



Empowerment. Integration. Equality.

## FINANCE REPORT

BOARD PRESENTATION: Wednesday, December 14, 2022

**Statement of Financial Position Summary (Unaudited)**

<b>Assets</b>	<b><u>9/30/2022</u></b>	<b><u>9/30/2021</u></b>	<b><u>Variance</u></b>	<b><u>% of Chg</u></b>
Cash	\$ 1,898,569	\$ 1,958,065	\$ (59,496)	-3%
Investment- CDs	-	-	-	
Receivables	410,544	378,710	31,834	8%
Prepaid expenses	18,968	16,996	1,972	12%
Fixed/Other assets	49,467	52,843	(3,375)	-6%
<b>Total Assets</b>	<b>2,377,548</b>	<b>2,406,613</b>	<b>(29,066)</b>	<b>-1%</b>
<b>Liabilities &amp; Net Assets</b>				
Accounts payable	17,320	77,819	(60,498)	-78%
Accrued expenses	295,025	288,291	6,734	2%
Grant advances/Deferred Revenue	149,295	24,584	124,711	507%
Other Liabilities	-	-	-	
<b>Total Liabilities</b>	<b>461,640</b>	<b>390,693</b>	<b>70,947</b>	<b>18%</b>
<b>Net Assets</b>	<b>1,915,908</b>	<b>2,015,920</b>	<b>(100,012)</b>	<b>-5%</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 2,377,548</b>	<b>\$ 2,406,613</b>	<b>(29,066)</b>	<b>-1%</b>
Current Ratio*(excludes PPP loan)	<u>5.2</u>	<u>6.2</u>		

**Assets:** Total assets are \$2,377,548, which is a net decrease of \$29,066 or 1% over the same period last year. This change is primarily attributed to the decrease in Cash plus increase in Receivables related to a one-time grant from Open Society received in July 2021 for \$100,000 compared to new grants received in FY22 billed monthly or quarterly for smaller amounts.

**Liabilities:** Total liabilities are \$461,640, which is a net increase of \$70,947 or 18% over the same period last year. This change is primarily attributed to a decrease in Accounts payable related to timing of payments and an increase in Grant advances of \$124,711 related to increased funding and a new Housing Justice project. 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 \$1,915,908 is equivalent to approximately 6 months of DRM's current operating expenditures, which average \$324,000 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 5.2. 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 09/30/2022	Year-to-date thru 09/30/2021	\$ Change	% Chg
<b>Support and Revenue</b>				
Contributed support	\$ 44,430	\$ 26,645	\$ 17,785	67%
Grants	3,645,648	3,584,351	\$ 61,296	2%
Other income (Gala, Attorney Fees, etc)	100,456	555,157	\$ (454,701)	-82%
Total support & revenue	3,790,534	4,166,153	(375,620)	-9%
<b>Expenses</b>				
Personnel	3,157,708	2,844,683	313,026	11%
Professional fees	232,792	195,011	37,781	19%
Occupancy	229,541	229,511	30	0%
Other costs	270,504	223,751	46,753	21%
Total Expenses	3,890,546	3,492,956	397,590	11%
Increase (Decrease) in net assets	(100,012)	673,197	(773,210)	115%
Net assets at beginning of year	2,015,920	1,342,723	673,197	50%
Net assets at End of Period	\$ 1,915,908	\$ 2,015,920	\$ (100,013)	-5%

**Support and Revenue:** For the period ending September 30, 2022, total revenue is \$3,790,534 or a decrease of 9% over the same period last year.

**Contributed Support:** Contributions as of September 30, 2022 are as follows:

	FY 2022 Goal	FY 2022 Actual	% of Goal
Contributions:			
Individuals		\$19,409	
Board Members		8,455	
Corporate		0	
Campaign		15,365	
United Way, AmazonSmile, Other Indirect		1201	
<b>Total</b>	<b>\$30,000</b>	<b>\$44,430</b>	<b>148%</b>

**Expenses:** For the period September 30, 2022, total expenses are \$3,890,546 or an increase of 11% over the same period last year.

**Increase (Decrease) in net assets:** The 115% decrease in net assets of \$773,210 is primarily attributed to the decrease in Other income of \$454,701 related to the \$491,000 PPP loan forgiven in June 2021 and the increases in Personnel expense of \$313,026.

**Operating Budget to Actual Summary (Unaudited)**

	<b>2022 Approved Budget</b>	<b>Actual through 9/30/2022</b>	<b>Variance (Under) Over</b>	<b>Target 100%</b>
Support and Revenue				
Contributed support	\$ 30,000	\$ 44,430	\$ 14,430	148%
Grant revenue	4,218,523	3,645,648	(572,875)	86%
Other income	48,000	100,456	52,456	209%
Total support & revenue	<u>\$ 4,296,523</u>	<u>\$ 3,790,534</u>	<u>\$ (505,989)</u>	<u>88%</u>
Expenses				
Personnel	\$ 3,796,569	3,157,708	\$ (638,861)	83%
Professional fees	289,023	232,792	(56,231)	81%
Occupancy	235,775	229,541	(6,234)	97%
Other costs	290,833	270,504	(20,329)	93%
Total expenses	<u>\$ 4,612,200</u>	<u>\$ 3,890,546</u>	<u>\$ (721,654)</u>	<u>84%</u>
Income (Loss)	<u>\$ (315,677)</u>	<u>\$ (100,012)</u>	<u>\$ 215,665</u>	<u>32%</u>

Overall DRM is operating approximately 16% 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 48% over the entire the FY22 goal largely due to the Board challenge in December 2021 and matching donor gift.

Grant revenue: 14% below the target largely due to lower than budgeted personnel costs related to staff vacancies as the majority of DRM's grant revenue is based on expenses incurred.

Other income: is 109% over the FY22 goal primarily due to revenue from the 2022 Breaking Barriers gala.

Personnel: is 17% below target related to staff vacancies.

Professional Fees: are 19% below target related to less than budgeted need for Experts and less cost for Stipends (some interns were paid with funds from others sources).

**Exhibit 1:**

DRM's Budget versus Actual Report

**DISABILITY RIGHTS MARYLAND INC.**  
**BUDGET VERSUS ACTUAL REPORT**  
**AS OF 9/30/2022**

<b>EXHIBIT 1</b>	<b>2022 APPROVED BUDGET</b>	<b>Target = 2022 ACTUAL 09/30/2022</b>	<b>100% % Budget</b>
<b><u>REVENUE SOURCES:</u></b>			
<b><u>FEDERAL GRANTS:</u></b>			
Protection & Advocacy for Development Disabilities (PADD)	792,524	628,817	79%
Protection & Advocacy for Individuals with Mental Illness (PAIMI)	678,287	585,230	86%
Strengthening Protections for Social Security Beneficiaries (Rep Payee)	500,224	460,369	92%
Protection & Advocacy for Individuals Rights (PAIR)	364,078	277,263	76%
Protection & Advocacy for Beneficiaries of Social Security (PABSS)	78,543	62,459	80%
Helping America Vote Act (HAVA)	105,980	100,670	95%
Protection & Advocacy for Assistive Technology (PAAT)	111,502	127,285	114%
Protection & Advocacy for Traumatic Brain Injury (PATBI)	147,291	107,462	73%
Protection & Advocacy for Access to COVID 19 Vaccines (PAC5)	64,856	34,845	54%
Protection & Advocacy for Access to Public Health (PAPH)	-	732	
<b>TOTAL FEDERAL GRANTS</b>	<b>2,843,283</b>	<b>2,385,132</b>	<b>84%</b>
<b><u>STATE/LOCAL GRANTS:</u></b>			
Governor's Office of Crime Control & Preventions:			
Victims of Crime Assistance (VOCA)	107,580	162,834	151%
COVID Special Education (CESF)	21,000	25,392	121%
Children's Justice Act Committee (CJAC)	20,000	-	0%, not renewed
Maryland Victims of Crime (MVOC, was Legal Services for Mental Illness (LSMI))	14,500	10,978	76%
ACL Judiciary-SDM Courts	91,868	23,184	25%
Community Development Block Grant (CDBG)	94,823	92,254	97%
<b>TOTAL STATE GRANTS</b>	<b>349,771</b>	<b>314,642</b>	<b>90%</b>
<b><u>FOUNDATION/ORGANIZATION GRANTS:</u></b>			
Maryland Legal Services Corp (MLSC)	921,128	814,282	88%
Maryland Legal Services Corp (MLSC) Eviction Prevention	23,891	43,184	181%
University of Pennsylvania Carey School of Law	55,450	53,565	97%
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 (Steptoe)		2,500	
Equal Justice Works (EJW)		2,342	
<b>TOTAL FOUNDATION/ORGANIZATION GRANTS</b>	<b>1,025,469</b>	<b>950,874</b>	<b>93%</b>
<b><u>OTHER REVENUE &amp; SUPPORT:</u></b>			
Contributed Support	30,000	44,430	148%
Program income/Attorney's Fees	-	16,447	
Interest Income	3,000	2,672	89%
Special Events & Other	45,000	76,336	170%
<b>TOTAL OTHER REVENUE &amp; SUPPORT</b>	<b>78,000</b>	<b>139,886</b>	<b>179%</b>
<b>TOTAL REVENUE &amp; SUPPORT</b>	<b>4,296,523</b>	<b>3,790,533</b>	<b>88%</b>

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<b>EXHIBIT 1</b>	<b>2022 APPROVED BUDGET</b>	<b>Target = 2022 ACTUAL 09/30/2022</b>	<b>100% % Budget</b>
<b><u>EXPENSES:</u></b>			
<b><u>PERSONNEL COST:</u></b>			
Salary & Wages	2,990,038	2,559,121	86%
Fringe	806,531	598,587	74%
<b>TOTAL PERSONNEL COST</b>	<b>3,796,569</b>	<b>3,157,708</b>	<b>83%</b>
<b><u>CONTRACTUAL COSTS:</u></b>			
Audit Fee	17,500	17,500	100%
Expert Fees	38,167	4,165	11%
IT Consultants	52,596	51,731	98%
Accounting software	12,000		0%
Payroll & 401k processing	9,296	10,325	111%
Stipends	36,500	22,825	63%
IT Licensing/Upgrades	19,964	28,047	140%
Legal Fees	3,000	6,285	210%
Consultant/Interpreters	100,000	108,744	109%
<b>TOTAL CONTRACTUAL COSTS</b>	<b>289,023</b>	<b>249,623</b>	<b>86%</b>
<b><u>OCCUPANCY COSTS:</u></b>			
Rent & Utilities	216,922	215,048	99%
Security	1,300	1,271	98%
Other Occupancy	480	2,461	513%
Trash removal/shredding	1,500	1,114	74%
Records - Storage	15,574	11,889	76%
<b>TOTAL OCCUPANCY COSTS</b>	<b>235,775</b>	<b>231,783</b>	<b>98%</b>
<b><u>EQUIPMENT RENTAL:</u></b>			
Postage Meter	460	336	73%
Copier Rental	7,910	8,416	106%
<b>TOTAL EQUIPMENT RENTAL</b>	<b>8,370</b>	<b>8,752</b>	<b>105%</b>
<b><u>EQUIPMENT MAINTENANCE:</u></b>			
IT Equipment/Upgrades	4,600	5,138	112%
Electronic Storage	20,000	19,000	95%
Computer Equipment	-		
Furniture & Equipment	1,000	5,852	585%
<b>TOTAL EQUIPMENT MAINTENANCE</b>	<b>25,600</b>	<b>29,990</b>	<b>117%</b>
<b><u>GENERAL &amp; ADMINISTRATION:</u></b>			
Recruiting expenses	2,000	5,994	300%
Books, Subscriptions & References	11,487	11,990	104%
Postage/Delivery	3,000	2,855	95%
Printing/Copying (In-house & Outsourced)	7,800	2,749	35%
Office Supplies	8,100	4,264	53%
Telephone & Telecommunication	39,899	36,793	92%
DRM & Staff Dues	22,848	24,318	106%
Insurance - Liability	19,689	23,284	118%
Bank/Late Fees	200	206	103%
Conference/Seminars	44,010	33,744	77%
Meetings/Expense - Board	100	160	160%
Travel - Local	18,820	6,277	33%
Special Events/Staff Appreciation	6,400	5,763	90%
<b>TOTAL GENERAL &amp; ADMINISTRATION</b>	<b>184,353</b>	<b>158,396</b>	<b>86%</b>

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<b><u>DIRECT PROGRAM EXPENSES:</u></b>			
Meetings - Program	7,785	2,634	34%
Special Events	4,250		0%
Record Fees	5,100	1,669	33%
Program expense/supplies	-	1,400	
<b>TOTAL DIRECT PROGRAM EXPENSES</b>	<b>17,135</b>	<b>5,703</b>	<b>33%</b>
<b><u>DEVELOPMENT &amp; FUNDRAISING:</u></b>			
Dues - subscriptions	2,000	402	20%
Mail Campaigns	75		0%
Advertising/fundraising processing fees	1,600	1,503	94%
Annual Event	30,000	28,950	97%
<b>TOTAL DEVELOPMENT &amp; FUNDRAISING</b>	<b>33,675</b>	<b>30,854</b>	<b>92%</b>
	-		
<b><u>OTHER EXPENSE:</u></b>			
Grant Capital Purchase	-	14,360	
<b>TOTAL OTHER EXPENSE</b>	<b>-</b>	<b>14,360</b>	<b>0%</b>
	-		
<b><u>NON-CASH EXPENSES:</u></b>			
Depreciation	21,700	17,735	82%
<b>TOTAL NON-CASH EXPENSES</b>	<b>21,700</b>	<b>17,735</b>	<b>82%</b>
<b>TOTAL EXPENSES</b>	<b>4,612,201</b>	<b>3,890,546</b>	<b>84%</b>
<b>PROJECTED NET PROFIT/(LOSS)</b>	<b>(315,677)</b>	<b>(100,012)</b>	<b>32%</b>
<b>PROJECTED NET PROFIT/(LOSS) BEFORE DEPRECIATION</b>	<b>(293,977)</b>	<b>(82,277)</b>	<b>28%</b>

**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
<b>Total</b>	<b>340,495</b>