

MARYLAND COALITION OF FAMILIES, INC.

AUDITED FINANCIAL STATEMENTS
AND
SUPPLEMENTARY INFORMATION

For the years ended June 30, 2023 and 2022



MARYLAND COALITION OF FAMILIES, INC.

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Maryland Coalition of Families, Inc.
Columbia, Maryland

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Maryland Coalition of Families, Inc. (the Organization) (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022 the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Changes In Accounting Principles

As discussed in Note 2, the Organization adopted the requirements of Financial Accounting Standards Board's Accounting Standards Update No 2016-02, *Leases* (Topic 842). Our opinion is not modified with respect to this adoption.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Organization's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 16 through 20 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records

used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

UHY LLP

Columbia, Maryland
November 17, 2023

MARYLAND COALITION OF FAMILIES, INC.
STATEMENTS OF FINANCIAL POSITION
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,424,705	\$ 1,258,785
Grants receivable	988,741	983,674
Prepaid expenses	59,045	98,332
	<hr/>	<hr/>
Total current assets	2,472,491	2,340,791
NON-CURRENT ASSETS		
Property and equipment, net	4,594	248
Operating lease right of use assets, net	146,589	-
	<hr/>	<hr/>
Total non-current assets	151,183	248
TOTAL ASSETS	<u>\$ 2,623,674</u>	<u>\$ 2,341,039</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 473,736	\$ 517,906
Operating lease liabilities, current	46,349	-
	<hr/>	<hr/>
Total current liabilities	520,085	517,906
NON-CURRENT LIABILITIES		
Operating lease liabilities, non-current	101,899	-
	<hr/>	<hr/>
TOTAL LIABILITIES	621,984	517,906
NET ASSETS		
Without donor restrictions	2,001,690	1,823,133
	<hr/>	<hr/>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,623,674</u>	<u>\$ 2,341,039</u>

MARYLAND COALITION OF FAMILIES, INC.
STATEMENTS OF ACTIVITIES
For the years ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Support and Revenue		
Federal grants	\$ 1,380,014	\$ 1,091,103
State and local government grants	4,800,822	4,664,054
Contributions	61,734	13,771
Miscellaneous	15,306	3,289
	<u>6,257,876</u>	<u>5,772,217</u>
Expenses		
Program services	5,493,429	5,198,118
Management and general	556,040	636,339
Fundraising	29,850	35,192
	<u>6,079,319</u>	<u>5,869,649</u>
Change in Net Assets	<u>178,557</u>	<u>(97,432)</u>
Net Assets Without Donor Restrictions, Beginning	<u>1,823,133</u>	<u>1,920,565</u>
Net Assets Without Donor Restrictions, Ending	<u>\$ 2,001,690</u>	<u>\$ 1,823,133</u>

MARYLAND COALITION OF FAMILIES, INC.
STATEMENTS OF FUNCTIONAL EXPENSES
For the years ended June 30, 2023 and 2022

	2023				2022			
	Program Services	Management and General	Fundraising	Total	Program Services	Management and General	Fundraising	Total
Salaries and related expenses	\$ 4,519,572	\$ 341,660	\$ 29,317	\$ 4,890,549	\$ 4,263,266	\$ 405,427	\$ 33,266	\$ 4,701,959
Office expense	153,778	60,728	-	214,506	195,512	31,523	529	227,564
Program expenses	354,373	24,357	-	378,730	330,650	11,350	-	342,000
Travel	81,046	5,666	533	87,245	37,005	3,387	295	40,687
Occupancy	89,066	24,377	-	113,443	121,575	11,127	970	133,672
Professional fees	295,594	97,375	-	392,969	249,712	169,917	132	419,761
Depreciation and amortization	-	855	-	855	398	99	-	497
Miscellaneous	-	1,022	-	1,022	-	3,509	-	3,509
	<u>\$ 5,493,429</u>	<u>\$ 556,040</u>	<u>\$ 29,850</u>	<u>\$ 6,079,319</u>	<u>\$ 5,198,118</u>	<u>\$ 636,339</u>	<u>\$ 35,192</u>	<u>\$ 5,869,649</u>

MARYLAND COALITION OF FAMILIES, INC.
STATEMENTS OF CASH FLOWS
For the years ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities		
Change in net assets	\$ 178,557	\$ (97,432)
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Amortization of operating lease right-of-use assets	37,306	-
Depreciation and amortization	855	497
Net changes in:		
Grants receivable	(5,067)	(89,682)
Prepaid expenses	39,287	(11,144)
Accounts payable and accrued expenses	(44,170)	39,453
Operating lease liability	(35,647)	-
	<u>171,121</u>	<u>(158,308)</u>
Net cash provided by (used in) operating activities		
Cash Flows from Investing Activities		
Purchases of property and equipment	(5,201)	-
	<u>165,920</u>	<u>(158,308)</u>
Net Increase (Decrease) in Cash		
Cash, Beginning	<u>1,258,785</u>	<u>1,417,093</u>
Cash, Ending	<u>\$ 1,424,705</u>	<u>\$ 1,258,785</u>
Supplemental Disclosures of Cash Flow Information		
Disposal of fully amortized website and software development costs	<u>\$ -</u>	<u>\$ 24,662</u>
Disposal of fully depreciated property and equipment	<u>\$ 49,707</u>	<u>\$ 81,100</u>
Operating lease right of use assets obtained in exchange for operating lease liability	<u>\$ 183,895</u>	<u>\$ -</u>
Operating lease liability		
Change in operating lease liability	\$ 148,248	\$ -
Less operating lease right of use assets obtained in exchange for operating lease liability	(183,895)	-
Net change in operating lease liability	<u>\$ (35,647)</u>	<u>\$ -</u>
Cash paid for amounts included in the measurement of operating lease liability	<u>\$ 40,464</u>	<u>\$ -</u>

See notes to financial statements.

MARYLAND COALITION OF FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2023 and 2022

NOTE 1 - PURPOSE OF ORGANIZATION

Maryland Coalition of Families, Inc. (the Organization) is the statewide voice for families who care for someone with behavioral health needs and is dedicated to building a family-driven network of information and support, and improving services in all systems caring for children, youth, adults, and their families. MCF is a nonprofit, charitable organization.

Programs include:

Family Peer Support: The Organization provides emotional support, resource connection and systems navigation to parents and caregivers of loved ones with mental health issues substance use or gambling challenge.

Family Leadership Institute: The Organization conducts an intensive six-weekend training program and two local weekend training programs that help parents and caregivers build knowledge and skills to become advocates for their children, themselves, and their community.

Public Policy: The Organization participates in numerous local and State committees, subcommittees, and work groups to improve services for individuals with behavioral health needs and their families.

Children's Mental Health Awareness: The Organization partners with the Mental Health Association of Maryland to conduct an annual a statewide public education campaign to raise awareness about children's mental health.

Taking Flight: The Organization supports a council of young adult leaders with lived experience in behavioral health systems, who work to empower other young adults, promote acceptance and education, and reduce stigma.

Child Welfare Caregiver Engagement: The Organization participates in numerous statewide Social Services Administration advisory committees to bring family voice into the conversation to improve child welfare services.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP), whereby revenue is recognized when earned and expenses are recognized when incurred.

Grants Receivable

Receivables are valued at management's estimate of the amount that will be ultimately collected. Management considers receivables to be fully collectible; accordingly, no allowance for doubtful accounts has been provided. If amounts become uncollectible, they are charged to operations in the period in which that determination is made.

MARYLAND COALITION OF FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property and Equipment

Property and equipment are stated at cost. Individual purchases and improvements of \$5,000 or more, which prolong the useful life of an asset, are capitalized, while expenditures for small items, maintenance, and minor repairs are expensed as incurred. Leasehold improvements are amortized over the lives of the respective leases or the service lives of the improvements, whichever is shorter. The straight-line method of depreciation is used for depreciable assets over lives ranging from 3 to 15 years.

Website and Software Development Costs

The costs of purchased and internally developed website and software technologies are being amortized over their useful lives on a straight-line basis.

Website and software development costs totaling \$92,468 as of June 30, 2023 and 2022 are fully amortized.

Revenue Recognition

Contributions and grants

Revenue from Federal, State, and Local government grants is recognized only to the extent of actual expenses incurred in compliance with the grants.

Unconditional contributions and promises to give, are recognized as revenue in the period received and are reported as revenue with or without donor restrictions, depending on the existence and/or nature of any donor stipulations. Donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of the stipulation. When a restriction expires (that is, when a stipulated time restriction ends or purpose of a restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statements of activities as net assets released from restrictions.

A contribution, gift or grant is conditional if an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets. The presence of both a barrier and a right of return or right of release indicates that a recipient is not entitled to the contribution until it has overcome the barrier(s) in the agreement. Conditional promises to give are not recognized until they become unconditional, that is, when the barrier(s) in the agreement are overcome.

MARYLAND COALITION OF FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2023 and 2022

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets

Net assets, revenue, gains, and losses are classified based on the existence or absence of contributions with donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Net assets without donor restrictions - Net assets without donor restrictions are available for use at the discretion of the Board of Directors and/or management for general operating purposes.

Net assets with donor restrictions - Net assets with donor restrictions consist of assets whose use is limited by donor-imposed time and/or purpose restrictions. The Organization reports gifts of cash and other assets as revenue with donor restrictions if they are received with donor stipulations that limit the use of the donated asset. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, the net assets are reclassified as net assets without donor restriction and reported in the statements of activities as net assets released from restrictions. The Organization did not have any net assets with donor restrictions for the years ending June 30, 2023, or 2022.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Expenses that can be identified with a specific program or supporting service are charged directly to that program or supporting service.

Supporting services are comprised of general and administrative expenses and include those costs that are not directly identifiable with any specific program but provide for the overall support and direction of the Organization. A percent of the Organization's expenses is allocated to fundraising for activities related to applying, soliciting, and appealing to funders (primarily state and local government) to provide financial support to the Organization in the form of grants. Accordingly, certain overhead expenses have been allocated based on time spent by Organization's personnel in such functions.

Income Taxes

The Organization is exempt from federal income taxes (except for unrelated business income, if any) under Section 501(c)(3) of the Internal Revenue Code. No provision for income taxes is reflected in the accompanying financial statements since the Organization had no unrelated business income for the years ended June 30, 2023 and 2022. The income tax positions taken by the Organization for any years open under the various statutes of limitations are that the Organization continues to be exempt from income taxes and that the Organization has properly reported unrelated business income that is subject to income taxes. The Organization believes that there are no tax positions taken or expected to be taken that would significantly increase unrecognized tax benefits within 12 months of the reporting date. None of the Organization's income tax returns are currently under examination.

MARYLAND COALITION OF FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

Adoption of New Accounting Standards for Leases

Effective July 1, 2022, the Organization adopted the requirements of FASB ASC 842, *Leases* (Topic 842). This new standard establishes a right-of-use (ROU) model that requires a lessee to record an ROU asset and a lease liability in the statements of financial position for all leases with terms longer than 12 months. Leases are classified as finance leases when the Organization expects to consume a major part of the economic benefits of the leased assets over the remaining lease term. Conversely, if the Organization is not expected to consume a major part of the economic benefits of the leased assets, then they are classified as operating leases. The lease classification affects both the pattern and presentation of expense recognized in the statements of activities, the categorization of assets and liabilities in the statements of financial position, and classification of cash flows in the statements of cash flows. Leases with a term of less than 12 months will not be recorded as the ROU asset and lease liability, and the payments will be recognized into profit or loss on a straight-line basis over the lease term.

The Organization elected to adopt FASB ASC 842, *Leases* (Topic 842), by applying the optional transition method, which allows the Organization to initially apply the new lease standard at the adoption date and recognize a cumulative effect adjustment to the opening balance of net assets in the period of adoption. As a result, the Organization's reporting for leases in the prior year (2022) is presented in accordance with the prior historical accounting treatment. The Organization elected to adopt the package of practical expedients available under the transition guidance with the new standard. This package includes the following: relief from determination of lease contracts included in existing or expiring leases at the point of adoption, relief from having to reevaluate the classification of leases in effect at the point of adoption, and relief from reevaluation of existing leases that have initial direct costs associated with the execution of the lease contract. The Organization also elected to adopt the practical expedient to use hindsight to determine the lease term and assess the impairment of the ROU assets.

Total lease cost consists of two components; amortization expense related to the write-off of the ROU assets and interest expense from lease liabilities. For operating leases, total lease cost is measured and recorded on a straight-line basis over the lease term. Lease liabilities are measured and recorded at the present value of future lease payments using a discount rate. Because the Organization generally does not have access to the rate implicit in each lease, lease liabilities are measured using the risk-free rate as the discount rate. ROU assets are generally measured and recorded at the sum of the lease liability, any initial direct costs to consummate the lease, and any lease payments made on or before the commencement date.

MARYLAND COALITION OF FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2023 and 2022

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The adoption of the new standards had no impact on net assets. On July 1, 2022, operating right-to-use asset for office space in the amount of \$50,082 was recorded with an offset to operating lease liability of \$50,082, upon adoption of the new accounting policy for leases. On October 1, 2022, operating right-to-use assets for office spaces in the amounts of \$99,473 and \$34,340 were recorded with an offset to operating lease liabilities of \$97,786 and \$32,852, respectively, upon the commencement of the new leases under the new accounting policy.

NOTE 3 - PROPERTY AND EQUIPMENT

Property and equipment as of June 30 consisted of the following:

	<u>2023</u>	<u>2022</u>
Furniture and equipment	\$ 11,524	\$ 49,632
Leasehold improvements	-	<u>6,398</u>
	<u>11,524</u>	56,030
Less accumulated depreciation	<u>6,930</u>	<u>55,782</u>
Property and equipment, net	<u>\$ 4,594</u>	<u>\$ 248</u>

Total depreciation and amortization expense for the years ended June 30, 2023 and 2022 was \$855 and \$497 respectively.

NOTE 4 - CONDITIONAL GRANTS

The Organization received Federal and State awards and grant agreements which are cost-reimbursable. As of June 30, 2023, grant revenue totaling \$261,921 has not been recognized because qualifying expenditures have not yet been incurred.

NOTE 5 - LEASE COMMITMENTS

In September 2021, the Organization entered in a lease for office space in Salisbury, MD which commenced on November 1, 2021. Base rent is \$11,736 per year, increasing by a factor of 2% per year. The lease is classified as an operating lease and expires in October 2026.

In August 2022, the Organization entered in a lease for office space in Columbia, MD which commenced on October 1, 2022. Base rent is \$20,240 per year, increasing by a factor of 4% per year. The lease is classified as an operating lease and expires in September 2027.

In November 2022, the Organization entered in an amended lease for office space in Waldorf, MD which commenced on October 1, 2022. Base rent is \$15,645 per year, plus condominium association fees totaling \$2,210 per year. The lease is classified as an operating lease and expires in September 2024.

MARYLAND COALITION OF FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2023 and 2022

NOTE 5 - LEASE COMMITMENTS (Continued)

As of June 30, 2023, the right-of-use assets related to the operating leases is as follows:

Right-of-use assets:	
Cost	\$ 183,895
Less: accumulated amortization	<u>(37,306)</u>
Right-of-use assets, net	<u>\$ 146,589</u>

As of June 30, 2023, the liabilities related to the operating lease was as follows:

Liabilities:	
Lease liabilities - current portion	\$ 46,349
Lease liabilities - non-current portion	<u>101,899</u>
Lease liabilities	<u>\$ 148,248</u>

The weighted-average remaining lease terms and weighted-average discount rates for the operating leases as of June 30, 2023 were as follows:

Lease	Weighted-Average Remaining Lease Term	Weighted-Average Discount Rate
Salisbury University	3.33 years	2.88%
Parkridge Plaza	4.25 years	3.90%
Smallwood	1.25 years	4.12%

Future minimum payments for the operating leases for the years ending June 30 are as follows:

2024	\$ 50,833
2025	38,518
2026	35,169
2027	27,685
2028	<u>5,919</u>
Total undiscounted cash flows	158,124
Less: present value discount	<u>(9,876)</u>
Total	<u>\$ 148,248</u>

The Organization records occupancy expense on the straight-line method over the term of the lease and includes cash paid for rent on short term leases plus amortization of the operating leases liability. Occupancy expense for the years ended June 30, 2023 and 2022 was \$110,214 and \$130,734, respectively.

MARYLAND COALITION OF FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2023 and 2022

NOTE 6 - LINE OF CREDIT

On March 16, 2020 the Organization signed an agreement with Sandy Spring Bank for a revolving line of credit with a maximum borrowing limit of \$150,000 available for normal working capital needs. The line of credit is secured by all inventory, equipment and accounts of the Organization and bears interest at the prime rate, however the interest rate on the note would not be less than 4%. The line of credit expired on March 16, 2022. Effective March 9, 2023, the Organization renewed the revolving line of credit with the same borrowing limit of \$150,000 and maturity date of March 16, 2024. The interest rate on the renewed line of credit is a variable rate, which was 7.75% at the effective date of the agreement.

As of June 30, 2023 and 2022, the Organization had no outstanding borrowings against the line of credit.

NOTE 7 - RETIREMENT PLANS

The Organization sponsors a 401(k) plan covering all eligible employees who are at least 21 years old and have completed one year of service. Eligible employees may contribute a percent of their annual compensation on a pre-tax basis, as defined in the plan, to the maximum permitted by the Internal Revenue Code. The Organization makes safe harbor non-elective contributions to eligible participants' accounts in an amount equal to 3% of their annual compensation. The Organization, subject to Board approval, may elect to contribute an additional discretionary amount to participants' accounts.

For the years ended June 30, 2023 and 2022, the Organization made safe harbor non-elective contributions of \$105,826 and \$97,784, respectively. In addition, the Organization made discretionary contributions of 4.4% and 3% of eligible participants' compensation totaling \$169,158 and \$110,000 for the years ended June 30, 2023 and 2022, respectively.

The Organization also sponsors a 457(b) supplemental retirement plan, which covers key employees of the organization.

NOTE 8 – RISKS, CONCENTRATIONS AND CONTINGENCIES

Credit Risk

The Organization maintains its operating cash balances with major financial institutions. At times, these balances may exceed federal insurance limits; however, the Organization has not experienced any losses with respect to the balances in excess of government provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash balances as of June 30, 2023 and 2022.

Support and Revenue

The Organization receives a substantial portion of its revenue from government grants. Thus, its funding is vulnerable to changes in the legislative priorities of federal, state and local governments. For

MARYLAND COALITION OF FAMILIES, INC.
NOTES TO FINANCIAL STATEMENTS
For the years ended June 30, 2023 and 2022

NOTE 8 – RISKS, CONCENTRATIONS AND CONTINGENCIES (Continued)

the years ended June 30, 2023 and 2022 federal grants approximated 22% and 19%, and state and local grants approximated 77% and 81%, respectively of total support and revenues. Approximately 80% of total grants receivable as of June 30, 2023 was due from two government agencies. Approximately 83% of total grants receivable as of June 30, 2022 was due from three government agencies.

Compliance Audits

Revenue from federal, state and local government grants is recognized only to the extent of actual expenses incurred in compliance with the grant agreements. Reimbursed costs are subject to audit and final determination of allowability by the government agencies. Such audits could lead to requests for reimbursement to the government agencies for any expenditures or claims disallowed under the terms of the grant agreements. The amount of expenditures which may be disallowed by the federal agencies cannot be determined at this time, although the Organization expects such amounts, if any, to be insignificant.

NOTE 9 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization maintains a policy of structuring its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Collation could make available its line of credit for current operations, if necessary.

The Organization’s financial assets available within one year for general operations through June 30, 2023 are as follows:

	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 1,424,705	\$ 1,258,785
Grants receivable	<u>988,741</u>	<u>983,674</u>
Total financial assets available within one year	<u>\$ 2,413,446</u>	<u>\$ 2,242,459</u>

NOTE 10 - SUBSEQUENT EVENTS

Subsequent events have been evaluated through November 17, 2023, which is the date the financial statements are available to be issued.

SUPPLEMENTARY INFORMATION

MARYLAND COALITION OF FAMILIES, INC.
SCHEDULE OF BEHAVIORAL HEALTH SYSTEM BALTIMORE
REVENUE AND EXPENSES
For the year ended June 30, 2023

	Parent Peer Support, 2023-MA001-FN- MCFM
Revenue	<u><u>\$ 104,355</u></u>
Expenses:	
Employee Benefits	\$ 17,042
Indirect	8,117
Office Supplies and Expense	272
Payroll Expenses	64,311
Postage and Delivery	11
Professional Development	546
Program Expense	4,472
Rent	6,528
Telephone	482
Website/Computer Support	2,574
	<u><u>\$ 104,355</u></u>

MARYLAND COALITION OF FAMILIES, INC.
SCHEDULE OF ANNE ARUNDEL COUNTY MENTAL HEALTH AGENCY, INC
REVENUE AND EXPENSES
For the year ended June 30, 2023

	Family Peer Support & Navigation MH 353 CSA	Family to Family Peer Support MH 353 CSA	Mental Health Family Peer Support BH 290 MCS	Mental Health Family Peer Support BH 025 MAR	Young Adult Consumer Program MH 353 CSA	TOTAL
Revenue	<u>\$ 1,907,132</u>	<u>\$ 1,885,361</u>	<u>\$ 608,695</u>	<u>\$ 302,795</u>	<u>\$ 129,951</u>	<u>\$ 4,833,934</u>
Expenses:						
Consulting	\$ 56,236	\$ 57,086	\$ 5,076	\$ -	\$ -	\$ 118,398
Contributions and Sponsorships	2,390	-	-	-	-	2,390
Dues and Subscriptions	245	-	-	-	-	245
Employee Benefits	299,218	270,726	98,475	50,150	21,769	740,338
Indirect	173,376	174,375	63,383	27,527	11,814	450,475
Office Supplies and Expense	14,311	9,469	2,116	1,897	484	28,277
Payroll Expenses	1,140,112	1,032,595	371,604	189,247	82,149	2,815,707
Payroll Processing	5,169	4,836	2,366	1,014	-	13,385
Postage and Delivery	4,196	2,517	642	135	85	7,575
Professional Development	20,769	22,705	5,265	4,124	254	53,117
Program Expense	50,118	180,963	24,365	11,477	4,353	271,276
Rent	36,945	32,112	-	-	1,113	70,170
Telephone	19,527	18,604	6,056	2,293	1,322	47,802
Travel	32,946	21,002	7,682	5,761	270	67,661
Utilities	655	-	-	-	-	655
Website/Computer Support	50,919	58,371	21,665	9,170	6,338	146,463
	<u>\$ 1,907,132</u>	<u>\$ 1,885,361</u>	<u>\$ 608,695</u>	<u>\$ 302,795</u>	<u>\$ 129,951</u>	<u>\$ 4,833,934</u>

MARYLAND COALITION OF FAMILIES, INC.
SCHEDULE OF MARYLAND STATE DEPARTMENT OF HUMAN SERVICES
REVENUE AND EXPENSES
For the year ended June 30, 2023

	Caregiver and Family Engagement SSA/OI-22-004
Revenue	\$ 330,324
Expenses:	
Employee Benefits	\$ 55,340
Indirect	30,330
Office Supplies and Expense	1,761
Payroll Expenses	210,637
Postage and Delivery	369
Professional Development	2,764
Professional Fees	950
Program Expense	11,414
Travel	2,999
Telephone	3,301
Website/Computer Support	10,759
	\$ 330,624

MARYLAND COALITION OF FAMILIES, INC.
SCHEDULE OF MARYLAND STATE DEPARTMENT OF EDUCATION
REVENUE AND EXPENSES
For the year ended June 30, 2023

	Promoting Positive Outcomes for Infant and Toddlers, 221673	Promoting Positive Outcomes for Infant and Toddlers, 230687	TOTAL
Revenue	\$ 100,175	\$ 59,347	\$ 159,522
Expenses:			
Consulting	\$ 22,800	\$ -	\$ 22,800
Employee Benefits	13,193	9,499	22,692
Indirect	9,106	5,396	14,502
Office Supplies and Expense	222	367	589
Payroll Expenses	48,741	35,846	84,587
Payroll Processing	470	-	470
Postage and Delivery	146	31	177
Professional Development	318	220	538
Program Expense	640	6,151	6,791
Telephone	887	542	1,429
Travel	632	916	1,548
Website/Computer Support	3,020	379	3,399
	<u>\$ 100,175</u>	<u>\$ 59,347</u>	<u>\$ 159,522</u>

MARYLAND COALITION OF FAMILIES, INC.
SCHEDULE OF MARYLAND STATE EMERGENCY MANAGEMENT AGENCY -
OPIOID OPERATIONAL COMMAND CENTER REVENUE AND EXPENSES
For the year ended June 30, 2023

	<u>Substance Use Family Navigation Outreach Program</u>
Revenue	\$ 118,688
Expenses:	
Employee Benefits	\$ 20,668
Indirect	10,790
Office Supplies and Expense	407
Payroll Expenses	77,994
Payroll Processing	523
Postage and Delivery	30
Professional Development	450
Program Expense	1,951
Telephone	685
Travel	952
Website/Computer Support	4,238
	<u>\$ 118,688</u>