUSTICE CENTER, INC.
STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities		
Change in net assets	\$ 1,544,851	\$ 786,507
Adjustments to reconcile change in net assets to net cash		
Provided by (used in) operating activities		
Depreciation	11,564	6,485
Realized and unrealized (gain) on investments	(299,984)	(67,139)
Forgiveness of note payable - Paycheck Protection Program	(368,327)	-
Changes in assets and liabilities		
Grants receivable	(908,994)	(18,266)
Prepaid expenses and deposits	(13,362)	(428)
Accrued expenses	85,611	49,336
Funds held for others	(192,593)	200,978
	<u>(141,234)</u>	<u>957,473</u>
Cash flows from investing activities		
Purchase of property and equipment	(86,361)	(14,601)
Purchase of investments	(1,310,978)	(1,775,644)
Sale of investments	712,030	1,128,511
Reinvested earnings from investments	(73,705)	(16,599)
	<u>(759,014)</u>	<u>(678,333)</u>
Cash flows from financing activities		
Proceeds from note payable - Paycheck Protection Program	-	368,327
Net increase (decrease) in cash and cash equivalents	(900,248)	647,467
Cash and cash equivalents, beginning	<u>1,868,829</u>	<u>1,221,362</u>
Cash and cash equivalents, ending	<u><u>\$ 968,581</u></u>	<u><u>\$ 1,868,829</u></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, 2021 and 2020

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, 2020, 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 FY21 and FY20.

See independent auditor's report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

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.

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.

See independent auditor’s report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

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

Investments

Investments are comprised of stocks and mutual funds 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 and Grant Revenue

The Organization recognizes grants and contributions when cash or an unconditional promise to give is received. Grants and contributions received are recorded as “without donor restrictions” or “with donor restrictions” depending on the existence or nature of any donor restrictions. Donor-restricted revenue is reported as an increase in net assets with donor restrictions. When a restriction expires (i.e., when a purpose restriction is accomplished or a time restriction is met), 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 restriction. Conditional promises to give, that is, 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.

Advertising

Advertising costs are expensed as incurred. Advertising expense was \$1,669 and \$97 for the years ended June 30, 2021 and 2020, respectively.

Evaluation of Subsequent Events

Management has evaluated subsequent events through November 30, 2021, the day the financial statements were available to be issued.

See independent auditor’s report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

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.

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, 2021 and 2020.

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.

Stock: Valued as quoted on exchanges.

See independent auditor's report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

Note 2: Investments and Fair Value Measurement (continued)

The following table set forth by level, within the fair value hierarchy, the Organization's assets at fair value as of June 30, 2021 and 2020:

	As of June 30, 2021		
	Level 1	Level 2	Level 3
Stocks	\$ 55,584	\$ -	\$ -
Bond Portfolio Mutual Fund	263,891	-	-
Equity Portfolio Mutual Fund	1,874,341	-	-
Total Investments	<u>\$ 2,193,816</u>	<u>\$ -</u>	<u>\$ -</u>

	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	<u>\$ 1,221,179</u>	<u>\$ -</u>	<u>\$ -</u>

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

	2021	2020
Interest and dividends	\$ 17,859	\$ 14,703
Realized gains on investments	55,840	7,966
Unrealized gains on investments	244,144	59,173
Investment fees	<u>(8,839)</u>	<u>(5,796)</u>
	<u>\$ 309,004</u>	<u>\$ 76,046</u>

See independent auditor's report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

Note 3: Property and Equipment

Property and equipment consist of the following as of June 30, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Property and Equipment	\$ 190,111	\$ 118,003
Less: Accumulated Depreciation	<u>(92,612)</u>	<u>(95,301)</u>
	<u><u>\$ 97,499</u></u>	<u><u>\$ 22,702</u></u>

Depreciation expense for the years ended June 30, 2021 and 2020 was \$11,564 and \$6,485, 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, 2021 and 2020 was \$98,171 and \$113,541 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. The lease requires monthly payments of \$922.

Future minimum lease payments under its leases at June 30, 2021 are as follows:

Fiscal Year:	2022	\$ 112,197
	2023	164,787
	2024	166,954
	2025	159,927
	2026	163,098
	Thereafter	<u>1,111,373</u>
		<u><u>\$ 1,878,336</u></u>

Note 5: Agency Funds (Funds Held for Others)

During the years ended June 30, 2021 and 2020, the Organization collected a total of \$361,871 and \$17,125, respectively on behalf of other charitable organizations. Funds collected on behalf of others that remained undisbursed were \$8,385 and \$200,978 as of June 30, 2021 and 2020, respectively.

See independent auditor's report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

Note 6: Note Payable – Paycheck Protection Program

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% maturing in November 2022.

Per terms of the program, certain principal and interest borrowed on the loan qualified 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 the requirements of the Paycheck Protection Program, including the provisions of Section 1106 of the CARES Act. The loan is subject to an examination by the SBA or its authorized representative for six years after the date the note is forgiven or repaid in full. In February 2021, the Organization applied for and was granted forgiveness of the note payable in its entirety.

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 ended June 30, 2021 or 2020.

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, 2021 and 2020 is as follows:

	<u>2021</u>	<u>2020</u>
Attorneys/Paralegals/Other	\$ 1,370,772	\$ 2,544,093
Other	<u>18,213</u>	<u>18,213</u>
	<u>\$ 1,388,985</u>	<u>\$ 2,562,306</u>
Hours	<u>6,703</u>	<u>9,546</u>

See independent auditor's report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

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, 2021 and 2020 are summarized as follows:

	2021	2020
Abell Foundation - Health	\$ 24,998	\$ 22,850
Abell Foundation - Home Care Workers	-	7,257
Abell Foundation - Tenant	150,000	82,379
ACTL/NCCRC	57,500	16,972
Appeal Bond Fund	8,593	3,811
Baltimore Black Worker's Center	224,764	-
Baltimore Renters United	109,620	-
BWGC/HR2H	19,337	26,000
Jacob and Hilda Blaustein Foundation	70,000	-
Community Development Block Grant	42,912	-
Community Services Block Grant	71,429	-
Consumer Health Foundation	-	9,631
Education Fund	20,233	7,313
Eugene & Agnes E. Meyer Foundation	-	40,000
Family Values at Work	-	36,667
International Academy of Trial Lawyers	25,000	2,096
JPB Foundation	-	29,681
Murnaghan/Dena	-	16,489
Murnaghan/Olivia	35,663	-
National Anti-Eviction Defense Project	51,001	-
National Coalition for a Civil Right to Counsel	105,459	57,669
Organizing Black	677,510	-
Open Society Institute Baltimore - Bail Bond Project	21,730	11,070
Public Welfare Foundation - Right to Counsel	306,468	696,248
Rikki Fleisher Fund	10,041	10,041
Samuel Rosenberg - Right to Counsel	7,500	7,500
Venable, LLP	-	3,552
WJP	5,000	3,500
	<u>\$ 2,044,758</u>	<u>\$ 1,090,726</u>

See independent auditor's report.

PUBLIC JUSTICE CENTER, INC.
NOTES TO FINANCIAL STATEMENTS
June 30, 2021 and 2020

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:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 968,581	\$ 1,868,829
Grants receivable	990,967	81,973
Investments	<u>2,193,816</u>	<u>1,221,179</u>
Less:		
Funds held for others	(8,385)	(200,978)
Net assets with donor restrictions	(2,044,758)	(1,090,726)
Board designated net assets	<u>(250,000)</u>	<u>(250,000)</u>
	<u>\$ 1,850,221</u>	<u>\$ 1,630,277</u>

As part of the Organization's liquidity management, it invests cash in various investments including 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 June 15, 2020, 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, 2021. 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, 2021. 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, 2021. 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, 2021, 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
November 30, 2021

PUBLIC JUSTICE CENTER, INC.
SCHEDULE OF CASES CLOSED
UNDER THE MARYLAND LEGAL SERVICES CORPORATION GRANTS
For the Year Ended June 30, 2021

Legal Problem Code	<u>Number of Cases Closed</u>
Discipline - including expulsion and suspension	3
Wage claims and other FLSA issues	9
Federally subsidized housing	1
Private landlord/tenant	661
Other housing	<u>1</u>
Total	<u><u>675</u></u>

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