

# **Kentucky Equal Justice Center Board**

**December 10, 2020**

**Via Zoom**

## **Agenda**

**11:00 Executive Session on Director's Salary**

**11:10 Welcome and Introductions**

- Highlights of Recent Activity
- Approval of Minutes

**11:20 Administration and Development**

- Financial Report and Development Update through November
- [IRS 990 for 2019](#)
- Audit Committee Report
- Proposed 2020 Budget

**11:50 Governance**

- Staff Reps Special Election
- Strategic Planning Next Steps
- Personnel Committee Update
- Conflict of Interest Forms
- Proposed Meeting Dates 2021

**12:00 Big Picture**

- Access to Justice
- Legal Services Funding

**12:10 Staff Reports: Discussion of Highlights**

**12:23 Announcements**

**12:30 Adjournment**

## **Kentucky Equal Justice Center**

### **Board Minutes**

**September 25, 2020**

**Board Members Present:** Aka Kpla, Tiffany Pyette (Client Members); Bob Brown, Rick Clewett, Lisa Gabbard, John Rosenberg (Community Members); Joshua Crabtree, Robert Johns, Neva Scott, Amanda Young (Program Directors); Kristin Brooks, Jacob Taulbee (Staff Reps).

**KEJC Staff:** Miranda Brown, McKenzie Cantrell, Ben Carter, Nathalie Dietrich, Leah Engle, Allison Hight, Michelle Haubner, Tyler Offerman, Lizz Perkins, Betsy Stone, Paola Schwartz, Rich Seckel, Alexandra Werner Winslow.

**Guests:** Nan Hanley, Glenda Harrison (Kentucky Access to Justice Commission).

### **Welcome and Introductions**

As the group gathered on Zoom, members greeted each other. Chair Bob Brown said he was pleased to see several new board members present. He invited KEJC Director Rich Seckel to recognize the new members for introductions, as follows:

- New Client Member Aka Kpla said he was from West Africa and now lived in Lexington with his family. Aka said his first language was French.
- New Client Member Tiffany Pyette said she was an indigenous person, living in Eastern Kentucky and engaging in advocacy on multiple human rights and environmental issues.

Rich said that new member Lilia Osnaya Vega was unable to join. He thanked new and recent members for participating in a board orientation session the day before. Rich said he hoped it was useful. Rich also thanked Miranda Brown and Lisa Gabbard for joining the orientation as an informal welcoming committee.

Bob invited Rich to conduct a roll call so each participant in the meeting could introduce themselves. Rich invited each member to say a little about themselves and their connection with the board. Bob also invited a moment of silence and reflection on the passing of Justice Ruth Bader Ginsberg.

### **Approval of Minutes**

A quorum being present, Chair Bob Brown invited a motion on the minutes of the previous board meeting.

**Motion:** John Rosenberg moved to approve the minutes of the July 16, 2020, board meeting.  
**Second:** Robert Johns  
**Action:** Approved unanimously

### **Highlights of Recent Activity**

Rich said he would offer brief highlights and save time for staff reports later in the meeting. He said that, for him, highlights included:

- The hiring process that brought new Resource Organizer Raaziq El-Amin on board
- The creativity that went into Ben's eviction prevention app
- The welcome turnaround after a "scary" financial start to the year
- The new members joining the board to provide oversight and guidance

Rich also welcomed strategic planning facilitator Marian Guinn to the meeting. Marian said the planning process would begin October 6 with an online discussion with board members focused on performance under the last plan, including key accomplishments and strengths but also things that might have held KEJC back.

### **Resolution in recognition of Justice Ruth Bader Ginsburg**

Bob thanked board member John Rosenberg for drafting a resolution honoring the life, work, and accomplishments of Justice Ruth Bader Ginsburg, as follows:

"The board and Staff of the Kentucky Equal Justice Center mourn the passing of Justice Ruth Bader Ginsburg. Her life and her judicial opinions embody the very words in the Mission of KEJC, Equal Justice for All. Let us continue to be inspired by the memories and legacy she has left us."

**Motion:** Joshua Crabtree moved to adopt the resolution in honor of Justice Ginsburg.  
**Second:** Neva Polley Scott  
**Action:** Approved unanimously

### **Resolution in recognition of Breonna Taylor**

Bob called for a moment of silence in appreciation of the life of Breonna Taylor and in reflection on the tragedy of her death. He asked Rich to read a draft resolution, as follows:

"For 196 days, Kentuckians from Hazard to Paducah have demanded #JusticeforBreonna and accountability for her death at the hands of police. The Board and Staff of Kentucky

Equal Justice Center express our deep disappointment in the failure of our institutions so far to deliver. Equal Justice demands much more.”

John Rosenberg noted that Ms. Taylor’s family was holding a press conference at the very time of the board discussion.

**Motion:** John Rosenberg moved to adopt the resolution in honor of Breonna Taylor.

**Second:** Bob Brown

**Action:** Approved unanimously

**Recused:** Kristen Alexander, Joshua Crabtree, Robert Johns, Neva Scott, Jacob Taulbee, Amanda Young

**Note:** Board members associated with civil legal aid programs refrained from discussion or action on the motion. For the benefit of new members, Josh Crabtree explained that programs funded by the Legal Services Corporation have federal restrictions that they must observe.

#### **Administration and Development: Financial Report through August 31**

Bob next recognized Rich to give the financial report. Rich began with a walk-through of the cover sheet of the financial report in the board package, as follows:

**Profit and Loss Budget Overview FY 2020:** anticipated a gain of \$44 counting only \$80,000 of the \$250,000 in Public Welfare Foundation funds eventually received.

**Profit and Loss through August 31:** showed a gain of \$329,022 compared to the expected gain of \$65,812—a positive variance of \$263,211 including Vanguard brokerage account gains.

**Balance Sheet as of August 31:** showed Total Current Assets of \$688,806, up from \$675,948 on June 30 and up 77.69% percent from \$387,636 on August 31, 2019.

**Income and Expense Charts:** 84.60% of spending was payroll. 74.29% of income was from grants.

Rich said he had revised his end of year carryover prediction to take into account (a) the extra \$170,000 from Public Welfare that was not included in the budget and (b) a negative uncertainty factor of 5% of budget. The resulting carryover prediction for December 31, 2020, was \$478,535.

Rich said that estimated unrestricted funds had risen dramatically, apparently driven by use of Paycheck Protection Program loan proceeds instead of unrestricted reserves. Rich estimated unrestricted funds at \$161,532 at the end of August, their highest level in several years. He said

that they might go down again quickly after the end of the Paycheck Protection loan period in October.

Walking through the supporting documents in the financial report, Rich noted that:

- **Budget vs. Actual:** Income YTD was running at 128% of budget, while expenditures were at 94.8%, a favorable ratio.
- **Balance Sheet:** The high balance of \$696,364 was buoyed up by several large, restricted funds:
  - \$125,000 in Public Welfare Foundation funds to be saved for a grant year beginning July 1, 2021;
  - about \$100,000 in the Mason Fund “quasi endowment” for Maxell Street Legal Clinic; and
  - about \$50,000 in Paycheck Protection loan funds.
- **Months of reserves:** Rich said that unrestricted funds would last about 1.95 months in the unlikely event that KEJC would have to live on them alone. He said total current assets would last 8.31 months if KEJC received no new income.

John Rosenberg suggested breaking out salary and benefits in the expense pie chart, so that people could see the cost of fringes. Rich said it might be hard to do in the chart, which was generated automatically in QuickBooks, but that it would be easy to generate the numbers.

John said that people sometimes wonder why salaries aren’t higher. He said fringes are part of the explanation. Rich said that for full-time KEJC staff, the cost of benefits for individuals ran from 40 percent to over 50 percent of salary, making it especially hard to convert a part-time job without benefits into a full-time job with them.

Josh Crabtree asked whether KEJC had had any trouble pulling down its full allotment of federal VOCA funds. Rich said that for the previous year, ending last September, it had proven hard to generate in-kind match from volunteer time on victim of crime cases, which were quite complex. As a result, KEJC couldn’t generate full match and claim the full corresponding federal allotment, leaving about \$13,000 on the table.

Rich said that, in the current year, he had filed a grant adjustment lowering in-kind match and replacing it with cash match to make sure the program wouldn’t run into the same dynamic again. He said a worthy side effect of the change this year was an increase in funds that could be used for training.

Bob Brown asked whether KEJC would be able to use its entire Paycheck Protection Program loan on forgivable expenses during the 24-week forgiveness period. Rich said that, of just over \$142,000, KEJC would use at least an amount in the \$130,000 range.

### **Administration and Development: Audit and 990 Update**

Rich said that he had provided all the materials requested by auditor Vickie Richardson. He said Vickie would prepare the IRS 990 by the November 15 extended deadline. He said he would

circulate it to the board for review before submission. Rich said the 990 would be based on Vickie's audit figures and that the audit report should be ready for presentation to the Audit Committee before the December board meeting.

### **Administration and Development: Budget Assumptions for 2021**

Bob invited Rich to address the topic of budget assumptions. Rich reviewed the assumptions he had set out in a handout. He said he would use the assumptions as rules or guidelines to construct a budget for 2021 for consideration by the board at its December meeting.

Rich said the assumptions were similar to those in earlier years and mostly reflected commonsense rules like "operate in the black" and "protect adequate reserves" (about \$80,000). In addition, Rich said, he would raise the maximum health insurance employer contributions by about \$20, so that individual coverage would be free and family coverage slightly cheaper.

Rich explained what he meant by "grant funded positions." He said some positions at KEJC were a "monoculture" funded by just one or two grants, with jeopardy that KEJC couldn't keep the position going should the grant(s) disappear. Rich said a key strategy for sustainability of positions or projects was to diversify funding from a monoculture to multiple grants to support positions.

### **Governance and Strategic Planning: Attorney Staff Rep Election**

Bob next invited Rich to address the vacancy in the Attorney Staff Representative position on the board. Rich explained that Attorney, Paralegal and Support Staff Representatives were nominated and elected by their peers in the four regional legal aid programs in the state.

Rich said the last incoming class of elected Reps had been paralegal Kristin Blair from AppalRed, administrator Jacob Taulbee from Legal Aid of the Bluegrass and attorney Colt Sells from Legal Aid Society in Louisville.

Rich said that Colt had left his job at Legal Aid and no longer qualified as Attorney Staff Rep. Rich said that more than a year remained in his term. Rich said that the Bylaws required a special election to fill the slot. He said he would issue a call for nominations from the programs and conduct online voting.

### **Governance and Strategic Planning: Strategic Planning Next Steps**

Rich said that facilitator Marian Guinn had given a good summary earlier in the meeting. He said that strategic planning would begin with an assessment phase focused on what had been accomplished or not under the last plan. Rich said the process would begin with three discussion sessions facilitated by Marian: one with the Board (October 1), one with staff (October 6), and one with stakeholders (date not set). Rich said staff had made suggestions about stakeholders. "So, we're about to get started," he said.

## **Governance and Strategic Planning: Report of the Personnel Committee**

Committee Chair Neva Polley Scott reported for the Personnel Committee. She noted that the cover page of KEJC's current policies was dated October 1984. She said the policies had been updated since then through memos and amendments, but it was time for a comprehensive update. Neva said that an attorney had prepared a draft, recreating the policies in current language for her and Rich to review. Neva said it wasn't quite ready for circulation as a draft. She said COVID-19 had slowed down the project.

Neva invited Rich to report on salary comparability discussions. Rich said the process was "not quite at the point where we have new scales," but outlined elements of the discussion. Rich said key ingredients to get the job done included time and a committee process. He said Bob had helped define the process by creating a personnel subcommittee for Rich to work with, including Neva and Chris Frost as members.

Rich said the subcommittee had identified 105 percent of average Kentucky legal aid program salaries as a benchmark for a new attorney scale, with the idea in mind that KEJC may wish to attract emerging leaders from the programs. Rich said the program data "doesn't quite yield a smooth scale" from zero to five years and five years to ten, so there was some "spreadsheets" ahead.

Rich said the subcommittee had looked at factors that might increase a salary, like supervisory responsibilities. He said the sense of the committee was not to have too many variables, so the scale itself wouldn't get overshadowed.

Rich said the discussion had revealed two different uses of a scale: to set an incoming salary and to set salary expectations over time. He said that in some programs, annual increments were driven by performance evaluations rather than a scale. He said he favored using a scale.

Rich said the group had not yet looked at variables like the regional programs' required employee health contributions. He added that he had heard from Ben, who made a case for a relatively "flat" structure, in which non-attorney salaries were not too far below attorney salaries. Ben noted that non-attorneys bring multiple skills and capacities to KEJC's work.

Rich said that, along with time and process, money was a key ingredient. "It may be that we have to implement in phases the improvements that we'd like to do," he said.

### **Big Picture: Access to Justice**

Bob invited Glenda Harrison to introduce herself. Glenda said she was the director of the Kentucky Access to Justice Commission formed by the Kentucky Supreme Court. Glenda said her colleague Nan Hanley was the Commission's Communications and Training Coordinator.

Glenda said the Commission had been around for a while but only had staff since 2017 "and Nan and I are it." Glenda described the role of the Commission as affording access to the courts, including access for people without a lawyer who were representing themselves.

Glenda said that the Commission had received a grant in 2018 from the National Center for State Courts to create a strategic plan to improve access. She said the grant project had moved through the study and input phase to the point of implementation of eight initiatives. She said the project she wanted to share today was a joint venture with the Kentucky Council of Churches.

Glenda said the Commission would create training programs and videos to help faith leaders know how to identify legal issues when congregants talk with them and how and when to refer for legal help. She said the work would be guided by an inclusive advisory committee and would emphasize helping marginalized Kentuckians.

Glenda also talked about updating the website [kyjustice.org](http://kyjustice.org). She said it had been around a long time but had grown stale in content. She said that Legal Aid of the Bluegrass had received a grant to help undertake an update. She said LABG would look to other programs, too, to create and vet updated information with a focus on serving consumers rather than lawyers.

John Rosenberg asked whether there was a connection between the website update and the American Bar Association's legal answers program. John said the ABA program had thousands of volunteer lawyers lined up to answer questions. He said the ABA listed Kentucky as a participant.

Glenda said there was a link on [kyjustice.org](http://kyjustice.org) to the Kentucky "ask a lawyer" project. She said the Kentucky program was housed at Neva's program, the Legal Aid Society in Louisville. Neva said the Kentucky program was linked to the ABA initiative.

John said the ABA project had generated large numbers of volunteers and calls. He asked Glenda whether faith-based groups that weren't members of the Kentucky Council of Churches could participate in the Commission's faith-based initiative, including Jewish congregations. Glenda said the Council was a starting point, but she'd be happy to talk with other groups

### **Big Picture: Legal Services Funding**

Rob Johns filled in the group on federal funding for the Legal Services Corporation. He said the House had voted an increase of \$25 million in funding, but the Senate had not yet acted. Meanwhile, Congress adopted a Continuing Resolution with funding at current levels.

Rob said that the LSC-funded Kentucky programs did receive supplemental funding in the CARES Act on pandemic relief. He said that filing fee proceeds from state courts had gone down during the pandemic but could go up again as the pandemic eased. Looking ahead, Rob said that state funding for legal aid programs through the General Assembly would be up for renewal in the 2021 Session.

### **Staff Reports**

The board heard staff reports on multiple issues and projects. No board action was required in response to the reports. For details, see the [Staff Reports](#) on the KEJC Board web page under the September 25, 2020, heading at: <https://www.kyequaljustice.org/board-meetings>.



Leah Engle said that Nathalie Dietrich was leaving Maxwell Street after working there since 2012. Chair Bob Brown thanked Nathalie for her service. John Rosenberg offered a “shout out” for KEJC’s Zoom Town hall on unemployment insurance. John suggested meeting for two hours instead of 90 minutes to have more time for staff reports.

### **Adjournment**

**Motion:** Rob Johns moved to adjourn the meeting.  
**Second:** Neva Scott  
**Action:** Approved unanimously

### **Reported by:**

Richard J. Seckel, Director  
December 7, 2020



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## Memorandum

**DATE:** December 5, 2020  
**TO:** Kentucky Equal Justice Center Board  
**FROM:** Rich Seckel, Director  
**RE:** Financial Report through November 2020

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The following financial reports are attached:

**Profit and Loss Budget Overview FY 2020:** anticipates a gain of \$44 counting only \$80,000 of potential \$250,000 Public Welfare Foundation funds.

**Profit and Loss through November 30:** shows a gain of \$303,966 compared to the expected loss of \$5,757—a positive variance of \$309,723 including Vanguard brokerage gains.

**Balance Sheet as of November 30:** shows Total Current Assets of \$663,816, down from \$688,806 on August 31 and up 93.35% from \$343,321 on November 30, 2019.

**Income and Expense Charts:** 84.68% of spending was payroll. 73.02% of income was from grants.

### Revised Carryover Prediction

<b>Total Current Assets November 30, 2020</b>	<b>\$663,816</b>
Plus Good Giving and Holiday Letter Proceeds	\$ 45,000
Minus Paycheck Protection Loan Balance	\$ 7,615
Minus Average Monthly Expense	\$ 80,075
<b>Projected Current Assets December 31, 2020</b>	<b>\$621,126</b>

### Unrestricted Funds

<b>Audited</b>	<b>12/31/12</b>	<b>\$24,254</b>
Audited	12/31/13	\$66,405
Audited	12/31/14	\$87,994
Audited	12/31/15	\$93,513
Audited	12/31/16	\$103,392
Audited	12/31/17	\$101,516
Audited	12/31/18	\$131,221
Audited	12/31/19	\$204,465
<b>Estimated</b>	<b>11/30/20</b>	<b>\$197,607</b>

## KEJC Unrestricted Fund Balance

November 30, 2020

	Balance
<b>Total Current Assets</b>	663,816.43
<b>Restricted Funds</b>	
BGCF Citizenship	18,727.23
CLASP Protecting Immigrant Families	5,470.65
Fayette County Bar Foundation	0
Foundation for a Healthy KY Boots	22,684.56
Health Law Fellowship	33,283.22
Health Gains Communications	0
Kentucky Bar Foundation	0
KCEP Solidarity Giving	108.80
KCET Civic Engagement	7,066.85
Louisville Bar Foundation	0
Mason Fund for Maxwell Street	111,468.78
MAZON Food Justice	48,391.39
MAZON Rapid Response	4,318.38
NHeLP Health Law Defense	0.00
Paycheck Protection Program	7,614.87
Public Welfare Foundation	203,624.97
United Way of the Bluegrass	7,441.19
<b>Total Restricted</b>	470,200.89
<b>Subtotal Unrestricted</b>	193,615.54
<b>Obligated Funds</b>	
Client Trust	5,911.00
<b>Client Funds</b>	1,920.00
<b>Undistributed Attorneys Fees</b>	3,991.00
<b>Total Unrestricted</b>	197,606.54

# Kentucky Equal Justice Center

## Profit & Loss Budget Overview

January through December 2020

	<u>Jan - Dec 20</u>
<b>Ordinary Income/Expense</b>	
Income	
Grants	650,673.60
In-kind Contributions	20,400.00
Miscellaneous Income	25,000.00
Other Donations	85,000.00
Program Income	180,000.00
Program Services	33,840.00
<b>Total Income</b>	<b>994,913.60</b>
Expense	
Audit	4,650.00
Capital Additions	3,000.00
Case Management	8,222.75
Consultants	21,400.00
Contract Labor	9,000.00
Dues	4,400.00
Equipment Rental	4,780.84
Insurance	6,900.00
Library	2,160.00
Litigation expense	3,660.00
Miscellaneous	1,980.00
Office Supplies	10,620.00
Payroll Expenses	801,735.19
Postage and Delivery	4,752.00
Printing and Reproduction	6,336.00
Professional Fees	300.00
Rent	42,000.00
Repairs	720.00
Task Forces and Meetings	4,080.00
Telephone	15,959.52
Travel	38,393.00
<b>Total Expense</b>	<b>995,049.30</b>
<b>Net Ordinary Income</b>	<b>-135.70</b>
<b>Other Income/Expense</b>	
Other Income	
Interest Income	180.00
Other Income	0.00
<b>Total Other Income</b>	<b>180.00</b>
<b>Net Other Income</b>	<b>180.00</b>
<b>Net Income</b>	<b>44.30</b>

**Kentucky Equal Justice Center**  
**Profit & Loss**  
**January through November 2020**

	<b>Jan - Nov 20</b>
<b>Ordinary Income/Expense</b>	
Income	
Grants	865,487.07
In-kind Contributions	12,785.64
Miscellaneous Income	-500.00
Other Donations	24,905.39
Program Income	180,000.00
Program Services	69,973.10
<b>Total Income</b>	<b>1,152,651.20</b>
Expense	
Case Management	7,613.00
Consultants	5,515.00
Contract Labor	3,924.38
Dues	4,202.00
Equipment Rental	4,577.95
Insurance	7,510.75
Library	3,902.16
Litigation expense	6,462.39
Miscellaneous	489.98
Office Supplies	7,548.40
Payroll Expenses	745,838.28
Postage and Delivery	3,825.69
Printing and Reproduction	3,041.81
Rent	38,046.00
Repairs	480.00
Task Forces and Meetings	50.00
Telephone	21,208.21
Travel	16,584.58
<b>Total Expense</b>	<b>880,820.58</b>
<b>Net Ordinary Income</b>	<b>271,830.62</b>
<b>Other Income/Expense</b>	
Other Income	
Interest Income	40.93
Other Income	32,094.85
<b>Total Other Income</b>	<b>32,135.78</b>
<b>Net Other Income</b>	<b>32,135.78</b>
<b>Net Income</b>	<b>303,966.40</b>

**Kentucky Equal Justice Center**  
**Profit & Loss Budget vs. Actual**  
January through November 2020

	Jan - Nov 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Grants				
Blue Grass Community Foundation	15,000.00	15,000.00	0.00	100.0%
Catholic Diocese of Lexington	5,908.00	5,625.00	283.00	105.03%
Center for Responsible Lending	7,500.00			
Fayette County Bar Foundation	0.00	0.00	0.00	0.0%
FHKY RHP Boots	50,000.00	50,000.00	0.00	100.0%
Health Gains Communications	0.00	20,000.00	-20,000.00	0.0%
HFGC Health Law Fellowship	90,000.00	90,000.00	0.00	100.0%
KCET	8,120.00			
Kentucky Bar Foundation	0.00	11,000.00	-11,000.00	0.0%
Louisville Bar Foundation	0.00	5,000.00	-5,000.00	0.0%
MAZON Food Justice	69,712.00	67,947.60	1,764.40	102.6%
MAZON Rapid Response	7,100.00			
Paycheck Protection Program	142,452.00			
Public Welfare Foundation	250,000.00	80,000.00	170,000.00	312.5%
Restricted	0.00	55,916.66	-55,916.66	0.0%
United Way of the Bluegrass	12,960.00	16,000.00	-3,040.00	81.0%
Unrestricted	0.00	1,650.00	-1,650.00	0.0%
VOCA Justice Cabinet	188,735.07	197,473.84	-8,738.77	95.58%
Grants - Other	18,000.00			
Total Grants	865,487.07	615,613.10	249,873.97	140.59%
In-kind Contributions	12,785.64	18,700.00	-5,914.36	68.37%
Miscellaneous Income	-500.00	25,000.00	-25,500.00	-2.0%
Other Donations	24,905.39	37,000.00	-12,094.61	67.31%
Program Income	180,000.00	180,000.00	0.00	100.0%
Program Services	69,973.10	31,020.00	38,953.10	225.57%
Total Income	1,152,651.20	907,333.10	245,318.10	127.04%
Expense				
Audit	0.00	4,650.00	-4,650.00	0.0%
Capital Additions	0.00	3,000.00	-3,000.00	0.0%
Case Management	7,613.00	8,222.75	-609.75	92.59%
Consultants	5,515.00	19,260.00	-13,745.00	28.63%
Contract Labor	3,924.38	8,250.00	-4,325.62	47.57%
Dues	4,202.00	4,158.34	43.66	101.05%
Equipment Rental	4,577.95	4,382.43	195.52	104.46%
Insurance	7,510.75	6,900.00	610.75	108.85%
Library	3,902.16	1,980.00	1,922.16	197.08%
Litigation expense	6,462.39	3,355.00	3,107.39	192.62%
Miscellaneous	489.98	1,815.00	-1,325.02	27.0%
Office Supplies	7,548.40	9,735.00	-2,186.60	77.54%
Payroll Expenses	745,838.28	734,509.37	11,328.91	101.54%
Postage and Delivery	3,825.69	4,356.00	-530.31	87.83%
Printing and Reproduction	3,041.81	5,808.00	-2,766.19	52.37%
Professional Fees	0.00	150.00	-150.00	0.0%
Rent	38,046.00	38,500.00	-454.00	98.82%
Repairs	480.00	660.00	-180.00	72.73%
Task Forces and Meetings	50.00	3,740.00	-3,690.00	1.34%
Telephone	21,208.21	14,629.56	6,578.65	144.97%
Travel	16,584.58	35,193.59	-18,609.01	47.12%
Total Expense	880,820.58	913,255.04	-32,434.46	96.45%
Net Ordinary Income	271,830.62	-5,921.94	277,752.56	-4,590.23%
Other Income/Expense				
Other Income				
Interest Income	40.93	165.00	-124.07	24.81%
Other Income	32,094.85	0.00	32,094.85	100.0%
Total Other Income	32,135.78	165.00	31,970.78	19,476.23%
Net Other Income	32,135.78	165.00	31,970.78	19,476.23%
Net Income	303,966.40	-5,756.94	309,723.34	-5,280.0%

# Kentucky Equal Justice Center

## Balance Sheet

As of November 30, 2020

	<u>Nov 30, 20</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
Chase Checking	408,538.83
Chase IOLTA	3,620.00
Chase Savings	100,236.47
Vanguard Brokerage	<u>111,468.78</u>
<b>Total Checking/Savings</b>	<u>623,864.08</u>
<b>Accounts Receivable</b>	
Accounts Receivable	<u>39,952.35</u>
<b>Total Accounts Receivable</b>	<u>39,952.35</u>
<b>Total Current Assets</b>	663,816.43
<b>Other Assets</b>	
Accumulated Depreciation - Comp	-50,781.40
Computer and Phone Equipment	57,623.63
Rental Deposit	<u>715.00</u>
<b>Total Other Assets</b>	<u>7,557.23</u>
<b>TOTAL ASSETS</b>	<u><u>671,373.66</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
Client Trust Funds	5,911.00
Direct Deposit Liabilities	172.97
Payroll Liabilities	<u>1,053.32</u>
<b>Total Other Current Liabilities</b>	<u>7,137.29</u>
<b>Total Current Liabilities</b>	7,137.29
<b>Long Term Liabilities</b>	
Accrued leave	<u>38,591.90</u>
<b>Total Long Term Liabilities</b>	<u>38,591.90</u>
<b>Total Liabilities</b>	45,729.19
<b>Equity</b>	
Opening Bal Equity	52,900.79
Retained Earnings	71,139.92
Temporarily Restricted Net Asse	197,637.36
Net Income	<u>303,966.40</u>
<b>Total Equity</b>	<u>625,644.47</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>671,373.66</u></u>

# Kentucky Equal Justice Center

## Balance Sheet Prev Year Comparison

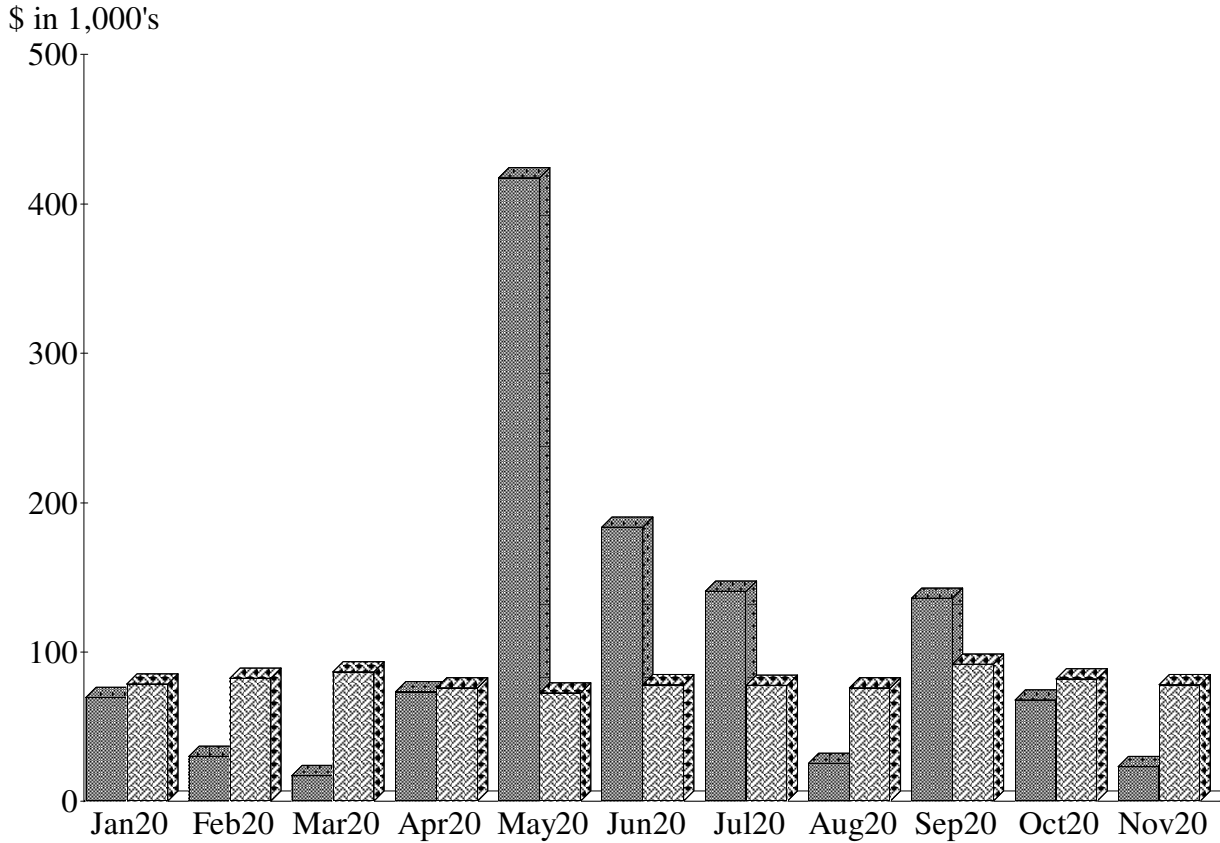
As of November 30, 2020

	Nov 30, 20	Nov 30, 19	\$ Change	% Change
<b>ASSETS</b>				
Current Assets				
Checking/Savings				
Chase Checking	408,538.83	96,042.40	312,496.43	325.37%
Chase IOLTA	3,620.00	3,620.00	0.00	0.0%
Chase Savings	100,236.47	115,185.48	-14,949.01	-12.98%
Vanguard Brokerage	111,468.78	77,772.28	33,696.50	43.33%
Total Checking/Savings	623,864.08	292,620.16	331,243.92	113.2%
Accounts Receivable				
Accounts Receivable	39,952.35	50,700.73	-10,748.38	-21.2%
Total Accounts Receivable	39,952.35	50,700.73	-10,748.38	-21.2%
Total Current Assets	663,816.43	343,320.89	320,495.54	93.35%
Other Assets				
Accumulated Depreciation - Comp	-50,781.40	-47,358.70	-3,422.70	-7.23%
Computer and Phone Equipment	57,623.63	57,623.63	0.00	0.0%
Rental Deposit	715.00	715.00	0.00	0.0%
Total Other Assets	7,557.23	10,979.93	-3,422.70	-31.17%
<b>TOTAL ASSETS</b>	<b>671,373.66</b>	<b>354,300.82</b>	<b>317,072.84</b>	<b>89.49%</b>
<b>LIABILITIES &amp; EQUITY</b>				
Liabilities				
Current Liabilities				
Accounts Payable				
Accounts Payable	0.00	25.83	-25.83	-100.0%
Total Accounts Payable	0.00	25.83	-25.83	-100.0%
Other Current Liabilities				
Client Trust Funds	5,911.00	5,911.00	0.00	0.0%
Direct Deposit Liabilities	172.97	-812.56	985.53	121.29%
Payroll Liabilities	1,053.32	785.82	267.50	34.04%
Total Other Current Liabilities	7,137.29	5,884.26	1,253.03	21.3%
Total Current Liabilities	7,137.29	5,910.09	1,227.20	20.76%
Long Term Liabilities				
Accrued leave	38,591.90	33,152.40	5,439.50	16.41%
Total Long Term Liabilities	38,591.90	33,152.40	5,439.50	16.41%
Total Liabilities	45,729.19	39,062.49	6,666.70	17.07%
Equity				
Opening Bal Equity	52,900.79	52,900.79	0.00	0.0%
Retained Earnings	71,139.92	78,320.35	-7,180.43	-9.17%
Temporarily Restricted Net Asse	197,637.36	197,637.36	0.00	0.0%
Net Income	303,966.40	-13,620.17	317,586.57	2,331.74%
Total Equity	625,644.47	315,238.33	310,406.14	98.47%
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>671,373.66</b>	<b>354,300.82</b>	<b>317,072.84</b>	<b>89.49%</b>

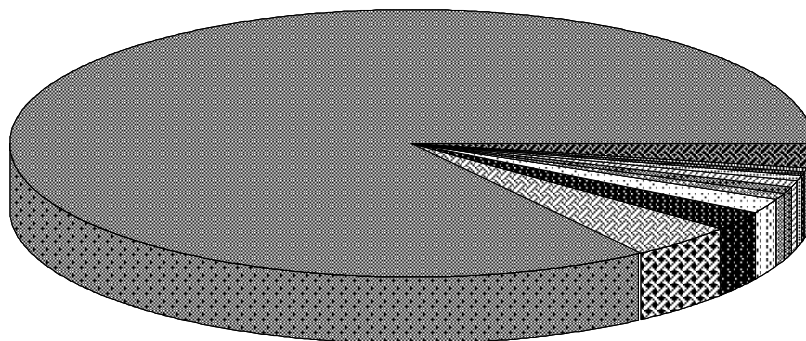


# Income and Expense by Month January through November 2020

Income  
Expense



## Expense Summary January through November 2020

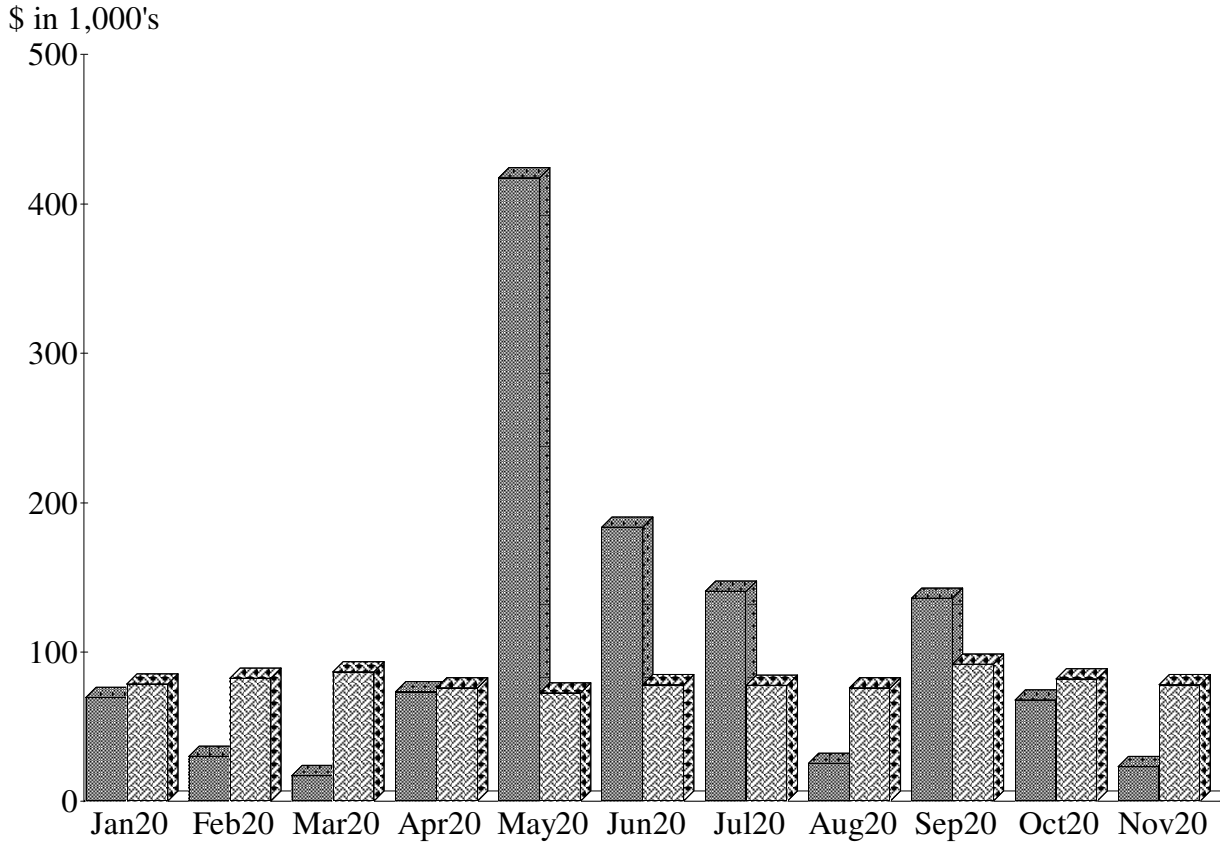


Payroll Expenses	84.68%
Rent	4.32
Telephone	2.41
Travel	1.88
Case Management	0.86
Office Supplies	0.86
Insurance	0.85
Litigation expense	0.73
Consultants	0.63
Equipment Rental	0.52
Other	2.26
Total	\$880,820.58

By Account

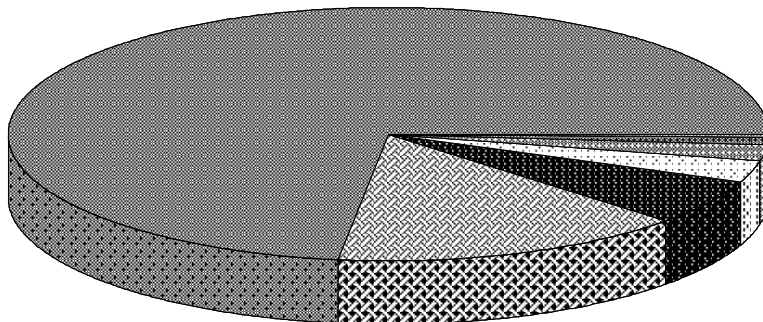
# Income and Expense by Month January through November 2020

Income  
Expense



## Income Summary January through November 2020

Grants	73.02%
Program Income	15.19
Program Services	5.90
Other Income	2.71
Other Donations	2.10
In-kind Contributions	1.08
Miscellaneous Income	\$-500.00
Interest Income	0.01
Sub-Total	\$1,184,786.98

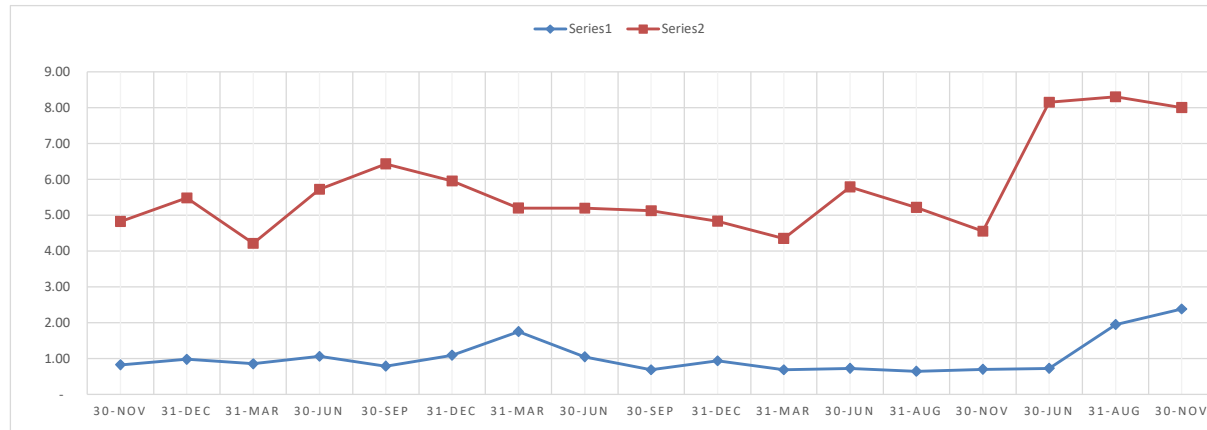


By Account

# Months of Reserves 2015-2019

Restricted and Unrestricted

	2016				2017				2018				2019				2020			
	31-Mar	30-Jun	30-Nov	31-Dec	31-Mar	30-Jun	30-Sep	31-Dec	31-Mar	30-Jun	30-Sep	31-Dec	31-Mar	30-Jun	31-Aug	30-Nov	30-Jun	31-Aug	30-Nov	
Monthly Total Budget	56,807	56,807	56,807	56,807	53,141	53,141	53,141	56,012	60,198	60,198	74,973	74,973	74,323	74,323	74,323	74,323	82,920	82,920	82,920	
Unrestricted Assets	68,665	61,201	46,944	55,565	45,384	56,524	42,052	61,278	105,546	63,228	51,291	69,964	51,003	54,011	48,144	51,960	60,600	161,532	197,607	
Total Current Assets	361,976	284,755	274,084	311,418	223,867	304,026	341,756	333,733	313,143	312,638	384,280	362,671	323,395	430,146	387,636	338,245	675,948	688,806	663,816	
Percent Unrestricted	18.97%	21.49%	17.13%	17.84%	20.27%	18.59%	12.30%	18.36%	33.71%	20.22%	13.35%	19.29%	15.77%	12.56%	12.42%	15.36%	8.97%	23.45%	29.77%	
Months of Unrestricted	1.21	1.08	0.83	0.98	0.85	1.06	0.79	1.09	1.75	1.05	0.68	0.93	0.69	0.73	0.65	0.70	0.73	1.95	2.38	
Months of Total	6.37	5.01	4.82	5.48	4.21	5.72	6.43	5.96	5.20	5.19	5.13	4.84	4.35	5.79	5.22	4.55	8.15	8.31	8.01	



## KEJC Recent Fundraising Effort

2019

2019 Source	For	Status	Requested	Awarded	% Awarded
BGCF On the Table	Immigration	Awarded	2,000	2,000	100%
Bluegrass Community Foundation	Immigration	Awarded	14,520	15,000	103%
Catholic Diocese of Lexington	Immigration	Awarded	8,630	7,500	87%
CLASP ASAP	Public Benefits	Subgranted	4,000	4,000	100%
Fayette County Bar Foundation	Immigration	Awarded	7,633	5,000	66%
Foundation for a Healthy Kentucky Boots	Health Outreach	Awarded	50,000	50,000	100%
Good Giving Challenge 2019	General Support	In progress	30,000	58,291	194%
Health Law Fellowship Healthy Kentucky	Health Advocacy	Awarded	45,000	45,000	100%
Health Law Fellowship Interact	Health Fellowship	Awarded	45,000	45,000	100%
Interact for Health	Health Communications	Awarded	-	20,000	100%
Kentucky Bar Foundation	Immigration	Awarded	11,820	11,000	93%
KCEP Solidarity Giving	Public Benefits	Subgranted	-	25,000	100%
Kentucky Civic Engagement Table	Worker's Rights	Awarded	2,670	2,670	100%
Kentucky Gives Day	General Support	Completed	3,000	3,827	128%
Mazon Emerging Advocacy	Hunger Advocacy	Awarded	90,000	64,712	72%
Protecting Immigration Families	Public Charge	Awarded	20,000	20,000	100%
Public Welfare Foundation	Worker's Rights	Awarded	80,000	80,000	100%
United Way of the Bluegrass	Immigration	Awarded	16,000	12,960	81%
VOCA 2019-2020	Immigration	Awarded	215,426	215,426	100%
Total 2019			\$645,699	\$687,386	106%
2011-2019			\$4,231,533	\$3,887,495	92%

## KEJC Recent Fundraising Effort

2020

2019 Source	For	Status	Requested	Awarded	% Awarded	
Bluegrass Community Foundation	Immigration	Awarded	15,000	15,000	100%	
Catholic Diocese of Lexington	Immigration	Awarded	8,630	8,630	100%	
Center for Responsible Lending	Consumer	Awarded	7,500	7,500	100%	
Community Farm Alliance Double Dollars	Public Benefits	Awarded	25,000	25,000	100%	
Fayette County Bar Foundation	Immigration	Pending	7,695	-	-	
Foundation for a Healthy Kentucky Boots	Health Outreach	Pending	50,000	50,000	100%	
Good Giving Challenge	General Support	In progress	35,000	34,595	99%	
Health Law Fellowship Healthy Kentucky	Health Advocacy	Awarded	45,000	45,000	100%	
Health Law Fellowship Interact	Health Fellowship	Pending	45,000	45,000	100%	
HHCK Housing Response	Housing	Awarded	7,500	3,000	40%	
Kentucky Bar Foundation	Immigration	Denied	12,110	-	0%	
KCEP Safety Net Initiative	Public Benefits	Awarded	50,000	50,000	100%	
Kentucky Civic Engagement Table	Communications	Awarded	8,120	8,120	100%	
Kentucky Gives Day	General Support	Completed	3,000	4,221	141%	
MAZON Emerging Advocacy	Hunger Advocacy	Awarded	64,712	69,712	108%	
MAZON Rapid Response	Public Benefits	Awarded	7,100	7,100	100%	
Paycheck Protection Program	Payroll and Rent	Awarded	142,452	142,452	100%	
Protecting Immigration Families	Public Charge	Awarded	15,000	15,000	100%	
Public Welfare Foundation	Worker's Rights	Awarded	250,000	250,000	100%	
United Way of the Bluegrass	Immigration	Awarded	12,960	12,960	100%	
VOCA 2020-2021	Immigration	Awarded	213,095	213,095	100%	
			Total 2020	\$1,024,874	\$1,006,385	98%
			2011-2020	\$5,256,407	\$4,893,880	93%

### Coming Up

Holiday Letter	General Support	Planning	15,000		0%
		Subtotal	\$15,000	\$0	\$0

**KENTUCKY EQUAL  
JUSTICE CENTER**

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

**DECEMBER 31, 2019**

**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

I 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, 2019, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for 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.

**Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I 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 auditor's 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 auditor considers 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.



**Opinion**

In my 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, 2019, 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.

*Vickie C. Richardson, CPA, PSC*

Mt. Sterling, KY  
December 1, 2020

This report contains 16 pages.

Kentucky Equal Justice Center  
STATEMENT OF FINANCIAL POSITION  
December 31, 2019

ASSETS

Current assets	
Cash	\$ 171,382
Investments	79,374
Accounts receivable	<u>107,480</u>
Total current assets	<u>358,236</u>
Property and Equipment	
Computer equipment	57,624
Less accumulated depreciation	<u>(50,781)</u>
Net Property and equipment	<u>6,843</u>
Rental Deposit	<u>715</u>
Total assets	<u><u>\$ 365,794</u></u>

LIABILITIES AND NET ASSETS

Current Liabilities	
Client trust funds	<u>\$ 5,911</u>
Total current liabilities	<u>5,911</u>
Long Term Liabilities	
Accrued leave	<u>38,205</u>
Total long term liabilities	<u>38,205</u>
Total liabilities	<u>44,116</u>
Net assets	
Without donor imposed restrictions	204,465
With donor imposed restrictions	<u>117,213</u>
Total net assets	<u>321,678</u>
Total liabilities and net assets	<u><u>\$ 365,794</u></u>

See accompanying notes.

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**Kentucky Equal Justice Center**  
**STATEMENT OF ACTIVITIES**  
For the year ended December 31, 2019

	Immigrant Rights Project	General Poverty Law and Administrative	Total Without Donor Imposed Restrictions
<b>Revenues:</b>			
Grants	\$ 0	\$ 8,875	\$ 8,875
Program income	36,000	144,000	180,000
Donations	61,920	45,715	107,635
Client fees	15,882	0	15,882
Attorney fees	0	2,321	2,321
Other	901	0	901
Investment income	0	1,329	1,329
Unrealized gain on investments	0	13,302	13,302
In-Kind donations	0	0	0
	<u>114,703</u>	<u>215,542</u>	<u>330,245</u>
<b>Total revenue, gains and other support</b>			
	<u>114,703</u>	<u>215,542</u>	<u>330,245</u>
<b>Expenses:</b>			
Case management	693	544	1,237
Consultants	0	400	400
Contract labor	2,600	0	2,600
Depreciation	0	3,423	3,423
Dues & subscriptions	629	1,050	1,679
Equipment rental	2,001	291	2,292
Insurance	690	2,083	2,773
Library	684	1,085	1,769
Miscellaneous	1,311	1,747	3,058
Office	2,395	18,441	20,836
Payroll and benefits	81,276	111,488	192,764
Postage	1,860	233	2,093
Printing	507	4,402	4,909
Professional	0	4,815	4,815
Repairs	21	253	274
Task forces	69	2,112	2,181
Telephone	1,443	3,105	4,548
Travel	1,277	4,073	5,350
	<u>97,456</u>	<u>159,545</u>	<u>257,001</u>
<b>Total expenses</b>	<u>\$ 97,456</u>	<u>\$ 159,545</u>	<u>\$ 257,001</u>
 Change in net assets			73,244
 Net assets, beginning of year			<u>131,221</u>
 Net assets, end of year			<u>\$ 204,465</u>

See accompanying notes.

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Kentucky Equal Justice Center  
STATEMENT OF ACTIVITIES  
For the year ended December 31, 2019

Poverty Law Advocacy	Health Care Advocacy	Immigrant Rights Project	Total with Donor imposed Restrictions	Total
\$ 69,712	\$ 187,670	\$ 260,220	\$ 517,602	\$ 526,477
0	0	0	0	180,000
0	0	3,780	3,780	111,415
0	0	219	219	16,101
0	0	0	0	2,321
0	0	0	0	901
0	0	0	0	1,329
0	0	0	0	13,302
0	0	17,659	17,659	17,659
<u>69,712</u>	<u>187,670</u>	<u>281,878</u>	<u>539,260</u>	<u>869,505</u>
369	447	1,151	1,967	3,204
0	10,455	0	10,455	10,855
0	0	0	0	2,600
0	0	0	0	3,423
0	625	1,668	2,293	3,972
60	180	2,559	2,799	5,091
836	981	2,380	4,197	6,970
26	380	0	406	2,175
201	420	4,019	4,640	7,698
7,953	7,765	14,291	30,009	50,845
100,099	166,481	259,038	525,618	718,382
90	189	2,603	2,882	4,975
97	89	973	1,159	6,068
0	0	0	0	4,815
0	0	0	0	274
889	684	384	1,957	4,138
1,560	3,430	4,420	9,410	13,958
<u>4,326</u>	<u>8,382</u>	<u>9,184</u>	<u>21,892</u>	<u>27,242</u>
<u>\$ 116,506</u>	<u>\$ 200,508</u>	<u>\$ 302,670</u>	<u>\$ 619,684</u>	<u>\$ 876,685</u>
			(80,424)	(7,180)
			<u>197,637</u>	<u>328,858</u>
			<u>\$ 117,213</u>	<u>\$ 321,678</u>

Kentucky Equal Justice Center  
STATEMENT OF CASH FLOWS  
For the year ended December 31, 2019

Cash flows from operating activities:

Change in net assets	\$ (7,180)
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation	3,423
Unrealized gain on investments	(13,302)
(Increase)/ Decrease in current assets:	
Accounts receivable	10,465
Increase/(Decrease) in current liabilities:	
Accrued leave	5,052
Accounts payable	<u>(202)</u>
Net cash used by operating activities	<u>(1,744)</u>
Cash flows from investing activities:	
Purchase of investments	(11,502)
Purchase of computers	<u>(3,527)</u>
Net cash used by investing activities	<u>(15,029)</u>
Decrease in cash	(16,773)
Cash, beginning of year	<u>188,155</u>
Cash, end of year	<u><u>\$ 171,382</u></u>

See accompanying notes.

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Kentucky Equal Justice Center  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2019

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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 21% of KEJC's total revenue is from the four legal service programs. KEJC also receives grants from various organizations. Approximately 61% 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, 2019

---

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 2017, 2018, and 2019 are subject to examination by the IRS, generally for three years after they are filed.

Accounts Receivable

Accounts receivable at December 31, 2019 consists of the following:

Grants	\$ 48,689
Donations-due within one year	<u>58,791</u>
	<u>\$ 107,480</u>

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.

Kentucky Equal Justice Center  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2019

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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.

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

Fair Value of Financial Instruments- Continued

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, 2019:

	<u>Cost</u>	<u>Fair Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Money market funds	\$ 1,210	\$ 1,210	\$
Mutual Funds	<u>62,545</u>	<u>78,164</u>	<u>15,619</u>
 Total Investments	 <u>\$ 63,755</u>	 <u>\$ 79,374</u>	 <u>\$ 15,619</u>



Kentucky Equal Justice Center  
NOTES TO THE FINANCIAL STATEMENTS  
December 31, 2019

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NOTE 2 – INVESTMENTS - CONTINUED

Investment return for the year ended December 31, 2019 is summarized below:

Net unrealized gain	\$ 13,302
Realized gains	52
Dividends	1,276
Interest Income	<u>124</u>
Total investment return	<u>\$ 14,754</u>

NOTE 3 – PROPERTY AND EQUIPMENT

Beginning balance office equipment and computers:	\$ 54,097
Additions:	<u>3,527</u>
Ending balance	57,624
Less accumulated depreciation	<u>(50,781)</u>
Ending balance:	<u>\$ 6,843</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 gross wages and new employees hired after September 1, 2008, contribute 1% additional. Total pension plan expense to KEJC was \$98,100. A Comprehensive Annual Financial Report on the Kentucky Retirement System may be requested from the following address:

Kentucky Equal Justice Center  
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NOTE 4 - PENSION PLAN - CONTINUED

Kentucky Retirement System  
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, 2019	\$117,213
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Net assets were released from the grant restrictions by incurring expenses satisfying the purpose specified by the grant as follows:

KY Bar Foundation	\$ 10,124
Public Welfare Foundation	81,609
Interact for Health - Health Law Fellowship	71,294
Foundation for a Healthy Kentucky	51,624
Victims of Crime Act	193,185
Victims of Crime Act Match	46,966
Bluegrass Community Foundation	14,099
Catholic Diocese	7,057
Fayette County Bar Foundation	3,341
United Way	13,792
DACA Client Assistance	3,465
Kentucky Center for Economic Policy	15,499
NHeLP Health Law Defense	33,086
Legal Impact Network Center for Community Change	4,554
Center for Law and Social Policy	12,582
Kentucky Civic Engagement Table	1,766
MAZON	25,736
Health Gains Communication	27,238
Center for Responsible Lending	4,667
	<u>\$ 621,685</u>

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NOTE 6– LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

KEJC has \$358,236 of financial assets available within one year of the balance sheet date to meet cash needs for general expenditure consisting of cash of \$171,382, \$79,374 in investment funds that make up the Mason Fund in the Vanguard account, and funds and accounts receivable of \$107,480. 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, 2019 are as follows:

Rent and Utilities	\$ 10,608
Salaries	<u>7,051</u>
	<u>\$ 17,659</u>

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, 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– FUNDRAISING

KEJC conducted activities in 2019 that included requests for contributions. Those activities included subscriptions, postage, and printing, which are all allocated to General Poverty Law and Administrative Expense. Fundraising expenses were allocated as follows:

Printing	\$ 2,739
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NOTE 10 – CONTRACTS

Kentucky Legal Services

KEJC entered into an agreement for 2019 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  
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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, listserve 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 2020 with identical provisions, including the \$180,000 annual fee.

University of Kentucky

On May, 13 2019 KEJC entered in to a contract with the University of Kentucky under a Federal Work study Program to provide the following:

- The University will provide KEJC with two students who will be paid \$11.35 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.

NOTE 11 – GRANTS

On January 1, 2019 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 February 1, 2019.

In February of 2019 KEJC received a \$5,000 grant from the Center for Responsible Lending. This grant is to help collect, submit and otherwise organize comments to the Consumer Financial Protection Bureau on its Notice of Proposed Rulemaking on payday loans and similar loan products, during the grant period February through July 2019.

Kentucky Equal Justice Center  
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NOTE 11 – GRANTS - CONTINUED

On April 1, 2019 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, 2019.

On May 15, 2019 KEJC received a \$25,000 grant from MACED. This grant is to sustain existing capacity and expand communications and outreach efforts to protect Medicaid expansion and roll back barriers to health coverage. The funds were a sub-grant from a larger award to MACED from Solidarity Giving.

Through a Modified Exhibit A, dated May 24, 2019, Cincinnati-based Interact for Health (IFH) extended its past grant agreement with KEJC, awarding \$45,000 to be used for the KEJC Health Law Fellowship and \$20,000 for activities to communicate to the public, media and policy makers about Kentucky's health gains under the Affordable Care Act.

On May 30, 2019 KEJC received a grant from MAZON to support KEJC's Food Justice Fellowship.

On May 31, 2019 KEJC received a \$10,000 grant from CLASP to support the Protecting Immigrant Families project. This grant is to be used to comment on and promote public understanding of proposed rules intended to expand the scope of "public charge" barriers to lawful immigration.

On June 12, 2019 KEJC received a \$2,000 grant from Blue Grass Community Foundation, to build on its successful On the Table evening of community discussion at Maxwell Street Presbyterian Church. The grant application was a video prepared by KEJC's VISTA. Funds were to be used to print and distribute signs saying "Immigrants and Refugees Welcome Here" for display by local businesses.

In July of 2019 KEJC received a \$12,960 grant from the United Way of the Bluegrass, to be paid in monthly installments for activities to help immigrants gain work authorization, financial stability, family reunification and citizenship. The funds represented the third year in a three-year Regional funding cycle.

On September 1, 2019 KEJC received a \$15,000 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.

On October 1, 2020 KEJC received a \$215,426 grant from Kentucky Justice Cabinet for the Victims of Crime Act (VOCA) with a subgrant match requirement of \$54,204 bringing the total project amount to \$269,630.

Kentucky Equal Justice Center  
NOTES TO THE FINANCIAL STATEMENTS  
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NOTE 11 – GRANTS - CONTINUED

KEJC received a grant for \$2,670 from Kentucky Civic Engagement Table for the year 2019-2020. This grant will help strengthen coordination with worker-focused organizations to develop shared messaging around workers' needs and affirmative policies centered on working families.

KEJC received a grant for \$5,000 from the Fayette County Bar Association.

KEJC received a grant for \$5,000 from the Louisville Bar Foundation.

KEJC received a grant for \$11,000 from the Kentucky Bar Foundation. This grant is for the Maxwell Street Legal Clinic to engage staff and members of the private bar in joint efforts to help immigrants apply for lawful permanent residence (a "green card"). The one-year grant period began July 1, 2019.

KEJC received a grant for \$7,500 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.

NOTE 12 – SUBSEQUENT EVENTS

KEJC has evaluated subsequent events through December 1, 2020 the date on which the financial statements were issued.

With the onset of the COVID-19 pandemic, effective March 16, 2020, KEJC adopted remote work as its preferred mode of operation. Staff adapted by serving clients via phone and internet and by adopting creative virtual means of advocacy and outreach. Several grant opportunities were delayed or denied as foundations assessed cash flow and focused grants on basic needs like food and shelter.

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.

By the end of the 24-week loan forgiveness period identified by Chase, all but an estimated 6 percent of Paycheck Protection Program loan proceeds had been spent. KEJC anticipated repaying that amount and applying for forgiveness of qualifying expenditures.

During the 24-week Paycheck Protection Program loan period and afterward through December 2, 2020, KEJC kept all staff positions funded, with no layoffs.

Through an award letter dated May 13, 2020, KEJC received approval from Public Welfare Foundation of a two-year \$250,000 "transition" grant, marking the final installment in a multi-year series of grants to support KEJC's workers' rights advocacy. The transition came as Public Welfare Foundation shifted its focus to juvenile justice initiatives.

Kentucky Equal Justice Center  
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NOTE 12 – SUBSEQUENT EVENTS - CONTINUED

The Public Welfare Foundation transition grant included funds for KEJC to hire its first development assistant. On August 28, 2020, Raaziq El-Amin began work as KEJC's Resource Organizer, with a charge to assist the director and staff with donor engagement, grant-seeking and fundraising activities. Public Welfare Foundation also arranged for KEJC to receive coaching on fundraising strategies from nationally recognized consulting firm Beth Grupp Associates, for an eighteen-month period beginning in February 2020, with a focus on sustaining workers' rights advocacy.

On October 12, 2020, the Kentucky Justice Cabinet notified KEJC of approval of a grant of \$213,095 in Victim of Crime Act funds to continue services for immigrant victims of crime through Maxwell Street Legal Clinic. Due to the pandemic, the Cabinet suspended the 20 percent match requirement that would normally apply. KEJC planned to spend an amount equivalent to the match to keep the project fully staffed.

# KEJC with Maxwell Street Legal Clinic 2021

## Proposed Continuation Budget

Expense	2020 KEJC Total	2021 VOCA	2021 Immigrant Rights	2021 MSLC Total	2021 KEJC General	2021 KEJC Total	2021 -2020 Difference	2021 Assumptions	Salary Increase Percent	Salary on Anniv	Salary before Anniv	Salary 2021
<b>Salaries</b>												
Director	86,887.50				88,591.50	88,591.50	1,704.00	\$900 on anniversary plus \$804 to 2%	2.0%	88,591.50	86,887.50	88,591.50
Senior Counsel	63,975.00				65,291.00	65,291.00	1,316.00	\$900 on anniversary plus \$372 to 2%	2.0%	66,192.00	64,920.00	65,291.00
Employment Attorney	23,926.50				24,396.00	24,396.00	469.50	\$900 on anniversary plus \$60 to 2%, 0.5 FTE	2.0%	49,632.00	48,672.00	48,792.00
Immigration Attorney	48,064.00	12,254.00	36,762.00	49,016.00	0.00	49,016.00	952.00	\$900 on anniv plus \$60 to 2%	2.0%	49,656.00	48,696.00	49,016.00
Health Law Fellow	47,692.50				48,640.50	48,640.50	948.00	\$900 on anniv plus \$48 to 2%	2.0%	48,996.00	48,048.00	48,640.50
Food Justice Fellow	39,457.50				40,320.00	40,320.00	862.50	\$900 on anniv	2.2%	40,920.00	40,020.00	40,320.00
Immigration Attorney / DOJ Rep	38,032.50	10,200.00		40,800.00	0.00	40,800.00	2,767.50	\$900 on anniversary	2.2%	41,700.00	40,800.00	40,800.00 **
Outreach Coordinator	36,365.00				40,002.50	40,002.50	3,637.50	\$900 on anniversary	2.3%	40,640.00	39,740.00	40,002.50 *
Resource Organizer	0.00				36,200.00	36,200.00	36,200.00	\$900 on anniversary	2.5%	36,800.00	35,900.00	36,200.00
VOCA Fellow I Attorney	42,900.00	43,800.00		43,800.00		43,800.00	900.00	\$900 on anniversary	2.1%	44,400.00	43,500.00	43,800.00
VOCA Fellow II DOJ	35,895.00	36,795.00		36,795.00		36,795.00	900.00	\$900 on anniversary	2.5%	37,020.00	36,120.00	36,795.00
VOCA Legal Assistant	33,992.50	33,280.00		33,280.00		33,280.00	-712.50	\$900 on anniversary	2.7%	34,180.00	33,280.00	33,280.00 **
Legal Assistant I	15,048.00	3,448.00	13,792.00	17,240.00	0.00	17,240.00	2,192.00	50 cents per hour on anniversary	3.0%			
Legal Assistant II	13,254.40	3,312.00	13,248.00	16,560.00	0.00	16,560.00	3,305.60	50 cents per hour on anniversary	3.2%			
Comms Coordinator	15,390.00				15,168.00	15,168.00	-222.00	50 cents per hour on anniversary	2.8%			
Wage Claim Coordinator	0.00				3,875.00	3,875.00			3.3%			
<b>Subtotal salaries</b>	<b>540,880.40</b>	<b>143,089.00</b>	<b>63,802.00</b>	<b>237,491.00</b>	<b>358,609.50</b>	<b>599,975.50</b>	<b>55,220.10</b>	<b>10.21%</b>	<b>10.9%</b>			
<b>Benefits</b>												
Health	79,447.68	21,228.00	8,873.04	38,974.08	54,788.64	93,762.72	14,315.04	DEI 2021 rates based on plan choices		* equity adjustment		
Dental	5,886.72	2,202.48	526.32	3,255.12	4,404.96	7,660.08	1,773.36	Metlife 2021 rate		** anniversary 1/1/22		
Life	2,304.00	691.20	230.40	1,152.00	1,382.40	2,534.40	230.40	Metlife 2021 rate				
Disability	4,388.29	1,305.49	352.03	1,950.55	2,813.44	4,763.98	375.70	Metlife 2021 rate				
Workers Comp	1,038.62	277.34	121.22	456.70	686.83	1,143.53	104.92	Clearpath rate 0.19 per hundred				
CERS retirement	124,913.10	34,885.78	9,212.56	51,766.69	80,674.53	132,441.22	7,528.12	CERS 2020 rates averaged with 12% increase				
FICA 7.65%	41,817.99	11,166.63	4,880.85	18,388.38	27,653.95	46,042.33	4,224.34	FICA rate				
Unemployment	1,058.40	233.10	233.10	543.90	699.30	1,243.20	184.80	UI 2021 base and KEJC rate				
<b>Subtotal benefits</b>	<b>260,854.79</b>	<b>71,990.01</b>	<b>24,429.53</b>	<b>116,487.42</b>	<b>173,104.04</b>	<b>289,591.47</b>	<b>28,736.68</b>	<b>11.02%</b>				
<b>Total Payroll</b>	<b>801,735.19</b>	<b>215,079.01</b>	<b>88,231.53</b>	<b>353,978.42</b>	<b>531,713.54</b>	<b>889,566.97</b>	<b>87,831.78</b>	<b>10.96%</b>				
<b>Operating expense</b>												
<b>Total</b>	<b>VOCA</b>	<b>IMM</b>	<b>MSLC</b>	<b>KEJC</b>	<b>Total</b>	<b>Difference</b>						
Capital Additions	3,000.00		3,000.00	3,000.00	1,500.00	4,500.00	1,500.00	Workstations, printers, scanners, phones				
Consultants and Subgrants	21,400.00	1,560.00	300.00	1,860.00	16,240.00	18,100.00	-3,300.00	Strategic planning, development, interpreters				
Contract Labor AmeriCorps	9,000.00		5,680.00	5,680.00	1,200.00	6,880.00	-2,120.00	No AmeriCorps, work study, cleaning				
Dues	4,400.00	1,167.50	980.00	2,147.50	2,470.00	4,617.50	217.50	Actuals itemized and per grants				
Equipment Rental	4,780.84	2,021.69	2,229.11	4,250.80	531.36	4,782.16	1.32	Printer, postage meter as per vendor rates				
Insurance	6,900.00	2,150.00	645.00	3,440.00	4,200.00	7,640.00	740.00	Actuals trended				
Library	2,160.00		600.00	600.00	1,780.00	2,380.00	220.00	Actuals trended and per grants				
Litigation Support	3,660.00		720.00	720.00	3,120.00	3,840.00	180.00	Shred-it, Courtnet, general				
Miscellaneous	1,980.00		480.00	480.00	1,200.00	1,680.00	-300.00	Trended including board meeting cost				
Case Management	8,222.75	1,953.84	1,953.84	3,907.68	1,908.00	5,815.68	-2,407.07	Annual fees, training				
Office Supplies	10,620.00	1,800.00	3,600.00	5,400.00	4,560.00	9,960.00	-660.00	Two year average trended & per grants				
Postage and Delivery	4,752.00	1,440.00	2,460.00	3,900.00	960.00	4,860.00	108.00	Two year average trended & per grants				
Printing and Copying	6,336.00	2,006.40	3,009.60	5,016.00	1,140.00	6,156.00	-180.00	Two year average trended & per grants				
Prof Tax Audit	4,650.00				4,815.00	4,815.00	165.00	As per last three year audit bid				
Prof Accounting	300.00				300.00	300.00	0.00	Minor advice, no change				
Rent	42,000.00	11,832.00	8,568.00	20,400.00	30,000.00	50,400.00	8,400.00	Current rent December 2019				
Repairs	720.00		360.00	360.00	360.00	720.00	0.00	Two year average				
Telephone, Internet	15,959.52	2,838.92	2,800.60	5,639.52	10,008.00	15,647.52	-312.00	Actuals as per grants, current bills rounded				
Travel and Training	38,393.00	13,924.00	2,400.00	18,724.00	17,700.00	36,424.00	-1,969.00	Two year average trended & per grants				
Task Forces & Meetings	4,080.00		480.00	480.00	4,560.00	5,040.00	960.00	Per task forces and grants				
<b>Subtotal operating</b>	<b>193,314.11</b>	<b>42,694.35</b>	<b>40,266.15</b>	<b>86,005.50</b>	<b>108,552.36</b>	<b>194,557.86</b>	<b>1,243.75</b>	<b>0.64%</b>				
<b>Total expense</b>	<b>995,049.30</b>	<b>257,773.36</b>	<b>128,497.68</b>	<b>439,983.92</b>	<b>640,265.90</b>	<b>1,084,124.83</b>	<b>89,075.53</b>	<b>9.0%</b>				



Projected income	Total	VOCA	IMM	MSLC	KEJC	Total	Difference	
Program Contributions	180,000.00		34,800.00	34,800.00	145,200.00	180,000.00	0.00	As per MOA with programs
Client Fees	18,000.00		16,000.00	16,000.00		16,000.00	-2,000.00	Actuals trended over 2 years
Attorney Fees	15,840.00		1,200.00	1,200.00	15,000.00	16,200.00	360.00	Actuals trended and per grants
Individual Donations	73,000.00		40,800.00	40,800.00	40,800.00	81,600.00	8,600.00	Actuals trended including giving days
Fundraising Events	25,000.00		12,000.00	12,000.00	6,000.00	18,000.00	-7,000.00	Maxwell Street 20th event
Public Welfare	80,000.00			0.00	0.00	0.00	-80,000.00	Prospective transition grant 1st year
Foundation Healthy KY	45,000.00			0.00	45,000.00	45,000.00	0.00	Renewal
Interact for Health	45,000.00			0.00	45,000.00	45,000.00	0.00	Renewal
Foundation Boots	50,000.00			0.00	50,000.00	50,000.00	0.00	Renewal
PIF	15,000.00			0.00	15,000.00	15,000.00	0.00	Interact for Health add on continued
VOCA	215,426.00	213,093.00		213,093.00	0.00	213,093.00	-2,333.00	As per grant budget, annualized
FCBF	5,000.00		2,500.00	5,000.00	0.00	5,000.00	0.00	Renewal
BGCF	20,000.00			16,000.00	0.00	16,000.00	-4,000.00	As per recent gifts
Bar Grants KBF LBF	16,000.00		10,200.00	10,200.00	5,000.00	15,200.00	-800.00	As per 2019 levels
MAZON	67,947.60			0.00		69,712.00		2020 grant amount
United Way of Bluegrass	16,000.00		18,000.00	18,000.00	0.00	18,000.00	2,000.00	Potential increase under new regional plan
Catholic Diocese	7,500.00		4,000.00	8,000.00	0.00	8,000.00	500.00	Two years trended
Small Grants	1,800.00		1,800.00	1,800.00	15,000.00	16,800.00	15,000.00	AILA and congregations
Task Force Sponsors	0.00			0.00	0.00	0.00	0.00	Eliminating low yield strategy
New Grants General	21,000.00		6,000.00	6,000.00	15,000.00	21,000.00	0.00	Lowered risk
New Grants Safety Net	40,000.00			0.00	40,000.00	40,000.00	0.00	Continuation of NHeLP, KCEP support
Major Gift Exploration	12,000.00		12,000.00	12,000.00		12,000.00	0.00	New initiative
Mason Fund Interest	0.00			0.00	0.00	0.00	0.00	As per investment policy
In-Kind Rent	20,400.00	11,832.00	8,568.00	20,400.00		20,400.00		
Interest Income	180.00			0.00	180.00	180.00	0.00	
<b>Total income</b>	<b>995,093.60</b>	<b>224,925.00</b>	<b>167,868.00</b>	<b>415,293.00</b>	<b>437,180.00</b>	<b>922,185.00</b>	<b>-69,673.00</b>	<b>-7%</b>
<b>Income over expense</b>	<b>44.30</b>	<b>-32,848.36</b>	<b>39,370.32</b>	<b>-24,690.92</b>	<b>-203,085.90</b>	<b>-161,939.83</b>		
<b>Available 1-time restricted</b>					<b>36,939.83</b>	<b>161,939.83</b>		
<b>Net</b>	<b>44.30</b>			<b>-24,690.92</b>		<b>0.00</b>		

# KEJC with Maxwell Street Legal Clinic 2021

Draft alternative budget with step 1 of 2 toward comparability

Expense	2020 KEJC Total	2021 VOCA	2021 Immigrant Rights	2021 MSLC Total	2021 KEJC General	2021 KEJC Total	2021 -2020 Difference	2021 Assumptions	Salary Increase Percent	Salary on Anniv	Salary before Anniv	Salary 2021
<b>Salaries</b>												
Director	86,887.50				88,591.50	88,591.50	1,704.00	\$900 on anniversary plus \$804 to 2%	2.0%	88,591.50	86,887.50	88,591.50
Senior Counsel	63,975.00				65,725.58	65,725.58	1,750.58	Halfway to scale on anniversary	4.3%	67,682.00	64,920.00	65,725.58
Employment Attorney	23,926.50				24,574.50	24,574.50	648.00	Halfway to scale on anniversary	7.8%	52,488.00	48,672.00	49,149.00
Immigration Attorney	48,064.00	12,450.50	37,351.50	49,802.00	0.00	49,802.00	1,738.00	Halfway to scale on anniversary	6.8%	52,014.00	48,696.00	49,802.00
Health Law Fellow	47,692.50				50,136.75	50,136.75	2,444.25	Halfway to scale on anniversary	7.0%	51,390.00	48,048.00	50,136.75
Food Justice Fellow	39,457.50				41,462.33	41,462.33	2,004.83	Halfway to scale on anniversary	10.8%	44,347.00	40,020.00	41,462.33
Immigration Attorney / DOJ Rep	38,032.50	10,200.00		40,800.00	0.00	40,800.00	2,767.50	New hire halfway to scale	5.1%	42,876.00	40,800.00	40,800.00 **
Outreach Coordinator	36,365.00				41,042.88	41,042.88	4,677.88	Halfway to scale on anniversary	11.2%	44,207.00	39,740.00	41,042.88 *
Resource Organizer	0.00				36,484.00	36,484.00	36,484.00	To scale on anniversary	4.9%	37,652.00	35,900.00	36,484.00 ***
VOCA Fellow I Attorney	42,900.00	44,034.00		44,034.00		44,034.00	1,134.00	Halfway to scale on anniversary	3.7%	45,102.00	43,500.00	44,034.00
VOCA Fellow II DOJ	35,895.00	37,933.50		37,933.50		37,933.50	2,038.50	Halfway to scale on anniversary	6.7%	38,538.00	36,120.00	37,933.50
VOCA Legal Assistant	33,992.50	36,000.00		36,000.00		36,000.00	2,007.50	New hire halfway to scale	4.6%	37,652.00	36,000.00	36,000.00 **
Legal Assistant I	15,048.00	3,464.00	13,856.00	17,320.00	0.00	17,320.00	2,272.00	\$1 per hour on anniversary	6.1%			
Legal Assistant II	13,254.40	3,400.00	13,600.00	17,000.00	0.00	17,000.00	3,745.60	\$1 per hour on anniversary	6.5%			
Comms Coordinator	15,390.00				15,360.00	15,360.00	-30.00	\$1 per hour on anniversary	5.6%			
Wage Claim Coordinator	0.00				4,000.00	4,000.00		\$1 per hour on anniversary	6.7%			
<b>Subtotal salaries</b>	<b>540,880.40</b>	<b>147,482.00</b>	<b>64,807.50</b>	<b>242,889.50</b>	<b>363,377.54</b>	<b>610,267.04</b>	<b>65,386.64</b>	<b>12.09%</b>	<b>12.8%</b>			
<b>Benefits</b>												
Health	79,447.68	21,228.00	8,873.04	38,974.08	54,788.64	93,762.72	14,315.04	DEI 2021 rates based on plan choices		* equity adjustment		
Dental	5,886.72	2,202.48	526.32	3,255.12	4,404.96	7,660.08	1,773.36	Metlife 2021 rate		** anniversary 1/1/22		
Life	2,304.00	691.20	230.40	1,152.00	1,382.40	2,534.40	230.40	Metlife 2021 rate		*** to scale immediately		
Disability	4,388.29	1,346.56	357.68	1,997.26	2,851.35	4,848.62	460.33	Metlife 2021 rate				
Workers Comp	1,038.62	285.69	123.13	466.96	695.89	1,162.85	124.23	Clearpath rate 0.19 per hundred				
CERS retirement	124,913.10	35,960.60	9,360.29	52,989.24	81,776.55	134,765.80	9,852.70	CERS 2020 rates averaged with 12% increase				
FICA 7.65%	41,817.99	11,502.69	4,957.77	18,801.37	28,018.70	46,820.07	5,002.08	FICA rate				
Unemployment	1,058.40	233.10	233.10	543.90	699.30	1,243.20	184.80	UI 2021 base and KEJC rate				
<b>Subtotal benefits</b>	<b>260,854.79</b>	<b>73,450.32</b>	<b>24,661.73</b>	<b>118,179.94</b>	<b>174,617.80</b>	<b>292,797.73</b>	<b>31,942.94</b>	<b>12.25%</b>				
<b>Total Payroll</b>	<b>801,735.19</b>	<b>220,932.32</b>	<b>89,469.23</b>	<b>361,069.44</b>	<b>537,995.34</b>	<b>903,064.78</b>	<b>101,329.58</b>	<b>12.64%</b>				
<b>Operating expense</b>												
<b>Total</b>	<b>VOCA</b>	<b>IMM</b>	<b>MSLC</b>	<b>KEJC</b>	<b>Total</b>	<b>Difference</b>						
Capital Additions	3,000.00		3,000.00	3,000.00	1,500.00	4,500.00	1,500.00	Workstations, printers, scanners, phones				
Consultants and Subgrants	21,400.00	1,560.00	300.00	1,860.00	16,240.00	18,100.00	-3,300.00	Strategic planning, development, interpreters				
Contract Labor AmeriCorps	9,000.00		5,680.00	5,680.00	1,200.00	6,880.00	-2,120.00	No AmeriCorps, work study, cleaning				
Dues	4,400.00	1,167.50	980.00	2,147.50	2,470.00	4,617.50	217.50	Actuals itemized and per grants				
Equipment Rental	4,780.84	2,021.69	2,229.11	4,250.80	531.36	4,782.16	1.32	Printer, postage meter as per vendor rates				
Insurance	6,900.00	2,150.00	645.00	3,440.00	4,200.00	7,640.00	740.00	Actuals trended				
Library	2,160.00		600.00	600.00	1,780.00	2,380.00	220.00	Actuals trended and per grants				
Litigation Support	3,660.00		720.00	720.00	3,120.00	3,840.00	180.00	Shred-it, Courtnet, general				
Miscellaneous	1,980.00		480.00	480.00	1,200.00	1,680.00	-300.00	Trended including board meeting cost				
Case Management	8,222.75	1,953.84	1,953.84	3,907.68	1,908.00	5,815.68	-2,407.07	Annual fees, training				
Office Supplies	10,620.00	1,800.00	3,600.00	5,400.00	4,560.00	9,960.00	-660.00	Two year average trended & per grants				
Postage and Delivery	4,752.00	1,440.00	2,460.00	3,900.00	960.00	4,860.00	108.00	Two year average trended & per grants				
Printing and Copying	6,336.00	2,006.40	3,009.60	5,016.00	1,140.00	6,156.00	-180.00	Two year average trended & per grants				
Prof Tax Audit	4,650.00				4,815.00	4,815.00	165.00	As per last three year audit bid				
Prof Accounting	300.00				300.00	300.00	0.00	Minor advice, no change				
Rent	42,000.00	11,832.00	8,568.00	20,400.00	30,000.00	50,400.00	8,400.00	Current rent December 2019				
Repairs	720.00		360.00	360.00	360.00	720.00	0.00	Two year average				
Telephone, Internet	15,959.52	2,838.92	2,800.60	5,639.52	10,008.00	15,647.52	-312.00	Actuals as per grants, current bills rounded				
Travel and Training	38,393.00	13,924.00	2,400.00	18,724.00	17,700.00	36,424.00	-1,969.00	Two year average trended & per grants				
Task Forces & Meetings	4,080.00		480.00	480.00	4,560.00	5,040.00	960.00	Per task forces and grants				
<b>Subtotal operating</b>	<b>193,314.11</b>	<b>42,694.35</b>	<b>40,266.15</b>	<b>86,005.50</b>	<b>108,552.36</b>	<b>194,557.86</b>	<b>1,243.75</b>	<b>0.64%</b>				
<b>Total expense</b>	<b>995,049.30</b>	<b>263,626.67</b>	<b>129,735.38</b>	<b>447,074.94</b>	<b>646,547.70</b>	<b>1,097,622.64</b>	<b>102,573.33</b>	<b>10.3%</b>				

Projected income	Total	VOCA	IMM	MSLC	KEJC	Total	Difference	
Program Contributions	180,000.00		34,800.00	34,800.00	145,200.00	180,000.00	0.00	As per MOA with programs
Client Fees	18,000.00		16,000.00	16,000.00		16,000.00	-2,000.00	Actuals trended over 2 years
Attorney Fees	15,840.00		1,200.00	1,200.00	15,000.00	16,200.00	360.00	Actuals trended and per grants
Individual Donations	73,000.00		40,800.00	40,800.00	40,800.00	81,600.00	8,600.00	Actuals trended including giving days
Fundraising Events	25,000.00		12,000.00	12,000.00	6,000.00	18,000.00	-7,000.00	Maxwell Street 20th event
Public Welfare	80,000.00			0.00	0.00	0.00	-80,000.00	Prospective transition grant 1st year
Foundation Healthy KY	45,000.00			0.00	45,000.00	45,000.00	0.00	Renewal
Interact for Health	45,000.00			0.00	45,000.00	45,000.00	0.00	Renewal
Foundation Boots	50,000.00			0.00	50,000.00	50,000.00	0.00	Renewal
PIF	15,000.00			0.00	15,000.00	15,000.00	0.00	Interact for Health add on continued
VOCA	215,426.00	213,093.00		213,093.00	0.00	213,093.00	-2,333.00	As per grant budget, annualized
FCBF	5,000.00		2,500.00	5,000.00	0.00	5,000.00	0.00	Renewal
BGCF	20,000.00			16,000.00	0.00	16,000.00	-4,000.00	As per recent gifts
Bar Grants KBF LBF	16,000.00		10,200.00	10,200.00	5,000.00	15,200.00	-800.00	As per 2019 levels
MAZON	67,947.60			0.00		69,712.00		2020 grant amount
United Way of Bluegrass	16,000.00		18,000.00	18,000.00	0.00	18,000.00	2,000.00	Potential increase under new regional plan
Catholic Diocese	7,500.00		4,000.00	8,000.00	0.00	8,000.00	500.00	Two years trended
Small Grants	1,800.00		1,800.00	1,800.00	15,000.00	16,800.00	15,000.00	AILA and congregations
Task Force Sponsors	0.00			0.00	0.00	0.00	0.00	Eliminating low yield strategy
New Grants General	21,000.00		6,000.00	6,000.00	15,000.00	21,000.00	0.00	Lowered risk
New Grants Safety Net	40,000.00			0.00	40,000.00	40,000.00	0.00	Continuation of NHeLP, KCEP support
Major Gift Exploration	12,000.00		12,000.00	12,000.00		12,000.00	0.00	New initiative
Mason Fund Interest	0.00			0.00	0.00	0.00	0.00	As per investment policy
In-Kind Rent	20,400.00	11,832.00	8,568.00	20,400.00		20,400.00		
Interest Income	180.00			0.00	180.00	180.00	0.00	
<b>Total income</b>	<b>995,093.60</b>	<b>224,925.00</b>	<b>167,868.00</b>	<b>415,293.00</b>	<b>437,180.00</b>	<b>922,185.00</b>	<b>-69,673.00</b>	<b>-7%</b>
<b>Income over expense</b>	<b>44.30</b>	<b>-38,701.67</b>	<b>38,132.62</b>	<b>-31,781.94</b>	<b>-209,367.70</b>	<b>-175,437.64</b>		
<b>Available 1-time restricted</b>					<b>50,437.64</b>	<b>175,437.64</b>		
<b>Net</b>	<b>44.30</b>			<b>-31,781.94</b>		<b>0.00</b>		

**Strategic Planning Survey *Draft***  
**KEJC**

ACTION: Develop, implement, and review a survey. Marian will develop and send a survey to Board and staff to seek input on the priorities for the organization over the next 5 years. The survey would offer a glimpse into individual perspectives about what matters most and shine a light on the areas where the majority are in alignment.

Survey Introduction: Thank you for your willingness to provide input to the Kentucky Equal Justice Center as we work to develop a new strategic plan. In this survey you will be asked to rank initiatives based on relevance and current needs of the organization and the communities served by KEJC. The survey should take approximately five minutes to complete and your answers will be confidential.

Q1: Currently, KEJC operates five program areas: Health Care, Immigration Law, Consumer Law, Employment Law, and Food Justice. Please rank the importance of each program area over the next five years, 2021 – 2025. With 1 being the most important and 5 being the least important.

- ☐ Health Care
- ☐ Immigration Law
- ☐ Consumer Law
- ☐ Employment Law
- ☐ Food Justice

Q1a: KEJC was founded in part to fulfill “state support” functions for legal aid programs and community partners. On a scale of 1-5, please rank the importance over the next five years, 2021-2025, of each of the following functions:

- ☐ Task Forces
- ☐ Legislative and Administrative Advocacy
- ☐ Information services (website, blog, social media, etc.)
- ☐ Litigation assistance (consultation, co-counseling)
- ☐ Specialist attorneys

Q2: Thinking about the 5 current Program Areas (Health Care, Immigration Law, Consumer Law, Employment Law, and Food Justice). In your opinion, should KEJC, cut any of these programs, to focus on other priorities over the next five years?

☐ Yes,

Which program should be cut and why:

☐ No, all continue to be high priorities for KEJC to be actively engaged in.

Q3: As you know, KEJC has hosted facilitated sessions this fall for Board, Staff, and Stakeholder input. In these sessions several issues have been raised that could become strategic priorities for the organization. Please place a mark by the issues you believe to be most important for KEJC over the next 5 years. You may select a maximum of three issues.

☐ Building back office/admin support (accounting, HR, grants, etc)

☐ Increased focus on marketing and public relations “tooting their horn”

☐ Succession Planning

☐ Racial Justice (Diversity, Inclusion, Equity goals, create curriculum)

☐ Offering greater multi-lingual support to clients.

☐ Housing Law

☐ Increased focus on fundraising for KEJC

Q4: What else would you like for KEJC to consider as we move forward in developing the strategic plan?

(open response)

Q5: Please indicate your current affiliation with KEJC.

☐ Staff

☐ Board Member

☐ External Stakeholder

THANK YOU, we are grateful for your time today, and your ongoing support of the Kentucky Equal Justice Center.

**Kentucky Equal Justice Center**  
**Conflict of Interest Form for**  
**Officers, Directors and Staff Members**

**Conflict of Interest Policy**

No member of the Kentucky Equal Justice Center Board of Directors or Staff shall derive any personal profit or gain, directly or indirectly, by reason of his or her participation in the Kentucky Equal Justice Center. Each individual shall disclose to the Kentucky Equal Justice Center any personal interest which he or she may have in any matter pending before the organization and shall refrain from participation in any decision on such matter. Any member of the Kentucky Equal Justice Center's Board of Directors or Staff shall refrain from obtaining any list of Kentucky Equal Justice Center clients for personal or private solicitation purposes at any time during the term of their affiliation.

**Conflict of Interest Disclosure**

In addition to my service for Kentucky Equal Justice Center, at this time I am a Board member or an employee of the following organizations:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

This is to certify that, except with regard to carrying out my duties as an officer, director or staff member of the Kentucky Equal Justice Center or as described below, I am not now nor at any time during the past year have been:

- 1) A participant, directly or indirectly, in any arrangement, agreement, investment, or other activity with any vendor, supplier, or other party doing business with the Kentucky Equal Justice Center which has resulted or could result in personal benefit to me.
- 2) A recipient, directly or indirectly, of any salary payments or loans or gifts of any kind or any free service or discounts or other fees from or on behalf of any person or organization engaged in any transaction with the Kentucky Equal Justice Center.

Any exceptions to 1 or 2 above are stated below with a full description of the transactions and of the interest, whether direct or indirect, which I have (or have had during the past year) in the persons or organizations having transactions with the Kentucky Equal Justice Center:

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Signature: \_\_\_\_\_ Date \_\_\_\_\_

Printed name: \_\_\_\_\_

Please return to:

Richard J. Seckel, Director  
Kentucky Equal Justice Center  
201 W. Short Street, Suite 310  
Lexington, KY 40507

# **Kentucky Equal Justice Center**

## **Board Meeting Dates**

### **Proposed Schedule 2021**

- |                |          |                |
|----------------|----------|----------------|
| • April 9      | Friday   | Board Meeting  |
| • July 15      | Thursday | Board Meeting  |
| • September 24 | Friday   | Board Meeting  |
| • December 16  | Thursday | Annual Meeting |



# Kentucky Equal Justice Center

December 8, 2020

## Staff Report Highlights

### Communications — Alexandra Werner Winslow

- **Twitter:** We're starting to really gain some traction on Twitter, which has historically been a lower-performing platform for us than Facebook. Since the summer, we've had a 40% increase in how many people are actually seeing our tweets, a 23% increase in how many people like them, and a 10% increase in how many people retweet them. That gain is important because it means more people are receiving and amplifying information about open enrollment, extended SNAP benefits, etc.

[One example:](#) We broke a lifetime account record on September 21st with a "live-tweet" of a rally demanding McConnell pass robust COVID relief. More than 21,000 people saw it, more than have ever seen anything we've ever published on Twitter.

- **Blog:** We've published Spanish-language versions of several of our [blog posts](#), and are meeting soon to talk about how we can further streamline our workflows to post even more. With so much diverse work happening at KEJC and Maxwell Street, we're looking at how we can utilize the blog as an in-house resource and get more "news you can use" into the world.

### Impact Litigation and Advocacy — Ben Carter

- **State and Local Eviction Moratorium Push:** CDC's protections expire December 31. We:
  - Drafted a letter to Louisville's Mayor and County Attorney to encourage Greg Fischer (Mayor) to [order a local eviction moratorium through March 31](#); helped organize broader sign-on campaign with Louisville partner orgs
  - Contributed to similar letter to Lexington Mayor Linda Gorton
  - Governor Beshear next
- **Action Network Roll-out:** With an eye toward building relationships and power with the people across the nation (but especially in Kentucky) who have used [HomerenterDeclaration.org](#) over the last three months, we are beginning to use the tools at The Action Network. The first campaign is simply a [petition connected to the letter to Mayor Fischer above](#).
  - More than 12,000 people have used [HomerenterDeclaration.org](#) and we hope to use The Action Network to email users and empower them to take action on state and federal housing policies (grant applications pending)

- **Class action:** KEJC and NCLEJ filed a Motion for Class Certification in our challenge to UK Healthcare and the Department of Revenue's medical debt collection practices. [This beast](#) represents a tremendous amount of work by our two organizations.
- **The slow pivot to UI:** We have worked with the legal aid organizations to research various causes of action and develop a plan for assisting Kentuckians with their many problems with the state's unemployment insurance program.

### Maxwell Street Legal Clinic — Leah Engle

- **New cases:** Maxwell Street has opened about 40 new cases since our board meeting in September and continued work on many more. We've averaged nearly 600 calls a month. A federal judge recently ordered USCIS to reinstate the DACA program in full, so we look forward to helping clients file their initial DACA applications soon!
- **New staff:** We're looking for our next great staff attorney and VOCA legal assistant! With the departures of Nathalie Dietrich and Maddy Clark, we've been in hiring mode and have had several great applicants. We hope to fill these roles soon.
- **MSLC on the radio:** We've continued our monthly immigration law update with RadioLex. In November, we went over anticipated changes to [immigration policy in the Biden administration](#).

### Outreach Coordinator — Miranda Brown

- **RADIOLEX:** Miranda aired three new radio episodes in English and Spanish, covering:
  - [Voting rights and safe elections](#)
  - [Rent and eviction assistance](#)
  - [Open Enrollment for 2021](#)

The programs featured Ben, Dominique Olbert of the Community Response Coalition of Kentucky, voting rights activist Debbie Garner, and Community Action Council kynector Jacqueline Ringo.

- **Enrollment Assistance:** Miranda helped 14 new families and individuals with health coverage in addition to previous clients. KEJC kynectors Betsy, Tyler, and Miranda attended Implicit Bias Training with the Kentucky Health Benefit Exchange, to learn and to improve our client assistance. We also completed annual federal CMS training so that we can continue assisting Kentucky residents with Medicaid and Marketplace applications.
- **Advocacy Feedback Loop:** Rich and Miranda participate in weekly meetings with CHFS as part of the Cabinet's Notice Improvement Project. As well:

- **kynect redesign:** Miranda tested the redesigned kynect website over the course of two days pre-release and was able to report two problems before release and six problems and enhancement suggestions since release.
- **Medicaid improvements:** Through the Consumer Rights and Client Needs Technical Advisory Committee, Miranda contributed recommendations to DMS on:
  - improving the Presumptive Eligibility Medicaid application process for people without SSNs
  - providing DCBS workers and kynectors with talking points on public charge that they can reference when consumers ask them questions
- **Resource engine:** Miranda participated in Subject Matter Expert testing of the new kynect resources search engine for social services in Kentucky ([kynect.ky.gov/resources](http://kynect.ky.gov/resources)).
- **Lexington Wage Claim Clinic:** Miranda and McKenzie assisted 3 new claimants with letters demanding \$4,115. In September, we heard from a claimant from earlier in the year that his employer paid him in full the \$1,046 owed that we'd helped him demand!

### **Resource Organizer — Raaziq El-Amin**

- **Good Giving and Donor Relationships:** Alexandra, Rich, and Raaziq created a process to elevate staff and client stories by developing a timeline, creating templates, and doing a lot of collaborative proofreading!
- **Donor engagement:** Now, we're exploring and outlining ways to form stronger connections with our current (super amazing) supporters and how best to engage with new ones.
- **Grants Calendar:** Raaziq is updating a new "Grants and Fundraising" Google Calendar regularly to reflect all grant reporting dates with reminders to make sure we're completing tasks in a timely manner.
- **Relationship Building:** We're implementing the Beth Grupp model of prioritizing relationship building in our engagements with funders. Example: Miranda reached out to a grant officer she knew at a significant regional foundation. She and Raaziq held an initial meeting by Zoom to explore shared interests.