

**KENTUCKY EQUAL  
JUSTICE CENTER**

**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT**

**DECEMBER 31, 2021**

**PREPARED BY  
VICKIE C. RICHARDSON, CPA, PSC  
114 EAST HIGH STREET  
MT. STERLING, KY 40353**

Kentucky Equal Justice Center

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***Vickie C. Richardson, CPA, PSC***

*114 East High Street  
Mount Sterling, KY 40353*

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Kentucky Equal Justice Center  
Lexington, Kentucky

**Opinion**

We have audited the accompanying financial statements of Kentucky Equal Justice Center (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Kentucky Equal Justice Center as of December 31, 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.

**Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Kentucky Equal Justice Center and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Kentucky Equal Justice Center's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Kentucky Equal Justice Center's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Kentucky Equal Justice Center's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

*Vicki C. Richardson, CPA, PSC*

Mt. Sterling, KY 40353  
December 9, 2022

This report contains 17 pages.

Kentucky Equal Justice Center  
STATEMENT OF FINANCIAL POSITION  
December 31, 2021

ASSETS

Current assets	
Cash	\$ 445,582
Investments	154,447
Accounts receivable	<u>111,839</u>
Total current assets	<u>711,868</u>
Property and Equipment	
Computer equipment	62,096
Less accumulated depreciation	<u>(55,860)</u>
Net Property and equipment	<u>6,236</u>
Rental Deposit	<u>715</u>
Total assets	<u><u>\$ 718,819</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Accounts Payable	\$ 3,353
Client trust funds	<u>5,911</u>
Total current liabilities	<u>9,264</u>
Long Term Liabilities	
Accrued leave	<u>35,467</u>
Total long term liabilities	<u>35,467</u>
Total liabilities	<u>44,731</u>
Net assets	
Without donor imposed restrictions	504,988
With donor imposed restrictions	<u>169,100</u>
Total net assets	<u>674,088</u>
Total liabilities and net assets	<u><u>\$ 718,819</u></u>

See accompanying notes.

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# Kentucky Equal Justice Center

## STATEMENT OF ACTIVITIES

For the year ended December 31, 2021

	Unrestricted Immigrant Rights Proj.	General Poverty Law and Administrative	Total Without Donor Imposed Restrictions
<b>Revenues:</b>			
Grants	\$ 0	\$ 91,401	\$ 91,401
Program income	36,000	144,000	180,000
Donations	45,605	71,000	116,605
Client fees	11,888	0	11,888
Attorney fees	1,000	0	1,000
Other	0	130,304	130,304
Investment income	0	30,067	30,067
In-Kind donations	11,832	0	11,832
	<u>106,325</u>	<u>466,772</u>	<u>573,097</u>
<b>Total revenue, gains and other support</b>			
	<u>106,325</u>	<u>466,772</u>	<u>573,097</u>
<b>Expenses:</b>			
Case management	1,994	749	2,743
Consultants	160	8,100	8,260
Contract labor	5,238	0	5,238
Depreciation	0	2,552	2,552
Dues & subscriptions	2,520	967	3,487
Equipment rental	2,590	674	3,264
Insurance	848	2,392	3,240
Interest expense	0	154	154
Library	0	1,234	1,234
Litigation expense	664	1,982	2,646
Miscellaneous	525	355	880
Office	1,966	4,798	6,764
Payroll and benefits	107,947	144,023	251,970
Postage	1,706	228	1,934
Printing	552	1,289	1,841
Professional	0	4,860	4,860
Rent	11,832	15,085	26,917
Repairs	213	0	213
Task forces	0	1,758	1,758
Telephone	1,953	12,510	14,463
Travel	583	1,719	2,302
	<u>141,291</u>	<u>205,429</u>	<u>346,720</u>
<b>Total expenses</b>	<u>\$ 141,291</u>	<u>\$ 205,429</u>	<u>\$ 346,720</u>
Change in net assets			226,377
Net assets, beginning of year			278,611
Net assets, end of year			\$ 504,988

See accompanying notes.

**Kentucky Equal Justice Center**  
**STATEMENT OF ACTIVITIES**  
For the year ended December 31, 2021

Poverty Law Advocacy	Health Care Advocacy	Restricted Immigrant Rights Proj.	Food Justice Fellowship	Total with Donor Imposed Restrictions	Total
\$ 18,000	\$ 205,000	\$ 273,528	\$ 95,000	\$ 591,528	\$ 682,929
0	0	0	0	0	180,000
0	0	3,500	0	3,500	120,105
0	0	550	0	550	12,438
0	0	0	0	0	1,000
0	0	0	0	0	130,304
0	0	0	0	0	30,067
0	0	0	0	0	11,832
<u>18,000</u>	<u>205,000</u>	<u>277,578</u>	<u>95,000</u>	<u>595,578</u>	<u>1,168,675</u>
412	471	1,954	0	2,837	5,580
0	4,563	1,616	0	6,179	14,439
0	0	0	0	0	5,238
0	0	0	0	0	2,552
250	1,100	694	100	2,144	5,631
40	90	979	40	1,149	4,413
790	867	2,177	0	3,834	7,074
0	0	0	0	0	154
0	711	0	0	711	1,945
120	120	1,886	0	2,126	4,772
0	327	0	0	327	1,207
640	183	1,451	0	2,274	9,038
149,743	147,723	230,330	80,114	607,910	859,880
32	20	1,889	10	1,951	3,885
43	403	1,025	0	1,471	3,312
0	0	0	0	0	4,860
5,400	6,825	560	2,130	14,915	41,832
0	0	84	0	84	297
0	50	0	0	50	1,808
1,915	2,257	4,695	792	9,659	24,122
654	2,569	3,400	273	6,896	9,198
<u>\$ 160,039</u>	<u>\$ 168,279</u>	<u>\$ 252,740</u>	<u>\$ 83,459</u>	<u>\$ 664,517</u>	<u>\$ 1,011,237</u>
				(68,939)	157,438
				<u>238,039</u>	<u>516,650</u>
				<u>\$ 169,100</u>	<u>\$ 674,088</u>

Kentucky Equal Justice Center  
STATEMENT OF CASH FLOWS  
For the year ended December 31, 2020

Cash flows from operating activities:

Change in net assets	\$ 157,438
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	2,552
Unrealized gain on investments	(27,814)
Forgiveness of PPP Loan	(130,754)
(Increase)/ Decrease in current assets:	
Accounts receivable	(34,264)
Increase/(Decrease) in current liabilities:	
Accrued leave	(6,214)
Accounts payable	<u>3,243</u>
Net cash provided by operating activities	<u>(35,813)</u>
Cash flows from investing activities:	
Purchase of investments	(2,218)
Purchase of capital assets	<u>(4,472)</u>
Net cash used by investing activities	<u>(6,690)</u>
Cash flows from financing activities:	
PPP loan payments	<u>(11,698)</u>
Net cash provided by financing activities	<u>(11,698)</u>
Decrease in cash	(54,201)
Cash, beginning of year	<u>499,783</u>
Cash, end of year	<u><u>\$ 445,582</u></u>

See accompanying notes.



Kentucky Equal Justice Center  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Office of Kentucky Legal Services Programs, Inc. (OKLSP) is a non-stock, non-profit organization formed in 1976. On June 11, 2007, and September 23, 2017, OKLSP filed for an assumed name, Kentucky Equal Justice Center (KEJC). KEJC serves as a coordinating agency for programs that provide free or nominally priced civil legal services to individuals and groups in the Commonwealth of Kentucky who are otherwise unable to afford legal assistance.

KEJC is funded by contracts with the four Legal Services Corporation-funded legal services programs in Kentucky whereby it receives a portion of civil filing fees earmarked through the state courts for civil legal services programs. The funding source allows KEJC to function under regular advocacy and lobbying rules for non-profit organizations. Approximately 16% of KEJC's total revenue is from the four legal services programs. KEJC also receives grants from various organizations. Approximately 59% of KEJC's total revenue is from grants.

As of January 2, 2008, KEJC entered into a Program Transfer Agreement with Repairers of the Breach, Inc. (the Repairers). Under the terms of the agreement, the Repairers transferred the management, operations, capital assets and cash balance of Maxwell Street Legal Clinic to KEJC.

Basis of Accounting

The financial statements have been prepared using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded as earned and expenses are recorded at the time liabilities are incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include all monies in banks.

Financial Instruments

KEJC's financial instruments consist of cash and cash equivalents, and accounts receivable. Cash and cash equivalents, and accounts receivable are stated at cost, which approximates fair value.

Kentucky Equal Justice Center  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Income Taxes

KEJC qualifies as a tax-exempt organization under Section 501 (c) (3) of the Internal Revenue Code and is classified by the Internal Revenue Service as other than a private foundation.

KEJC's *Form 990, Return of Organization Exempt from Income Tax*, for the years ending 2019, 2020, and 2021 are subject to examination by the IRS, generally for three years after they are filed.

Accounts Receivable

Accounts receivable at December 31, 2021, consists of grants receivables.

Uncollectible accounts are charged to bad debt expense when they are declared uncollectible. Management believes the results of this method approximate the allowance for doubtful accounts.

Revenue Recognition

Grants and donations are recognized in the period the pledges are made. Program income, attorney's fees and client fees are recognized in the period the services are performed.

Fair Value of Financial Instruments

KEJC follows the provisions of FASB ASC 820, *Fair Value Measurements and Disclosures*, (ASC 820) for fair value measurements of financial assets and financial liabilities, and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the financial statements on a recurring basis. ASC 820 defines fair value as 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. ASC 820 also establishes a three-tier hierarchy to classify fair market measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk.

Investments

KEJC's investments are stated at fair value. Purchases and sales of investments are recorded on a trade-date basis. Realized and unrealized gains and losses on investments are determined by comparison of the actual cost to the proceeds at the time of disposition or fair value as of the end of the financial statement period. Dividend and interest income are recorded as earned. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in the statement of activities and changes in net assets.

Kentucky Equal Justice Center  
 NOTES TO THE FINANCIAL STATEMENTS  
 December 31, 2021

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Investment securities are exposed to various risks, such as interest rate, overall market volatility and credit risks.

Fair Value of Financial Instruments

The three-tier hierarchy of inputs is summarized in the three broad levels listed as follows.

- Level 1 – quoted prices in active markets for identical assets.
- Level 2 – other significant observable inputs (including quoted prices for similar assets, interest rates, prepayment speeds, and credit risk)
- Level 3 – significant unobservable inputs (including KEJC’s assumptions in determining the fair value of assets)

NOTE 2 – INVESTMENTS

Investments (all Level 1 measurements) consist of the following at December 31, 2021:

	Cost	Fair Value	Unrealized Appreciation (Depreciation)
Money market funds	\$ 21,227	\$ 21,229	\$ 2
Stocks and options	20,958	34,890	13,932
Mutual Funds	54,682	98,328	43,646
Total Investments	\$ 96,867	\$ 154,447	\$ 57,580

Kentucky Equal Justice Center  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

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NOTE 2 – INVESTMENTS - CONTINUED

Investment return for the year ended December 31, 2021, is summarized below:

Net unrealized gain	\$ 27,814
Realized gains	1,479
Dividends	739
Interest Income	<u>35</u>
Total investment return	<u>\$ 30,067</u>

NOTE 3 – PROPERTY AND EQUIPMENT

Beginning balance office equipment and computers:	\$ 57,624
Purchase of computers	4,472
Less accumulated depreciation	<u>(55,860)</u>
Ending balance:	<u>\$ 6,236</u>

KEJC capitalizes property and equipment over \$500. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as contributions without donor imposed restrictions unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as contributions with donor imposed restrictions. Absent donor stipulations regarding how long those donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service. The Organization reclassifies net assets with donor imposed restrictions to net assets without donor imposed restrictions at that time. Property and equipment are depreciated using the straight-line method over estimated useful lives of five years. Software is amortized over three years.

NOTE 4 - PENSION PLAN

KEJC's employees are covered by the County Employees Retirement System (CERS), which is part of the Kentucky Retirement System. Full time employees participate in CERS and contribute 5% of their

Kentucky Equal Justice Center  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

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NOTE 4 - PENSION PLAN – CONTINUED

gross wages and new employees hired after September 1, 2008, contribute 1% additional. Total pension plan expense to KEJC was \$132,252. A Comprehensive Annual Financial Report on the Kentucky Retirement System may be requested from the following address:

Kentucky Public Pensions Authority  
Perimeter Park West  
1260 Louisville Road  
Frankfort, KY 40601-6124

NOTE 5 – NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following periods:

Periods after December 31, 2021 \$169,100

Net assets were released from the grant restrictions by incurring expenses satisfying the purpose specified by the grant as follows:

KY Bar Foundation	\$ 5,493
NHeLP Health Law Defense	250
HFGC - Health Law Fellowship	86,008
Foundation for a Healthy Kentucky	49,633
Victims of Crime Act	195,877
Legal Aid of the Bluegrass	12,370
Bluegrass Community Foundation	13,850
Catholic Diocese	6,987
Fayette County Bar Foundation	6,375
United Way	14,752
DACA Client Assistance	495
Kentucky Center for Economic Policy	25,694
Homeless & Housing Coalition of Kentucky	4,205
Center for Law and Social Policy	8,910
Kentucky Civic Engagement Table	4,309
MAZON	70,328
Community Farm Alliance	13,132
Health Gains Communication	2,737
Louisville Bar Foundation	4,296
	<u>\$ 525,701</u>

Kentucky Equal Justice Center  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

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NOTE 6– LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

KEJC has \$711,868 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure, consisting of cash of \$445,582, investment funds of \$154,447 that make up the Mason Fund in the Vanguard account, and funds and accounts receivable of \$111,839. KEJC structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

NOTE 7 – IN-KIND CONTRIBUTIONS

The value of donated property and services included as contributions in the accompanying statement of activities and the corresponding expenses for the year ended December 31, 2021, are as follows:

Rent and Utilities	\$ 11,832
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NOTE 8 – METHODS USED FOR ALLOCATION OF EXPENSES

The cost of providing program and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and general and administrative expenses.

KEJC prepares an annual budget by program. Programs include Immigrant Rights, Poverty Law, Healthcare Advocacy, Food Justice, Workers’ Rights and general and administrative. Every grant application requires a proposed budget. The budget is followed for allocations of expenses. Payroll and benefits expenses are allocated based on time and effort.

NOTE 9 – CONCENTRATION OF CREDIT RISK

KEJC maintains an account at a bank in Lexington, Kentucky. Accounts at the institution are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Cash on December 31, 2021, exceeded federally insured limits by \$192,028.

NOTE 10 – CONTRACTS

Kentucky Legal Services

KEJC entered into an agreement for 2021 with Kentucky Legal Services Funded Basic Field Programs.

KEJC received \$180,000 for the following tasks:

- Providing support for the continued operation and development of inter-Program substantive law Task Forces of attorneys and paralegals.

Kentucky Equal Justice Center  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

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NOTE 10 – CONTRACTS - CONTINUED

- Monitoring significant developments in poverty law at the state and national level, including legislative, executive, and judicial forums.
- Providing information to staff and clients of the Programs on significant current developments in poverty law through task force mailings, email, listserv postings, presentations, and other appropriate means.
- Coordinating responses of Program staff to requests from legislative and administrative officials for comments on bills, regulations and other proposals affecting low-income Program clients.
- Providing access to information about immigration issues and immigrant eligibility for legal services through KEJC’s Immigrant Rights Project.
- Conducting and coordinating litigation on high impact and emerging poverty law issues.

KEJC signed an agreement for 2022 with identical provisions, including the \$180,000 annual fee.

University of Kentucky

KEJC entered into a contract with the University of Kentucky under a Federal Work study Program to provide the following, for the period of July 1, 2020, through June 30, 2021:

- The University will provide KEJC with two students who will be paid between \$9.25 and \$11.85 per hour. These hours are set forth in the students’ federal financial aid package.
- KEJC is responsible for the payroll cost associated with the two students, an estimated \$4,000.

Brooklyn Law School

KEJC entered into a contract with the Brooklyn Law School under a Federal Work study Program to provide one student for the period of May 17, 2021, through August 13, 2021, at a rate of \$17 per hour.

MG Coaching and Consulting

In July 2020, the KEJC board approved the proposal of MG Coaching and Consulting to guide a planning process to update KEJC’s 2009 strategic plan. The planning process including meetings of board members, staff, and stakeholders in 2020, followed in 2021 by a survey and a retreat.

On July 8, 2021, KEJC board and staff held a facilitated in-person retreat as the capstone of the organization’s strategic planning process. Facilitators Marian and Gene Guinn of MG Coaching and

Kentucky Equal Justice Center  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

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NOTE 10 – CONTRACTS - CONTINUED

Consulting analyzed the resulting input and compiled a “fillable draft” plan, to which KEJC’s executive director added detail about implementation.

Following discussion and recommendations by the KEJC Executive Committee and KEJC staff, the KEJC board adopted a revised draft of the 5-year plan at its September 24, 2021, board meeting. Key elements of the plan called on KEJC to:

- Bolster advocacy by regularly assessing services, deepening relationships with communities and partner organizations, and forging a new program-wide language access plan.
- Develop a racial justice framework to ensure that a commitment to diversity, equity, and inclusion informs every aspect of KEJC’s governance, services, advocacy, and operations.
- Grow revenue with a formal fundraising plan and increased support from board members.
- Fortify the organization for the future through added back-office support for advocacy, a plan for succession, and updated personnel policies.

NOTE 11 – GRANTS

KEJC received a \$45,000 matching grant from Foundation for a Healthy KY. Because of the matching relationship between two foundations, KEJC tracks \$90,000 in combined funds under a unified annual budget for the Health Law Fellowship. The unified budget period for the Fellowship began April 1, 2020.

KEJC received a \$50,000 grant from the Foundation of a Healthy KY, to renew support for KEJC’s “Boots on the Ground” initiative of health outreach, enrollment, consumer assistance and policy advocacy in partnership with the four federally funded civil legal aid programs in Kentucky. The grant year began April 1, 2021.

On May 14, 2021, KEJC received a \$65,000 grant from MAZON to support KEJC’s Food Justice Fellowship. The grant period was 2020 – 2021.

In June of 2021, KEJC received a \$18,000 grant from the United Way of the Bluegrass.

On November 12, 2021, KEJC received a \$16,000 grant from Bluegrass Community Foundation. Funds were to be used for general support, with a request that a significant portion be used for immigration law and citizenship application services and to match Victim of Crime Act funds at Maxwell Street Legal Clinic.



Kentucky Equal Justice Center  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

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NOTE 11 – GRANTS - CONTINUED

On October 1, 2021, the Kentucky Justice Cabinet notified KEJC of approval of a grant of \$192,640 in Victim of Crime Act funds to continue services for immigrant victims of crime through Maxwell Street Legal Clinic.

KEJC received a \$10,000 grant from the Louisville Bar Foundation for its Outreach for Renter Empowerment Program.

KEJC received a \$20,000 subgrant for the period of August 2, 2021 through July 31, 2022, under an \$80,000 grant to the Homeless & Housing Coalition of Kentucky through the National Low Income Housing Coalition. Grant is to be used for support of participation in activities related to the Ending Rental Arrears to Stop Evictions (ERASE) project.

The National Immigration Law Center gave KEJC a grant of \$15,000 to be used from April 1, 2021 through March 31, 2022. The purpose of the grant is to support KEJC's Protecting Immigrant Families project.

Community Farm Alliance granted KEJC \$30,000 to be used between December 1, 2020, through June 30, 2022 and another \$15,000 to be used between July 2021 and July 2022.

KEJC received \$30,000 from Elhapa Foundation, Inc.

KEJC was a sub-grantee from the Kentucky Center for Economic Policy of a \$50,000 grant. The grant period is November 1, 2020, through August 31, 2022.

KEJC received a grant for \$8,000 from Kentucky Civic Engagement Table for the year 2021-2022. The purpose of the grant was to help develop shared messaging around food justice and public benefits, including affirmative policies to strengthen safety net programs.

KEJC received a grant for \$9,000 from Catholic Diocese of Lexington, to be paid in quarterly installments, to support Maxwell Street Legal Clinic in its efforts to assist vulnerable individuals to navigate the complexities of the immigration system.

The Fayette County Bar Foundation gave KEJC \$6,000 for 2020-2021 and \$5,000 for 2021-2022 to support immigration law services through Maxwell Street Legal Clinic.

The Community Foundation for Greater Atlanta gave KEJC \$5,000 to be used between July 30, 2021 and August 1, 2022. The grant's purpose is to financially support the fees of clients for DACA and citizenship applications, family petitions, and "U" and "T" visas.

KEJC received \$46,872 from the Haggin Trust.

Kentucky Equal Justice Center  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2021

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NOTE 11 – GRANTS – CONTINUED

The Kentucky Bar Foundation gave KEJC a grant in the amount of \$11,000 to support immigration law services at Maxwell Street Legal Clinic.

KEJC received a grant from Interact for Health for \$65,000

Legal Aid of the Bluegrass gave KEJC a subgrant of up to \$80,000, to be gilled monthly, to help connect vulnerable tenants in Fayette County, KY to rental assistance and legal help in eviction.

NOTE 12 – LEASING ARRANGEMENTS

KEJC leases office space in Lexington, KY and Louisville, KY. The space in Lexington was originally sublet from former legal aid attorneys. Those attorneys subsequently bought the space and became KEJC's landlords. The original, and only written contract with the landlords is dated December 1, 1999. The lease was for one year. The subsequent renewals and rate increases have been verbally agreed upon. The rent expense for this office space in 2021 was \$21,600.

The office space in Louisville, KY is based on a verbal agreement also. KEJC sublets space from private attorneys. The rent expense for this office space in 2021 was \$8,400.

Office space for the Maxwell Street Legal Clinic, as mentioned in Note 1, is donated to KEJC. The fair market value of that space and the in-kind donation is \$986 per month.

NOTE 13 – PAYCHECK PROTECTION LOAN

With guidance from its newly formed Executive Committee, KEJC applied for and on May 1, 2020, received a Paycheck Protection Program loan through Chase Bank in the amount of \$142,452. KEJC used loan proceeds only for forgivable expenses of payroll, rent and utilities.

In August 2021, KEJC applied for forgiveness of \$130,754 in qualifying expenditures made under its Paycheck Protection Loan of \$142,452. The Small Business Administration approved the application for forgiveness on August 12, 2021. KEJC paid off the remaining balance of the loan on August 27, 2021.

NOTE 14 – SUBSEQUENT EVENTS

KEJC has evaluated subsequent events through December 9, 2022, the date on which the financial statements were issued.

KEJC received a grant from Kentucky Housing Corporation in the amount of \$2,050,000 for the period of July 1, 2022 through June 30, 2023. The grant is to be used for housing stability services including

NOTE 14 – SUBSEQUENT EVENTS-CONTINUED

subgrants to the four Legal Services Corporation-funded civil legal aid programs in Kentucky (AppalRed Legal Aid, Kentucky Legal Aid, Legal Aid of the Bluegrass, and Legal Aid Society in Louisville.)