



Empowerment. Integration. Equality.

FINANCE REPORT

BOARD PRESENTATION: Wednesday, September 21, 2022

Statement of Financial Position Summary (Unaudited)

Assets	<u>7/31/2022</u>	<u>7/31/2021</u>	<u>Variance</u>	<u>% of Chg</u>
Cash	\$ 1,810,427	\$ 1,830,483	\$ (20,056)	-1%
Investment- CDs	-	\$ 101,506	(101,506)	-100%
Receivables	348,461	306,026	42,435	14%
Prepaid expenses	25,584	22,447	3,137	14%
Fixed/Other assets	39,596	56,582	(16,987)	-30%
Total Assets	2,224,067	2,317,044	(92,977)	-4%
Liabilities & Net Assets				
Accounts payable	36,261	37,955	(1,695)	-4%
Accrued expenses	237,832	220,783	17,049	8%
Grant advances/Deferred Revenue	49,236	23,868	25,368	106%
Other Liabilities	-	-	-	
Total Liabilities	323,328	282,606	40,723	14%
Net Assets	1,900,739	2,034,438	(133,700)	-7%
Total Liabilities & Net Assets	\$ 2,224,067	\$ 2,317,044	(92,977)	-4%
Current Ratio*(excludes PPP loan)	<u>6.9</u>	<u>8.2</u>		

Assets: Total assets are \$2,224,067, which is a net decrease of \$92,977 or 4% over the same period last year. This change is primarily attributed to the decrease in Cash and Investments related to a one-time grant from Open Society received in July 2021 for \$100,000.

Liabilities: Total liabilities are \$323,328, which is a net increase of \$40,723 or 14% over the same period last year. This change is primarily attributed to an increase in Accrued expenses of \$17,049 related to July's payroll costs paid in August and an increase in Grant advances of \$25,368 related to more MLSC carryover funds. Grant Advances/Deferred Revenue is all MLSC funds.

Net Assets: Net Assets represent DRM's cumulative earnings from current and prior fiscal years. The current balance of \$1,900,739 is equivalent to approximately 6 months of DRM's current operating expenditures, which average \$320,000 per month in the current fiscal year. The industry standard recommends a minimum reserve balance of 3 to 6 months of operations.

Current Ratio: DRM's current ratio is 6.9. The current ratio measures DRM's liquidity, or the ability to pay short term obligations. The higher the current ratio, the more capable DRM is of paying its obligations. A ratio less than 1.0 suggests that there is a risk of not being able to pay current obligations.

Statement of Activities & Changes in Net Assets Summary (Unaudited)

	Year-to-date thru 07/31/2022	Year-to-date thru 07/31/2021	\$ Change	% Chg
Support and Revenue				
Contributed support	\$ 37,707	\$ 21,608	\$ 16,099	75%
Grants	2,961,034	2,968,345	\$ (7,311)	0%
Other income (Gala, Attorney Fees, etc)	88,928	545,201	\$ (456,273)	-84%
Total support & revenue	3,087,669	3,535,154	(447,485)	-13%
Expenses				
Personnel	2,591,030	2,347,831	243,199	10%
Professional fees	215,719	170,062	45,657	27%
Occupancy	188,717	190,912	(2,195)	-1%
Other costs	208,509	134,640	73,869	55%
Total Expenses	3,203,975	2,843,445	360,530	13%
Increase (Decrease) in net assets	(116,306)	691,709	(808,015)	117%
Net assets at beginning of year	2,017,045	1,342,730	674,316	50%
Net assets at End of Period	\$ 1,900,739	\$ 2,034,438	\$ (133,699)	-7%

Support and Revenue: For the period ending July 31, 2022, total revenue is \$3,087,669 or a decrease of 13% over the same period last year.

Contributed Support: Contributions as of July 31, 2022 are as follows:

	FY 2022 Goal	FY 2022 Actual	% of Goal
Contributions:			
Individuals		\$13,229	
Board Members		8,455	
Corporate		0	
Campaign		15,365	
United Way, AmazonSmile, Other Indirect		658	
Total	\$30,000	\$37,707	126%

Expenses: For the period July 31, 2022, total expenses are \$3,203,975 or an increase of 13% over the same period last year.

Increase (Decrease) in net assets: The 117% decrease in net assets of \$808,015 is primarily attributed to the decrease in Other income of \$456,273 related to the \$491,000 PPP loan forgiven in June 2021 and the increases in Personnel expense of \$243,199 and Other costs of \$73,869.

Operating Budget to Actual Summary (Unaudited)

	2022 Approved Budget	Actual through 7/31/2022	Variance (Under) Over	Target 83%
Support and Revenue				
Contributed support	\$ 30,000	\$ 37,707	\$ 7,707	126%
Grant revenue	4,218,523	2,961,034	(1,257,489)	70%
Other income	48,000	88,928	40,928	185%
Total support & revenue	<u>\$ 4,296,523</u>	<u>\$ 3,087,669</u>	<u>\$ (1,208,854)</u>	<u>72%</u>
Expenses				
Personnel	\$ 3,796,569	2,591,030	\$ (1,205,539)	68%
Professional fees	289,023	215,719	(73,304)	75%
Occupancy	235,775	188,717	(47,058)	80%
Other costs	290,833	208,509	(82,324)	72%
Total expenses	<u>\$ 4,612,200</u>	<u>\$ 3,203,975</u>	<u>\$ (1,408,225)</u>	<u>69%</u>
Income (Loss)	<u>\$ (315,677)</u>	<u>\$ (116,306)</u>	<u>\$ 199,371</u>	<u>37%</u>

Overall DRM is operating approximately 14% below the targeted expenditures for the year. The DRM spending plan for 2022 forecasted a net loss of \$315,677.

Explanation of Actual Results with Target Variances of 10% or more:

Contributed support: is 26% over the entire the FY22 goal largely due to the Board challenge in December 2021.

Grant revenue: 13% below the target largely due to lower than budgeted personnel costs as the majority of DRM's grant revenue is based on expenses incurred.

Other income: is 85% over the FY22 goal primarily due to revenue from the 2022 Breaking Barriers gala.

Personnel: is 15% below target related to staff vacancies.

Other costs: are 11% below target related to conference/seminar expenses and limited local travel expenses due to COVID related limitations in the first part of the fiscal year.

Exhibit 1:

DRM's Budget versus Actual Report

**DISABILITY RIGHTS MARYLAND INC.
BUDGET VERSUS ACTUAL REPORT
AS OF 7/31/2022**

EXHIBIT 1	2022 APPROVED BUDGET	2022 ACTUAL 07/31/2022	Target = 83% % Budget
<u>REVENUE SOURCES:</u>			
<u>FEDERAL GRANTS:</u>			
Protection & Advocacy for Development Disabilities (PADD)	792,524	473,571	60%
Protection & Advocacy for Individuals with Mental Illness (PAIMI)	678,287	467,294	69%
Strengthening Protections for Social Security Beneficiaries (Rep Payee)	500,224	379,734	76%
Protection & Advocacy for Individuals Rights (PAIR)	364,078	237,786	65%
Protection & Advocacy for Beneficiaries of Social Security (PABSS)	78,543	41,868	53%
Helping America Vote Act (HAVA)	105,980	80,946	76%
Protection & Advocacy for Assistive Technology (PAAT)	111,502	112,235	101%
Protection & Advocacy for Traumatic Brain Injury (PATBI)	147,291	89,363	61%
Protection & Advocacy for Access to COVID 19 Vaccines (PAC5)	64,856	16,641	26%
ACL Judiciary	91,868	9,657	11%
TOTAL FEDERAL GRANTS	2,935,151	1,909,095	65%
<u>STATE/LOCAL GRANTS:</u>			
Governor's Office of Crime Control & Preventions:			
Victims of Crime Assistance (VOCA)	107,580	134,803	125%
COVID Special Education (CESF)	21,000	25,392	121%
Children's Justice Act Committee (CIAC)	20,000	-	0%, not renewed
Maryland Victims of Crime (MVOC, was Legal Services for Mental Illness (LSMI))	14,500	9,677	67%
Community Development Block Grant (CDBG)	94,823	74,605	79%
TOTAL STATE GRANTS	257,903	244,477	95%
<u>FOUNDATION/ORGANIZATION GRANTS:</u>			
Maryland Legal Services Corp (MLSC)	921,128	690,125	75%
Maryland Legal Services Corp (MLSC) Eviction Prevention	23,891	26,552	111%
University of Pennsylvania Carey School of Law	55,450	53,285	96%
HOME: Zanvyl & Isabelle Krieger Fund	10,000	10,000	100%
Howard County Autism Society	5,000	5,000	100%
Venable Foundation	10,000	20,000	200%
Greater Washington Community Foundation (Step toe)		2,500	
TOTAL FOUNDATION/ORGANIZATION GRANTS	1,025,469	807,462	79%
<u>OTHER REVENUE & SUPPORT:</u>			
Contributed Support	30,000	37,707	126%
Program income/Attorney's Fees	-	16,448	
Interest Income	3,000	2,145	71%
Special Events & Other	45,000	70,335	156%
TOTAL OTHER REVENUE & SUPPORT	78,000	126,634	162%
TOTAL REVENUE & SUPPORT	4,296,523	3,087,669	72%

**DISABILITY RIGHTS MARYLAND INC.
BUDGET VERSUS ACTUAL REPORT
AS OF 7/31/2022**

EXHIBIT 1	2022 APPROVED BUDGET	2022 ACTUAL 07/31/2022	Target = 83% % Budget
<u>EXPENSES:</u>			
<u>PERSONNEL COST:</u>			
Salary & Wages	2,990,038	2,096,156	70%
Fringe	806,531	494,874	61%
TOTAL PERSONNEL COST	3,796,569	2,591,030	68%
<u>CONTRACTUAL COSTS:</u>			
Audit Fee	17,500	17,500	100%
Expert Fees	38,167	3,225	8%
IT Consultants	52,596	43,059	82%
Accounting software	12,000		0%
Payroll & 401k processing	9,296	8,993	97%
Stipends	36,500	14,275	39%
IT Licensing/Upgrades	19,964	18,326	92%
Legal Fees	3,000	6,045	202%
Consultant/Interpreters	100,000	104,296	104%
TOTAL CONTRACTUAL COSTS	289,023	215,719	75%
<u>OCCUPANCY COSTS:</u>			
Rent & Utilities	216,922	176,675	81%
Security	1,300	1,271	98%
Other Occupancy	480	199	41%
Trash removal/shredding	1,500	925	62%
Records - Storage	15,574	9,647	62%
TOTAL OCCUPANCY COSTS	235,775	188,717	80%
<u>EQUIPMENT RENTAL:</u>			
Postage Meter	460	324	70%
Copier Rental	7,910	7,159	91%
TOTAL EQUIPMENT RENTAL	8,370	7,483	89%
<u>EQUIPMENT MAINTENANCE:</u>			
IT Equipment/Upgrades	4,600	5,032	109%
Electronic Storage	20,000	19,000	95%
Computer Equipment	-		
Furniture & Equipment	1,000		0%
TOTAL EQUIPMENT MAINTENANCE	25,600	24,032	94%

**DISABILITY RIGHTS MARYLAND INC.
BUDGET VERSUS ACTUAL REPORT
AS OF 7/31/2022**

EXHIBIT 1	2022 APPROVED BUDGET	2022 ACTUAL 07/31/2022	Target = 83%
			% Budget
<u>GENERAL & ADMINISTRATION:</u>			
Recruiting expenses	2,000	5,138	257%
Books, Subscriptions & References	11,487	8,716	76%
Postage/Delivery	3,000	2,855	95%
Printing/Copying (In-house & Outsourced)	7,800	2,157	28%
Office Supplies	8,100	4,058	50%
Telephone & Telecommunication	39,899	29,291	73%
DRM & Staff Dues	22,848	23,378	102%
Insurance - Liability	19,689	19,374	98%
Bank/Late Fees	200	394	197%
Conference/Seminars	44,010	24,279	55%
Meetings - Board	100		0%
Travel - Local	18,820	3,933	21%
Special Events	6,400	4,738	74%
TOTAL GENERAL & ADMINISTRATION	184,353	128,310	70%
<u>DIRECT PROGRAM EXPENSES:</u>			
Meetings - Program	7,785	2,634	34%
Special Events	4,250		0%
Record Fees	5,100	1,424	28%
Program expense/supplies	-	1,400	
TOTAL DIRECT PROGRAM EXPENSES	17,135	5,458	32%
<u>DEVELOPMENT & FUNDRAISING:</u>			
Dues - subscriptions	2,000	289	14%
Mail Campaigns	75		0%
Advertising/fundraising processing fees	1,600	1,090	68%
Annual Event	30,000	28,224	94%
TOTAL DEVELOPMENT & FUNDRAISING	33,675	29,604	88%
<u>OTHER EXPENSE:</u>			
Grant Capital Purchase	-		
TOTAL OTHER EXPENSE	-	-	0%
<u>NON-CASH EXPENSES:</u>			
Depreciation	21,700	13,622	63%
TOTAL NON-CASH EXPENSES	21,700	13,622	63%
TOTAL EXPENSES	4,612,201	3,203,975	69%
PROJECTED NET PROFIT/(LOSS)	(315,677)	(116,307)	37%
PROJECTED NET PROFIT/(LOSS) BEFORE DEPRECIATION	(293,977)	(102,684)	35%

Notes

We plan to use funds recorded as revenue in FY21, but not yet spent from the following funding sources:

The Morton K. & Jane Blaustein Foundation	75,000
Foundation to Promote Open Society	115,000
Unrestricted Donations	150,495
Total	340,495