



Maine Equal Justice

**People Policy Solutions**

**Financial Report**

**December 31, 2023 and 2022**

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## Nonprofit Accounting & Consulting Specialists

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### **Independent Accountants' Review Report**

Board of Directors  
Maine Equal Justice Partners, Inc.  
Augusta, Maine

We have reviewed the accompanying financial statements of Maine Equal Justice Partners, Inc., which comprise the statements of financial position as of December 31, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

#### ***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.

#### ***Accountants' Responsibility***

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA). Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Maine Equal Justice Partners, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

#### ***Accountants' Conclusion***

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

**Other Matter**

The 2022 financial statements of Maine Equal Justice Partners, Inc. were reviewed by other accountants and their report thereon dated February 24, 2024, stated they were not aware of any material modifications that should be made to those statements for them to be in conformity with accounting principles generally accepted in the United States of America.

*PGM, LLC*  
Biddeford, Maine  
June 11, 2024

## Statements of Financial Position

December 31, 2023 and 2022

	2023	2022
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 562,376	\$ 833,800
Reserve	391,142	384,684
Pledges receivable	440,902	203,635
Prepaid expenses	458	1,966
<b>Total Current Assets</b>	<u>1,394,878</u>	<u>1,424,085</u>
<b>Property and Equipment</b>		
Land	61,262	61,262
Building and improvements	270,329	270,329
Office equipment	29,428	29,428
Furniture	5,677	5,677
Less accumulated depreciation	<u>(188,006)</u>	<u>(173,936)</u>
<b>Property and Equipment, Net</b>	<u>178,690</u>	<u>192,760</u>
<b>Other Assets</b>		
Pledges receivable, non-current		30,000
Investments	<u>3,202,056</u>	<u>3,881,748</u>
<b>Total Other Assets</b>	<u>3,202,056</u>	<u>3,911,748</u>
<b>Total Assets</b>	<u>\$ 4,775,624</u>	<u>\$ 5,528,593</u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	\$ 38,670	\$ 18,960
Payroll liabilities	<u>145,632</u>	<u>120,934</u>
<b>Total Current Liabilities</b>	<u>184,302</u>	<u>139,894</u>
<b>Total Liabilities</b>	<u>184,302</u>	<u>139,894</u>
<b>Net Assets</b>		
<b>Without donor restrictions</b>		
Undesignated	271,410	203,983
Board designated	<u>1,863,133</u>	<u>2,027,490</u>
<b>Total Without Donor Retrictions</b>	<u>2,134,543</u>	<u>2,231,473</u>
<b>With Donor Restrictions</b>	<u>2,456,779</u>	<u>3,157,226</u>
<b>Total Net Assets</b>	<u>4,591,322</u>	<u>5,388,699</u>
<b>Total Liabilities and Net Assets</b>	<u>\$ 4,775,624</u>	<u>\$ 5,528,593</u>

## Statement of Activities

For the Year Ended December 31, 2023

	<u>Without Restrictions</u>	<u>With Restrictions</u>	<u>Total</u>
<b>Operating revenue</b>			
Contributions and grants	\$ 1,491,011	\$ 706,204	\$ 2,197,215
Civil legal aid contributed support	100,122	283,467	383,589
Education services	75	875	950
Miscellaneous income	2,908		2,908
Net assets released from restrictions	<u>1,839,243</u>	<u>(1,839,243)</u>	<u>0</u>
<b>Total operating revenue</b>	<b>3,433,359</b>	<b>(848,697)</b>	<b>2,584,662</b>
<b>Expenses</b>			
Program services	3,228,233		3,228,233
Management and general	328,910		328,910
Fundraising	<u>170,162</u>		<u>170,162</u>
<b>Total expenses</b>	<u>3,727,305</u>	<u>-</u>	<u>3,727,305</u>
<b>Changes in net assets from operations</b>	<b>(293,946)</b>	<b>(848,697)</b>	<b>(1,142,643)</b>
<b>Nonoperating activities:</b>			
Investment returns, net	144,951	70,901	215,852
Interest income	<u>52,065</u>	<u>77,349</u>	<u>129,414</u>
<b>Changes in net assets from nonoperating activities</b>	<u>197,016</u>	<u>148,250</u>	<u>345,266</u>
<b>Changes in net assets</b>	<b>(96,930)</b>	<b>(700,447)</b>	<b>(797,377)</b>
<b>Net assets, beginning of year</b>	<u>2,231,473</u>	<u>3,157,226</u>	<u>5,388,699</u>
<b>Net assets, end of year</b>	<u>\$ 2,134,543</u>	<u>\$ 2,456,779</u>	<u>\$ 4,591,322</u>

## Statement of Activities

For the Year Ended December 31, 2022

	Without Restrictions	With Restrictions	Total
<b>Operating revenue</b>			
Contributions and grants	\$ 783,556	\$ 1,141,065	\$ 1,924,621
Civil legal aid contributed support	241,173		241,173
Education services	450		450
Miscellaneous income	430		430
Net assets released from restrictions	<u>1,671,951</u>	<u>(1,671,951)</u>	
<b>Total operating revenue</b>	2,697,560	(530,886)	2,166,674
<b>Expenses</b>			
Program services	2,238,751		2,238,751
Management and general	295,589		295,589
Fundraising	<u>89,222</u>		<u>89,222</u>
<b>Total expenses</b>	<u>2,623,562</u>	<u>-</u>	<u>2,623,562</u>
<b>Changes in net assets from operations</b>	73,998	(530,886)	(456,888)
<b>Nonoperating activities</b>			
Investment returns, net	(214,634)	(228,871)	(443,505)
Interest income	<u>34,966</u>	<u>39,262</u>	<u>74,228</u>
<b>Changes in net assets from nonoperating activities</b>	<u>(179,668)</u>	<u>(189,609)</u>	<u>(369,277)</u>
<b>Changes in net assets</b>	(105,670)	(720,495)	(826,165)
<b>Net assets, beginning of year</b>	<u>2,337,143</u>	<u>3,877,721</u>	<u>6,214,864</u>
<b>Net assets, end of year</b>	<u>\$ 2,231,473</u>	<u>\$ 3,157,226</u>	<u>\$ 5,388,699</u>

## Statement of Functional Expenses

For the Year Ended December 31, 2023

	Program Services									Supporting Services		Total	
	Litigation and Advocacy	Health Care	Income Support	Food and Hunger	Organizing	Peer Workforce Navigator	Housing	Lobbying	Consumer Protection	Total Program Services	Management and General		Fundraising
<b>Expenses</b>													
Salaries and benefits	\$ 441,075	\$ 164,614	\$ 228,526	\$ 54,871	\$ 177,859	\$ 333,433	\$ 245,134	\$ 15,137	\$ 46,462	\$ 1,707,111	\$ 260,480	\$ 134,761	2,102,352
Payroll taxes	30,626	11,430	15,867	3,810	12,349	23,152	17,021	1,051	3,226	118,532	18,086	9,357	145,975
Consultants	13,288	4,960	6,885	1,653	5,359	42,055	7,386	456	1,400	83,442	7,848	4,060	95,350
Continuing education	2,740	1,023	1,420	341	1,105	2,071	1,523	94	289	10,606	1,618	837	13,061
Depreciation	2,952	1,102	1,529	367	1,190	2,232	1,641	101	311	11,425	1,743	902	14,070
Dues, library and publications	3,678	1,373	1,906	458	1,483	2,781	2,045	126	388	14,238	2,173	1,124	17,535
Information technology	20,427	7,624	10,584	2,541	8,237	15,442	11,353	701	2,152	79,061	12,064	6,241	97,366
Insurance	2,942	1,098	1,525	366	1,187	2,225	1,635	101	310	11,389	1,738	899	14,026
Legal and bar fees	1,566									1,566			1,566
Miscellaneous expenses	1,375	513	712	171	554	1,039	764	47	145	5,320	812	420	6,552
Occupancy	5,148	1,922	2,668	641	2,076	3,893	2,862	177	542	19,929	3,041	1,573	24,543
Office expenses	14,406	5,376	7,464	1,792	5,809	10,890	8,006	494	1,517	55,754	8,507	4,401	68,662
Outreach and meetings	11,866	4,428	6,148	1,476	4,785	37,027	6,594	407	1,250	73,981	7,007	3,625	84,613
Professional fees	3,519	1,313	1,823	438	1,419	2,660	1,956	121	371	13,620	2,078	1,075	16,773
Promotion	1,473	550	763	183	594	1,114	819	51	155	5,702	870	450	7,022
Subgrants			988,321	10,000		12,697				1,011,018			1,011,018
Travel and meals	1,432	534	741	178	577	1,082	795	49	151	5,539	845	437	6,821
<b>Total Expenses</b>	<b>\$ 558,513</b>	<b>\$ 207,860</b>	<b>\$ 1,276,882</b>	<b>\$ 79,286</b>	<b>\$ 224,583</b>	<b>\$ 493,793</b>	<b>\$ 309,534</b>	<b>\$ 19,113</b>	<b>\$ 58,669</b>	<b>\$ 3,228,233</b>	<b>\$ 328,910</b>	<b>\$ 170,162</b>	<b>\$ 3,727,305</b>



## Statement of Functional Expenses

For the Year Ended December 31, 2022

	Program Services									Supporting Services		Total	
	Litigation and Advocacy	Health Care	Income Support	Food and Hunger	Organizing	Peer Workforce Navigator	Housing	Lobbying	Consumer Protection	Total Program Services	Management and General		Fundraising
Expenses													
Salaries and benefits	\$ 339,538	\$ 152,379	\$ 184,598	\$ 51,488	\$ 148,562	\$ 183,464	\$ 132,698	\$ 16,698	\$ 44,132	\$ 1,253,557	\$ 227,398	\$ 68,637	1,549,592
Payroll taxes	25,342	11,373	13,778	3,843	11,088	13,693	9,904	1,246	3,294	93,561	16,972	5,123	115,656
Consultants	11,048	4,958	18,007	1,675	4,834	25,479	4,318	1,668	1,436	73,423	7,399	2,233	83,055
Continuing education	2,249	1,009	1,223	341	984	1,215	879	111	292	8,303	1,506	455	10,264
Depreciation	3,023	1,357	1,644	458	1,323	1,633	1,181	149	393	11,161	2,025	611	13,797
Dues, library and publications	3,832	1,720	2,084	581	1,677	2,071	1,498	189	498	14,150	2,567	775	17,492
Information technology	15,313	6,872	8,325	2,322	6,700	8,274	5,985	753	1,990	56,534	10,256	3,095	69,885
Insurance	2,888	1,296	1,570	438	1,263	1,560	1,129	142	375	10,661	1,934	584	13,179
Legal and bar fees	1,023	-	-	-	-	-	-	-	-	1,023	-	-	1,023
Miscellaneous expenses	72	32	39	11	32	39	28	3	9	265	48	15	328
Occupancy	6,631	2,976	3,604	1,005	2,901	3,583	2,592	327	863	24,482	4,441	1,341	30,264
Office expenses	10,982	5,144	6,149	1,996	5,026	14,901	4,530	516	1,768	51,012	7,094	2,142	60,248
Outreach and meetings	12,469	5,596	6,779	1,891	5,456	6,737	4,873	613	1,620	46,034	8,351	2,521	56,906
Professional fees	3,042	1,365	1,654	461	1,331	1,643	1,189	150	395	11,230	2,037	615	13,882
Promotion	2,709	1,216	1,473	411	1,185	1,464	1,059	133	352	10,002	1,814	548	12,364
Subgrants	1,113	500	552,771	169	487	12,159	435	55	145	567,834	746	225	568,805
Travel and meals	1,495	671	813	227	654	808	584	73	194	5,519	1,001	302	6,822
Total Expenses	<u>\$ 442,769</u>	<u>\$ 198,464</u>	<u>\$ 804,511</u>	<u>\$ 67,317</u>	<u>\$ 193,503</u>	<u>\$ 278,723</u>	<u>\$ 172,882</u>	<u>\$ 22,826</u>	<u>\$ 57,756</u>	<u>\$ 2,238,751</u>	<u>\$ 295,589</u>	<u>\$ 89,222</u>	<u>\$ 2,623,562</u>

## Statements of Cash Flows

For the Years Ended December 31, 2023 and 2022

	2023	2022
<b>Cash flows from operating activities:</b>		
Change in net assets	(797,377)	\$ (826,165)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	14,070	13,797
Unrealized (gains) losses on investments	(345,266)	384,271
(Increase) decrease in operating assets:		
Pledges receivable	(207,267)	(212,310)
Prepaid expenses	1,508	5,746
Increase (decrease) in operating liabilities:		
Accounts payable and accrued expenses	19,710	(39,547)
Payroll liabilities	24,698	102,246
	<u>(1,289,924)</u>	<u>(571,962)</u>
<b>Net cash (used) by operating activities</b>		
<b>Cash flows from investing activities:</b>		
Purchase of fixed assets		(7,654)
Purchase of securities	1,030,296	(500,000)
Sales of securities	(5,338)	58,402
	<u>1,024,958</u>	<u>(449,252)</u>
<b>Net cash (used) by investing activities</b>		
<b>Decrease in cash and cash equivalents</b>	(264,966)	(1,021,214)
<b>Cash and cash equivalents at beginning of year</b>	<u>1,218,484</u>	<u>2,239,698</u>
<b>Cash and cash equivalents at end of year</b>	<u>\$ 953,518</u>	<u>\$ 1,218,484</u>
<b>Cash and cash equivalents</b>		
Operating	562,376	\$ 833,800
Reserves	<u>391,142</u>	<u>384,684</u>
<b>Total cash and cash equivalents</b>	<u>\$ 953,518</u>	<u>\$ 1,218,484</u>

## Notes to the Financial Statements

December 31, 2023 and 2022

### NOTE 1 – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

#### Nature of the Organization

Maine Equal Justice Partners, Inc. (the Organization) was formed on June 7, 1996, as a nonprofit legal aid provider working to increase economic security, opportunity, and equity for people in Maine. They advocate for fair public policies in the legislature and with governmental agencies; provide direct legal services and representation through impact litigation on systemic issues; and partner with diverse low-income communities and agencies through outreach, organizing, and education.

The Organization leads its activities and initiatives from its offices in Augusta, Maine. Revenues consist primarily of contributions, gifts and grants from individuals, private foundations and businesses located here in Maine as well as around the country. The Organization also receives government funding.

#### Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets, 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 (or certain grantor) restrictions and can be used for any purpose designated by the board.

##### Net Assets with Donor Restrictions

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature: those met by actions of the Organization or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

#### 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 and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### Cash and Cash Equivalents

All highly liquid savings deposits with initial maturities of three months or less when purchased are considered cash equivalents. Cash held in the investment portfolio as a result of certificates of deposit maturing prior to year-end are excluded from cash and cash equivalents, as management intends to reinvest the funds as soon as administratively feasible.

## Notes to the Financial Statements

December 31, 2023 and 2022

### NOTE 1 – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Investments

Investments are recorded at fair value in the statements of financial position. Realized and unrealized gains and losses are included in the statements of activities. Investment income and gains/losses are reported as increases or decreases to unrestricted net assets.

#### Accounts Receivable

Accounts receivable consists primarily of contributions (unconditional promises to give) that are expected to be collected within one year and are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. There was no allowance for doubtful accounts at December 31, 2023 and 2022.

#### Contribution Revenue

Contributions, including promises to give, are considered conditional or unconditional, depending on the nature and existence of any donor or grantor conditions. A contribution or promise to give contains a donor or grantor condition when both of the following are present:

- An explicit identification of a barrier, that is more than trivial, that must be overcome before the revenue can be earned and recognized.
- An implicit right of return of assets transferred or a right of release of a donor or grantor's obligation to transfer assets promised, if the condition is not met.

Conditional contributions are recognized when the barrier(s) to entitlement are overcome. Unconditional contributions are recognized as revenue when received.

Unconditional contributions or conditional contributions in which the conditions have been substantially met or explicitly waived by the donor are recorded as support with or without donor restrictions, depending on the existence and nature of any donor restrictions.

#### Functional Expenses

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. Expenses are allocated among the programs and supporting services benefited. Indirect expense allocations are based on the total salary cost spent on administration and fundraising. The percentage is applied to most expense lines, except in cases such as grants out and consultants, when larger amounts are spent with little indirect costs.

#### Property and Equipment

Property and equipment are stated at cost if purchased or at fair value at the date of the gift, if donated. Purchases of property and equipment in excess of \$1,000 are capitalized. Depreciation is computed on a straight-line basis over the estimated useful lives for buildings, leasehold improvements, and office equipment, which range from three to thirty years. Depreciation expense for the years ended December 31, 2023 and 2022 was \$14,070 and \$13,797, respectively.

## Notes to the Financial Statements

December 31, 2023 and 2022

### NOTE 1 – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Advertising

The Organization directly expenses costs associated with advertising as they are incurred. Advertising expenses totaled \$7,022 and \$12,363 for the years ended December 31, 2023 and 2022, respectively.

#### In-kind Contributions

Contributed nonfinancial assets include donated materials, professional services, use of facilities, and other in-kind contributions which are recorded at the respective fair values of the good or services received. In addition to non-financial assets, volunteers contribute significant amounts of time to program services, administration and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by general accepted accounting principles. Contributed goods are recorded at fair value at the date of donation.

#### Income Taxes

The Organization is exempt from federal and state income taxes under Section 501(c) (3) of the Internal Revenue Code and has been determined not to be a private foundation within the meaning of Section 509(a) of the Code.

Management has evaluated the Organization's tax position and concluded that the Organization has not taken any uncertain tax position that required adjustment to the financial statements. The Organization is subject to audit under the statute of limitations by the Internal Revenue Service and state taxing authorities generally for three years after the filing of a return.

#### Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Organization uses various methods including market, income and cost approaches. Based on these approaches, the Organization often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Organization utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

## Notes to the Financial Statements

December 31, 2023 and 2022

### NOTE 1 – NATURE OF THE ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

#### Fair Value Measurements, Continued

Based on the observability of the inputs used and the valuation techniques, financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1 - Valuations for assets and liabilities traded in active exchange markets, such as the New York Stock Exchange. Level 1 also includes U.S. Treasury and federal agency securities and federal agency mortgage-backed securities, which are traded by dealers or brokers in active markets. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.
- Level 2 - Valuations for assets and liabilities using observable inputs other than Level 1 including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data.
- Level 3 - Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

In determining the appropriate levels, the Organization performs a detailed analysis of the assets and liabilities. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3. There were no Level 3 assets or liabilities for years ended December 31, 2023 and 2022.

### NOTE 2 – LIQUIDITY AND AVAILABILITY

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

	2023	2022
Cash and cash equivalents	\$ 223,187	\$ 509,699
Accounts receivable	<u>410,902</u>	<u>143,635</u>
	<u>\$ 634,089</u>	<u>\$ 653,334</u>

## Notes to the Financial Statements

December 31, 2023 and 2022

### NOTE 3 – CONCENTRATION OF CREDIT RISK

The Organization maintains its cash in bank deposit accounts. Accounts at banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At various times during the year account balances may exceed the FDIC limits. The Organization has not experienced any losses in these accounts. Management believes it is not exposed to any significant credit risk on cash.

Maine Equal Justice Partners, Inc. also invests in various investment securities, mutual funds, and money market funds. Investment securities are subject to various risks, such as interest rate risk, credit risk, and overall market volatility. The Securities Investor Protection Corporation (SIPC) insures the accounts held at member institutions up to a maximum of \$500,000 which mitigates custodial credit risk on certain accounts.

Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the value of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements. The Organization has established guidelines relative to diversification and maturities that target certain safety and liquidity risk levels. These guidelines are periodically reviewed and modified when necessary.

### NOTE 4 – FAIR VALUE MEASUREMENT OF INVESTMENTS

The following table presents assets measured at fair value on a recurring basis, except those measured at cost December 31:

	2023			
	Fair Value Measurements			
	At Report Date Using			
	Fair Value	Level 1	Level 2	Level 3
Government Cash Reserves	\$ 454,930	\$ 454,930		
Exchange Traded Funds	211,615	211,615		
Common Stocks	1,861,865	1,861,865		
Corporate Bonds	653,187	653,187		
Other Holdings	20,459	20,459		
	<u>\$ 3,202,056</u>	<u>\$ 3,202,056</u>		

	2022			
	Fair Value Measurements			
	At Report Date Using			
	Fair Value	Level 1	Level 2	Level 3
Government Cash Reserves	\$ 173,437	\$ 173,437		
Exchange Traded Funds	337,776	337,776		
Common Stocks	935,246	935,246		
Corporate Bonds	2,396,357	2,396,357		
Other Holdings	38,932	38,932		
	<u>\$ 3,881,748</u>	<u>\$ 3,881,748</u>		

## Notes to the Financial Statements

December 31, 2023 and 2022

### NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes or periods:

	<u>2023</u>	<u>2022</u>
<b>Net Assets without donor restrictions</b>		
Undesignated	\$ 271,410	\$ 203,983
Board designated	<u>1,863,133</u>	<u>2,027,490</u>
Total Net Assets without donor restrictions	<u>\$ 2,134,543</u>	<u>\$ 2,231,473</u>
<b>Net Assets with donor restrictions</b>		
Subject to expenditure for specified purpose:		
Health Care	297,225	134,282
Income Support		122,167
Income Support - Build Hope	<b>2,087,590</b>	2,773,126
Income Support - Next Step	<b>41,964</b>	30,151
Workforce Navigator		27,500
Vision for an Equitable Maine		<u>10,000</u>
	<u><b>2,426,779</b></u>	<u>3,097,226</u>
Subject to the passage of time:		
Time Restricted for Future Years	<u>30,000</u>	<u>60,000</u>
Total Net Assets with donor restrictions	<u><b>2,456,779</b></u>	<u>3,157,226</u>
Total Net Assets	<u><b>\$ 4,591,322</b></u>	<u>\$ 5,388,699</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended December 31, 2023 and 2022:

### Net Assets released from restrictions

	<u>2023</u>	<u>2022</u>
Satisfaction of purpose restrictions		
Purpose Related	\$ 959,552	\$ 1,167,595
Time Related	<b>30,000</b>	
Build Hope Project	<u>849,691</u>	<u>504,356</u>
	<u><b>\$ 1,839,243</b></u>	<u>\$ 1,671,951</u>



## Notes to the Financial Statements

December 31, 2023 and 2022

### NOTE 6 – BOARD DESIGNATED NET ASSETS

The Board designates funds for the following three purposes: (1) The Board maintains an operating reserve designated to cover budget shortfalls in the event of a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. (2) The Board also designates amounts for investment purposes subject to annual withdrawals pursuant to a specified formula. (3) Grants received without donor restrictions subject to grant periods that extend beyond the reporting year, are designated by the Board to cover the full grant period for budgeting purposes. Amounts are released from designation ratably over the full grant period.

The following amounts represent Board Designated Assets at December 31, 2023 and 2022:

	2023	2022
Operating Reserves	\$ 391,142	\$ 384,684
Investments	1,471,991	1,574,889
Grant Period Designations		67,917
	<u>\$ 1,863,133</u>	<u>\$ 2,027,490</u>

### NOTE 7 – DEFINED CONTRIBUTION PLAN

The Organization maintains a Simple IRA retirement plan for its employees. Full and part-time employees are eligible to participate immediately upon employment. Under this arrangement, the Organization makes a 2% non-elective contribution to all eligible employees, regardless of whether they are making salary deferrals. The Organization contributed \$39,814 and \$22,304 for the years ended December 31, 2023 and 2022, respectively.

### NOTE 8 - GRANTS

The Organization receives various multi-year grants from private sources. At December 31, 2023 the Organization had been awarded \$153,000 of grants that have not yet been earned or received.

### NOTE 9 – EVALUATION OF SUBSEQUENT EVENTS

Management has made an evaluation of subsequent events through June 11, 2024, the date the financial statements were available to be issued and determined that any subsequent events that would require recognition or disclosure have been considered in the preparation of these financial statements.