

**DISABILITY RIGHTS MICHIGAN
AND SUPPORTING ORGANIZATION**

**REPORT ON CONSOLIDATED
FINANCIAL STATEMENTS
(with supplementary information)**

YEARS ENDED SEPTEMBER 30, 2024 AND 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Disability Rights Michigan and Supporting Organization

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Disability Rights Michigan and Supporting Organization (a nonprofit Organization), which comprise the consolidated statements of financial position as of September 30, 2024 and 2023, and the related consolidated statements of activities, functional expenses, change in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Disability Rights Michigan and Supporting Organization as of September 30, 2024 and 2023, and the changes in their net assets and their 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 audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Disability Rights Michigan and Supporting Organization and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Disability Rights Michigan and Supporting Organization's ability to continue as a going concern within one year after the date that the consolidated 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 consolidated 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 Disability Rights Michigan and Supporting 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 consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Disability Rights Michigan and Supporting 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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information, as identified in the table of contents and the accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the consolidated 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information, as identified in the table of contents and the accompanying schedule of expenditures of federal awards is fairly stated in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2025 on our consideration of Disability Rights Michigan and Supporting Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Disability Rights Michigan and Supporting Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Disability Rights Michigan and Supporting Organization's internal control over financial reporting and compliance.

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January 14, 2025

**DISABILITY RIGHTS MICHIGAN
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2024 AND 2023**

	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	\$ 466,146	\$ 546,062
Investments	1,138,000	938,000
Grants and contracts receivable		
Federal	483,489	303,223
State and other	14,837	102,799
Prepaid expenses	49,074	72,703
Total current assets	2,151,546	1,962,787
Property and equipment, net of accumulated depreciation	1,852,382	1,905,149
TOTAL ASSETS	\$ 4,003,928	\$ 3,867,936
LIABILITIES AND NET ASSETS		
LIABILITIES		
Current liabilities		
Accounts payable	\$ 46,513	\$ 61,143
Refundable advances	789,465	775,492
Accrued payroll and related	219,997	177,673
Note payable, current portion	61,324	58,268
Total current liabilities	1,117,299	1,072,576
Note payable, less current portion	1,284,911	1,346,225
TOTAL LIABILITIES	2,402,210	2,418,801
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Undesignated	958,854	910,773
Designated	642,864	538,362
TOTAL NET ASSETS	1,601,718	1,449,135
TOTAL LIABILITIES AND NET ASSETS	\$ 4,003,928	\$ 3,867,936

See notes to financial statements.

**DISABILITY RIGHTS MICHIGAN
CONSOLIDATED STATEMENTS OF ACTIVITIES
YEARS ENDED SEPTEMBER 30, 2024 AND 2023**

	2024	2023
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS		
REVENUES		
Federal grants	\$ 5,990,280	\$ 5,868,806
State grants	194,400	676,701
Other	76,548	47,347
TOTAL REVENUES	6,261,228	6,592,854
EXPENSES		
Program services		
Developmental Disabilities Basic Support and Advocacy Grants	909,370	852,236
COVID-19 Expanding the Public Health Workforce Within Network	26,260	38,884
COVID-19 Vaccination for Underserved Populations	813,896	1,124,598
Protection and Advocacy for Individuals with Mental Illness	939,088	831,406
COVID-19 and Influenza Vaccine Uptake Initiative for Older Adults and People with Disabilities	68,766	-
State Grants for Protection and Advocacy Services	134,530	131,409
Voting Access for Individuals with Disabilities - Grants for Protection and Advocacy Systems	138,458	139,855
ACL Assistive Technology State Grants for Protection and Advocacy	124,848	154,801
ACL National Institute on Disability, Independent Living, and Rehabilitation Research	22,081	20,701
Protection and Advocacy of Individual Rights	593,609	432,281
Rehabilitation Services Client Assistance Program	318,689	283,012
Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries	227,060	190,383
Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries - Rep Payee Review Project	835,165	857,703
Advocacy for Developmental Disabilities/Mental Illness	174,817	163,589
COVID-19 Response Support Program	-	433,724
Other	150,530	122,646
Total program services	5,477,167	5,777,228
Supporting services		
Management and general	625,032	663,345
Fundraising	6,446	11,097
Total supporting services	631,478	674,442
TOTAL EXPENSES	6,108,645	6,451,670
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS	152,583	141,184
NET ASSETS, beginning of year	1,449,135	1,307,951
NET ASSETS, end of year	\$ 1,601,718	\$ 1,449,135

See notes to financial statements.

DISABILITY RIGHTS MICHIGAN
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	2024					2023				
	Total Program Services	Supporting Services			Total	Total Program Services	Supporting Services			Total
		Management and General	Fundraising	Total Supporting Services			Management and General	Fundraising	Total Supporting Services	
Salaries	\$ 3,131,080	\$ 340,007	\$ 2,953	\$ 342,960	\$ 3,474,040	\$ 3,058,413	\$ 322,649	\$ 6,650	\$ 329,299	\$ 3,387,712
Fringe benefits	762,642	76,957	1,034	77,991	840,633	746,449	90,358	2,327	92,685	839,134
Payroll taxes	230,112	24,590	224	24,814	254,926	223,354	23,554	505	24,059	247,413
Contracted services	578,890	109,411	-	109,411	688,301	985,411	140,775	-	140,775	1,126,186
Conferences, meetings, and travel	163,178	13,035	-	13,035	176,213	155,690	4,466	-	4,466	160,156
Occupancy/utilities	109,408	996	-	996	110,404	97,608	-	-	-	97,608
Repairs and maintenance	127,799	5,262	-	5,262	133,061	47,245	2,060	-	2,060	49,305
Supplies and miscellaneous	79,285	29,422	1,139	30,561	109,846	141,329	46,867	562	47,429	188,758
Printing	14,350	-	140	140	14,490	21,487	2,449	173	2,622	24,109
Telephone	39,492	2,204	-	2,204	41,696	47,512	6,464	-	6,464	53,976
Postage	12,558	1,180	333	1,513	14,071	13,465	942	201	1,143	14,608
Publications	27,732	-	-	-	27,732	25,482	211	-	211	25,693
Insurance and organizational expenses	76,718	2,482	623	3,105	79,823	79,897	2,818	679	3,497	83,394
Computer services	18,536	5,568	-	5,568	24,104	28,100	5,771	-	5,771	33,871
Interest	59,884	6,654	-	6,654	66,538	62,186	6,910	-	6,910	69,096
Depreciation	45,503	7,264	-	7,264	52,767	43,600	7,051	-	7,051	50,651
TOTAL DIRECT EXPENSES	\$ 5,477,167	\$ 625,032	\$ 6,446	\$ 631,478	\$ 6,108,645	\$ 5,777,228	\$ 663,345	\$ 11,097	\$ 674,442	\$ 6,451,670
Total direct expenses	\$ 5,477,167	\$ 625,032	\$ 6,446	\$ 631,478	\$ 6,108,645	\$ 5,777,228	\$ 663,345	\$ 11,097	\$ 674,442	\$ 6,451,670
Indirect costs charged	622,249	(622,971)	722	(622,249)	-	658,829	(660,072)	1,243	(658,829)	-
TOTAL EXPENSES	\$ 6,099,416	\$ 2,061	\$ 7,168	\$ 9,229	\$ 6,108,645	\$ 6,436,057	\$ 3,273	\$ 12,340	\$ 15,613	\$ 6,451,670

See notes to financial statements.

DISABILITY RIGHTS MICHIGAN
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
WITH CONSOLIDATING INFORMATION
YEAR ENDED SEPTEMBER 30, 2024

	Program Services Department of Health and Human Services								
	Developmental Disabilities Basic Support and Advocacy Grants ALN 93.630	COVID-19 Expanding the Public Health Workforce within Network ALN 93.630	COVID-19 Vaccination for Underserved Populations ALN 93.268	COVID-19 and Influenza Initiative for Older Adults and People with Disabilities ALN 93.048	Protection and Advocacy for Individuals with Mental Illness ALN 93.138	Protection and Advocacy for Traumatic Brain Injury ALN 93.873	Voting Access for Individuals with Disabilities - Grants for Protection and Advocacy Systems ALN 93.618	ACL Assistive Technology Grants for Protection and Advocacy ALN 93.843	ACL National Institute on Disability, Independent Living, and Rehabilitation Research ALN 93.433
Salaries	\$ 606,398	\$ 3,388	\$ 249,359	\$ 1,846	\$ 630,329	\$ 76,167	\$ 80,949	\$ 85,599	\$ 6,832
Fringe benefits	146,112	534	61,036	578	151,796	18,338	19,480	20,620	2,391
Payroll taxes	44,046	130	18,511	135	46,535	5,586	6,058	6,350	519
Contracted services	26,004	22,208	312,607	53,923	27,890	24,494	14,626	2,087	6,781
Conferences, meetings, and travel	13,406	-	39,187	-	17,193	1,517	3,721	2,418	5,187
Occupancy/utilities	19,803	-	14,435	-	23,013	3,225	4,330	3,073	-
Repairs and maintenance	950	-	75,388	-	1,242	73	34	136	-
Supplies and miscellaneous	4,244	-	32,026	12,284	6,430	507	1,872	547	366
Printing	675	-	1,960	-	1,254	108	4,374	114	-
Telephone	6,351	-	3,984	-	6,836	899	706	794	-
Postage	1,852	-	-	-	2,362	192	260	320	5
Publications	15,552	-	-	-	3,635	245	8	182	-
Insurance and organizational expenses	17,287	-	5,403	-	17,406	2,989	1,851	2,420	-
Computer services	6,690	-	-	-	3,167	190	189	188	-
Interest	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
TOTAL DIRECT EXPENSES	\$ 909,370	\$ 26,260	\$ 813,896	\$ 68,766	\$ 939,088	\$ 134,530	\$ 138,458	\$ 124,848	\$ 22,081
Total direct expenses	\$ 909,370	\$ 26,260	\$ 813,896	\$ 68,766	\$ 939,088	\$ 134,530	\$ 138,458	\$ 124,848	\$ 22,081
Indirect costs charged	107,311	2,193	93,440	7,708	110,604	15,677	16,215	14,726	2,472
TOTAL EXPENSES	1,016,681	28,453	907,336	76,474	1,049,692	150,207	154,673	139,574	24,553
Expenses eliminated in consolidation	48,735	-	20,428	-	48,462	5,465	6,326	6,621	-
Total expenditures before eliminations	\$ 1,065,416	\$ 28,453	\$ 927,764	\$ 76,474	\$ 1,098,154	\$ 155,672	\$ 160,999	\$ 146,195	\$ 24,553

See notes to financial statements.

Program Services						
Department of Education	Social Security Administration		State of Michigan			
Protection and Advocacy of Individual Rights ALN 84.240A	Rehabilitation Services Client Assistance Program ALN 84.161A	Incentives Assistance to Disabled Beneficiaries ALN 96.009	Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries - Rep Payee Review Project ALN 96.009	Advocacy for Developmental Disabilities/ Mental Illness	Other	Total Program Services
\$ 365,038	\$ 213,539	\$ 152,241	\$ 534,982	\$ 124,413	\$ -	\$ 3,131,080
87,883	51,407	36,689	128,778	37,000	-	762,642
27,242	15,664	11,280	39,056	9,000	-	230,112
58,873	6,920	5,664	16,813	-	-	578,890
6,944	7,324	5,266	61,015	-	-	163,178
14,057	7,298	5,492	14,682	-	-	109,408
743	472	399	346	3,166	44,850	127,799
2,528	4,035	2,712	11,734	-	-	79,285
494	2,892	678	1,801	-	-	14,350
4,442	2,156	1,550	11,774	-	-	39,492
1,248	499	274	4,308	1,238	-	12,558
7,062	517	480	51	-	-	27,732
9,705	5,523	4,016	9,825	-	293	76,718
7,350	443	319	-	-	-	18,536
-	-	-	-	-	59,884	59,884
-	-	-	-	-	45,503	45,503
<u>\$ 593,609</u>	<u>\$ 318,689</u>	<u>\$ 227,060</u>	<u>\$ 835,165</u>	<u>\$ 174,817</u>	<u>\$ 150,530</u>	<u>\$ 5,477,167</u>
\$ 593,609	\$ 318,689	\$ 227,060	\$ 835,165	\$ 174,817	\$ 150,530	\$ 5,477,167
69,554	37,578	26,753	98,435	19,583	-	622,249
663,163	356,267	253,813	933,600	194,400	150,530	6,099,416
27,422	16,839	11,788	43,708	-	-	235,794
<u>\$ 690,585</u>	<u>\$ 373,106</u>	<u>\$ 265,601</u>	<u>\$ 977,308</u>	<u>\$ 194,400</u>	<u>\$ 150,530</u>	<u>\$ 6,335,210</u>

DISABILITY RIGHTS MICHIGAN
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
WITH CONSOLIDATING INFORMATION
YEAR ENDED SEPTEMBER 30, 2023

	Program Services							
	Department of Health and Human Services							
	Developmental Disabilities Basic Support and Advocacy Grants ALN 93.630	COVID-19 Expanding the Public Health Workforce within Network ALN 93.630	COVID-19 Vaccination for Underserved Populations ALN 93.268	Protection and Advocacy for Individuals with Mental Illness ALN 93.138	Protection and Advocacy for Traumatic Brain Injury ALN 93.873	Voting Access for Individuals with Disabilities - Grants for Protection and Advocacy Systems ALN 93.618	ACL Assistive Technology Grants for Protection and Advocacy ALN 93.843	ACL National Institute on Disability, Independent Living, and Rehabilitation Research ALN 93.433
Salaries	\$ 517,419	\$ 14,148	\$ 414,214	\$ 569,278	\$ 69,682	\$ 82,385	\$ 105,663	\$ 5,590
Fringe benefits	124,761	3,593	101,911	137,392	16,176	19,799	25,722	1,957
Payroll taxes	37,657	967	29,886	41,003	4,941	6,061	7,752	425
Contracted services	69,557	19,444	366,406	11,812	34,805	11,376	1,584	6,425
Conferences, meetings, and travel	12,032	-	39,404	12,420	679	9,314	869	5,099
Occupancy/utilities	18,948	732	9,620	18,762	1,646	4,002	6,364	-
Repairs and maintenance	973	-	26,830	684	31	823	30	-
Supplies and miscellaneous	4,995	-	114,115	4,768	365	682	2,162	496
Printing	2,351	-	6,298	2,495	271	267	381	538
Telephone	8,947	-	6,456	7,857	726	2,043	1,294	-
Postage	1,835	-	-	1,557	156	208	293	15
Publications	12,359	-	-	3,885	161	15	500	-
Insurance and organizational expenses	20,218	-	9,458	17,723	1,609	2,629	1,882	-
Computer services	20,184	-	-	1,770	161	251	305	156
Interest	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-
TOTAL DIRECT EXPENSES	\$ 852,236	\$ 38,884	\$ 1,124,598	\$ 831,406	\$ 131,409	\$ 139,855	\$ 154,801	\$ 20,701
Total direct expenses	\$ 852,236	\$ 38,884	\$ 1,124,598	\$ 831,406	\$ 131,409	\$ 139,855	\$ 154,801	\$ 20,701
Indirect costs charged	99,645	4,354	129,567	97,913	15,389	16,318	18,195	2,299
TOTAL EXPENSES	951,881	43,238	1,254,165	929,319	146,798	156,173	172,996	23,000
Expenses eliminated in consolidation	37,452	-	32,269	42,820	5,914	5,830	7,689	-
Total expenditures before elimination	\$ 989,333	\$ 43,238	\$ 1,286,434	\$ 972,139	\$ 152,712	\$ 162,003	\$ 180,685	\$ 23,000

See notes to financial statements.

Program Services							
Department of Education		Social Security Administration		State of Michigan			
Protection and Advocacy of Individual Rights ALN 84.240A	Rehabilitation Services Client Assistance Program ALN 84.161A	Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries - Rep Payee Review Project ALN 96.009	Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries - Rep Payee Review Project ALN 96.009	Advocacy for Developmental Disabilities/ Mental Illness	COVID-19 Response Support Program	Other	Total Program Services
\$ 288,036	\$ 190,761	\$ 131,484	\$ 555,113	\$ 114,640	\$ -	\$ -	\$ 3,058,413
69,423	45,092	31,525	133,101	35,997	-	-	746,449
20,897	14,353	9,764	40,935	8,713	-	-	223,354
13,622	2,547	1,659	12,474	-	433,700	-	985,411
2,773	6,635	2,637	63,828	-	-	-	155,690
10,222	7,234	4,846	14,878	354	-	-	97,608
462	73	30	95	354	-	16,860	47,245
2,462	1,169	878	9,237	-	-	-	141,329
1,091	3,909	1,766	2,096	-	24	-	21,487
4,273	2,244	1,527	10,300	1,845	-	-	47,512
842	784	203	5,886	1,686	-	-	13,465
7,488	262	780	32	-	-	-	25,482
9,056	4,639	2,955	9,728	-	-	-	79,897
1,634	3,310	329	-	-	-	-	28,100
-	-	-	-	-	-	62,186	62,186
-	-	-	-	-	-	43,600	43,600
<u>\$ 432,281</u>	<u>\$ 283,012</u>	<u>\$ 190,383</u>	<u>\$ 857,703</u>	<u>\$ 163,589</u>	<u>\$ 433,724</u>	<u>\$ 122,646</u>	<u>\$ 5,777,228</u>
\$ 432,281	\$ 283,012	\$ 190,383	\$ 857,703	\$ 163,589	\$ 433,724	\$ 122,646	\$ 5,777,228
50,781	33,323	22,443	100,860	19,165	48,577	-	658,829
483,062	316,335	212,826	958,563	182,754	482,301	122,646	6,436,057
21,151	14,488	10,019	42,818	11,646	-	-	232,096
<u>\$ 504,213</u>	<u>\$ 330,823</u>	<u>\$ 222,845</u>	<u>\$ 1,001,381</u>	<u>\$ 194,400</u>	<u>\$ 482,301</u>	<u>\$ 122,646</u>	<u>\$ 6,668,153</u>

See notes to financial statements.

DISABILITY RIGHTS MICHIGAN
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	Without Donor Restrictions		
	Undesignated	Designated	Total
BALANCE, October 1, 2022	\$ 883,873	\$ 424,078	\$ 1,307,951
Change in net assets	26,900	114,284	141,184
BALANCE, September 30, 2023	910,773	538,362	1,449,135
Change in net assets	48,081	104,502	152,583
BALANCE, September 30, 2024	\$ 958,854	\$ 642,864	\$ 1,601,718

See notes to financial statements.

DISABILITY RIGHTS MICHIGAN
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		
Cash flows from operating activities		
Change in net assets	<u>\$ 152,583</u>	<u>\$ 141,184</u>
Adjustments to reconcile changes in net assets to net cash provided (used) by operating activities		
Depreciation	52,767	50,651
Grants and contracts receivable	(92,304)	197,155
Prepaid expenses	23,629	(19,625)
Accounts payable	(14,630)	(49,028)
Refundable advances	13,973	172,504
Accrued payroll and related	<u>42,324</u>	<u>(28,552)</u>
Total adjustments	<u>25,759</u>	<u>323,105</u>
Net cash provided by operating activities	<u>178,342</u>	<u>464,289</u>
Cash flows from investing activities		
Purchase of property and equipment	-	(50,769)
Purchase of investments	<u>(200,000)</u>	<u>(380,000)</u>
Net cash used by investing activities	<u>(200,000)</u>	<u>(430,769)</u>
Cash flows from financing activities		
Repayments on note payable	<u>(58,258)</u>	<u>(55,891)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(79,916)	(22,371)
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>546,062</u>	<u>568,433</u>
End of year	<u>\$ 466,146</u>	<u>\$ 546,062</u>
SUPPLEMENTAL DISCLOSURE		
Interest paid	<u>\$ 66,538</u>	<u>\$ 69,096</u>

See notes to financial statements.

**DISABILITY RIGHTS MICHIGAN
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Disability Rights Michigan and Supporting Organization's (hereinafter referred to as "Organization") financial statements have been prepared on the accrual basis of accounting, which recognizes income when earned and expenses when incurred.

Principles of Consolidation

The consolidated financial statements include the accounts of Disability Rights Michigan and DRM Supporting Corporation. Disability Rights Michigan is the sole member of the DRM Supporting Corporation. All material intercompany transactions have been eliminated in consolidation.

Cash Equivalents

Cash and cash equivalents consist of cash accounts and money market funds. Cash held by investment managers are considered investment rather than cash equivalent.

Investments

The only investments held by the Organization are certificates of deposit, which are recorded at cost.

Grants and Contracts Receivable

The Organization's grants and contracts are comprised primarily of receivables from federal and nonfederal granting agencies. Management feels no allowance for doubtful accounts is considered necessary based on historical trends. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

The Organization evaluates contract terms and conditions, economic and industry risk, or third party credit worthiness, and may require prepayment to mitigate the risk of loss. Specific allowance amounts are established to record the appropriate provision for third parties that have a higher probability of default. The Organization monitors changes to the receivables balance on a timely basis, and balance are written off as they are determined to be uncollectible after all collection efforts have been exhausted. See Note 2 regarding concentrations of credit risk.

Equipment

Assets are recorded at cost and are depreciated over their estimated useful lives using the straight-line method. Costs of maintenance and repairs are charged to expense when incurred. Equipment with a cost of \$10,000 or more and a useful life of more than one year are capitalized.

DISABILITY RIGHTS MICHIGAN
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Equipment (continued)

Equipment acquired with federal funds and recorded in the consolidated financial statements remain vested in the federal government. The Organization must maintain an inventory listing of its federally owned property. When the property is no longer needed, the Organization shall report the property to the federal sponsoring agency for further utilization. For both years ended September 30, 2024 and 2023, the net value of the property and equipment acquired with federal funds was \$0.

Refundable Advances

The Organization records grant receipts as unearned revenue until they are expended for the purpose of the grant, at which time they are recognized as revenue.

Revenue Recognition

Grants and contracts revenue result from agreements, typically with government agencies, corporations, or individuals that fund specific activities for the Organization. The grants and contracts are primarily conditional contributions. An agreement is a conditional contribution if its primary purpose is to enable the Organization to provide a service to, or maintain a facility for, the direct benefit of the people served or the general public rather than to serve the direct needs of the granting or contracting party. In other words, the agreement is a conditional contribution if any benefit to the granting or contracting party is indirect and insubstantial as compared to the public benefit. In contrast, if the grant or contract provides a benefit directly to the granting or contracting party, the agreement is a contract with a customer.

Contributions of cash and other assets received without donor stipulations are reported as revenue and net assets without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenue and net assets with donor restrictions. When a donor-stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Contributions for which donor imposed conditions and restrictions are met in the same reporting period are reported as support without donor restrictions.

Unconditional contributions expected to be collected within one year are reported at their net realizable value. Unconditional contributions expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized using the level-yield method and is reported as contribution revenue.

Conditional contributions depend on the occurrence of a specified future and uncertain event to bind the donor and are recognized as assets and revenue when the conditions are substantially met, and the gift becomes unconditional.

**DISABILITY RIGHTS MICHIGAN
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets without Donor Restrictions - Net assets available for use in general operations and not subject to donor or grantor restrictions. Net assets without donor restriction as of September 30 consist of the following:

	2024	2023
Undesignated	\$ 958,854	\$ 910,773
Designated		
Disability Rights of Michigan Support Corp.	642,864	536,154
Equipment fund	-	2,208
	642,864	538,362
	\$ 1,601,718	\$ 1,449,135

Net Assets with Donor Restrictions - Net assets subject to donor (or grantor) imposed restrictions. Some donor restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates that resources are maintained in perpetuity. Gifts of long-lived assets and gifts of cash restricted for the acquisition of long-lived assets are recognized as revenue when the assets are placed in service. Donor restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, or when the stipulated purpose has been accomplished. The Organization had no net assets with donor restrictions as of September 30, 2024 and 2023.

Functional Allocation of Expenses

The costs of providing program and other activities have been reported in the consolidated statement of activities. The consolidated statements of functional expenses present the natural classification of expenses that are allocated to program or supporting functions of the Organization. Allocated expenses primarily consist of payroll and related, professional fees, and general expenses based on salary and wage analysis and management’s estimated use of resources.

NOTE 2 - ORGANIZATION STRUCTURE, RISKS, AND UNCERTAINTIES

Disability Rights Michigan is organized as a nonprofit corporation under provisions of Section 501(c)(3) of the Internal Revenue Code, and as such is not subject to income taxes. The Organization’s primary purpose is to provide services for the protection and advocacy of the rights of persons with disabilities in the state of Michigan in the form of legal services, systemic advocacy, technical assistance, information and referral.

DISABILITY RIGHTS MICHIGAN
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - ORGANIZATION STRUCTURE, RISKS, AND UNCERTAINTIES (continued)

DRM Supporting Corporation is organized as a nonprofit corporation under provisions of Section 501(c)(3) of the Internal Revenue Code, and as such is not subject to income taxes. The purpose of this entity was to take title of the property that houses the Organization's advocacy programs and administrative offices. Disability Rights Michigan is the sole member.

Program expenses relate to the aforementioned mission and are described as follows:

Developmental Disabilities Basic Support and Advocacy Grants Program focuses on advocacy to promote individuals with developmental disabilities to become independent, productive, integrated and included in their communities. Funding is used in the development of a plan for a comprehensive and coordinated system of services and other activities to enhance the lives of individuals with developmental disabilities and their families to achieve their maximum potential, and to support a system which protects the legal and human rights of individuals with developmental disabilities.

COVID-19 Expanding the Public Health Workforce Within Network works to disseminate credible information about COVID-19 vaccines and help direct those with questions to additional source of information. Funding is used to cover the costs of staff to conduct crucial public health activities with the intent to increase the public health workforce.

COVID-19 Vaccination for Underserved Populations is aimed to improve understanding of populations disproportionately affected by COVID-19 and barriers to vaccination access and uptake.

COVID-19 and Influenza Vaccine Uptake Initiative for Older Adults and People with Disabilities is aimed to improve understanding of populations disproportionately affected by COVID-19 and barriers to vaccination access and uptake.

Protection and Advocacy for Individuals with Mental Illness Program is dedicated to protecting and advocating for the rights of individuals with mental illness, investigating incidents of abuse and neglect of individuals with mental illness, and investigating incidents of serious injury and deaths in public and private care and treatment facilities and non-medical community-based facilities for children and youth.

State Grants for Protection and Advocacy Services Program works to establish systems to provide services to individuals with traumatic brain injury which may include the provision of information, referrals, and advocacy of individuals or families, legal representation, and specific assistance in self-advocacy.

Voting Access for Individuals with Disabilities - Grants for Protection and Advocacy Systems Program focuses on ensuring full participation in the electoral process for individuals with disabilities by providing education, training, and assistance to individuals with disabilities that will promote their participation in the electoral process. The program also participates in advocacy and education efforts related to program implementation efforts in their state, as well as the training and education of election officials, poll workers, and election volunteers regarding the rights of the voters with disabilities and best practices in working with individuals with disabilities.

ACL Assistive Technology State Grants for Protection and Advocacy Program provides protection and advocacy services for the purpose of assisting in the acquisition, utilization, or maintenance of assistive technology or assistive technology services for individuals with disabilities.

**DISABILITY RIGHTS MICHIGAN
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

NOTE 2 - ORGANIZATION STRUCTURE, RISKS, AND UNCERTAINTIES (continued)

ACL National Institute on Disability, Independent Living, and Rehabilitation Research Program works to support and coordinate research and its utilization in order to improve the lives of people of all ages with physical and mental disabilities.

Protection and Advocacy of Individual Rights Program works to provide support systems for protection and advocacy for the rights of individuals with disabilities who are ineligible for advocacy services from the other protection and advocacy programs or whose problems fall outside the scope of services available from the Client Assistance Program.

Rehabilitation Services Client Assistance Program provides assistance in informing and advising clients and client applicants of available benefits under the Rehabilitation Act, to assist and advocate for clients and client applicants in their relationships with projects, programs and services provided under this Act, including assistance and advocacy in pursuing legal, administrative and other appropriate remedies, and to provide information on available services under the Act and Title I of the Americans with Disabilities Act to any individual with disabilities in the state.

Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries Program works to comply with the Ticket-to-Work and Work Incentives Improvement Act legislation passed in December 1999, permitting the SSA to make payments to each state to the protection and advocacy system established for the purpose of providing services to beneficiaries with disabilities who want to work.

Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries - Rep Payee Review Project Program performs site reviews for individuals receiving Social Security benefits in order to mitigate the risk of fraud, financial misuse, neglect or abuse to the intended beneficiaries by the representative payees.

Advocacy for Developmental Disabilities/Mental Illness Program supplements protection and advocacy services for persons with developmental disabilities and persons labeled as mentally ill.

COVID-19 Response Support Program is used to identify people who may need help getting a COVID-19 vaccination, help with scheduling the vaccination, providing transportation to COVID-19 vaccine sites, and providing technical assistance to local health departments on vaccine accessibility. Coordinate with other grant partners and communities to plan, advertise, and conduct local vaccine events and arrange home based vaccinations.

The Organization is required to disclose concentrations of credit risk regardless of the degree of such risk. Financial instruments, which potentially subject the Organization to concentrations of credit risk, consist primarily of cash and cash equivalents. The Organization's cash and cash equivalents is deposited with FDIC insured financial institutions. Although such cash balances may exceed federally insured limits at certain times during the year, and at year-end, they are, in the opinion of management, subject to minimal risk.

The process of preparing consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the consolidated financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

DISABILITY RIGHTS MICHIGAN
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 2 - ORGANIZATION STRUCTURE, RISKS, AND UNCERTAINTIES (continued)

As of September 30, 2024 and 2023, the Organization received approximately 56% and 62% of its revenues from the U.S. Department of Health and Human Services, approximately 19% and 15% of its revenues from the U.S. Department of Education, and approximately 20% and 19% of its revenues from the U.S. Social Security Administration, respectively. The U.S. Department of Health and Human Services also constitutes approximately 47%, and 58% of the Organization’s receivable balance as of September 30, 2024 and 2023, respectively.

In the preparation of tax returns, tax positions are taken based on interpretation of federal, state, and local income tax laws. Management periodically reviews and evaluates the status of uncertain tax positions and makes estimates of amounts, including interest and penalties, ultimately due or owed. No amounts have been identified, or recorded, as uncertain tax positions. Federal, state, and local tax returns generally remain open for examination by the various taxing authorities for a period of three to four years.

The Organization evaluates events and transactions that occur after year end for potential recognition or disclosure in the consolidated financial statements. As of January 14, 2025, which is the date the consolidated financial statements were available to be issued, there were no subsequent events which required recognition or disclosure.

NOTE 3 - LIQUIDITY AND AVAILABILITY

The Organization regularly monitors the availability of resources required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Organization considers all expenditures related to its ongoing program service activities as well as the conduct of services undertaken to support those activities to be general expenditures.

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the date of the consolidated statement of financial position, comprise the following at September 30, 2024 and 2023.

	2024	2023
Cash and cash equivalents	\$ 466,146	\$ 546,062
Investments	1,138,000	938,000
Grants and contracts receivable	498,326	406,022
Total financial assets	2,102,472	1,890,084
Less contractual or donor- imposed restrictions		
Refundable advances	(789,465)	(775,492)
Less reserves and board designations	(642,864)	(538,362)
Financial assets available to meet cash needs for general expenditures within one year	\$ 670,143	\$ 576,230

In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures.

DISABILITY RIGHTS MICHIGAN
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 - GRANTS AND CONTRACTS RECEIVABLE

Grants and contracts receivable at September 30 consisted of the following:

	<u>2024</u>	<u>2023</u>
U.S. Department of Human Services	\$ 254,588	\$ 176,990
U.S. Department of Education	97,539	37,146
Social Security Administration	<u>131,362</u>	<u>89,087</u>
Total federal	<u>483,489</u>	<u>303,223</u>
Michigan Department of Community Health	14,837	15,336
Michigan Public Health Institute	-	87,294
Other	<u>-</u>	<u>169</u>
Total state and other	<u>14,837</u>	<u>102,799</u>
Total receivables	<u>\$ 498,326</u>	<u>\$ 406,022</u>

NOTE 5 - PROPERTY AND EQUIPMENT

The cost of property and equipment at September 30 consists of the following:

	<u>Years of Useful Life</u>	<u>2024</u>	<u>2023</u>
Land		\$ 165,600	\$ 165,600
Buildings and improvements	20 - 40	1,906,169	1,906,169
Equipment	3 - 7	<u>179,026</u>	<u>179,026</u>
		2,250,795	2,250,795
Less accumulated depreciation		<u>(398,413)</u>	<u>(345,646)</u>
		<u>\$ 1,852,382</u>	<u>\$ 1,905,149</u>
Depreciation expense		<u>\$ 52,767</u>	<u>\$ 50,651</u>

DISABILITY RIGHTS MICHIGAN
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6 - REFUNDABLE ADVANCES

Refundable advances at September 30 consisted of the following:

	2024	2023
Developmental Disabilities Basic Support and Advocacy Grants	\$ 412,582	\$ 394,070
Protection and Advocacy for Individuals with Mental Illness	164,169	157,970
Client Assistance Program	34,178	34,178
Assistive Technology	68,223	68,223
ACL Assistive Technology	81,105	81,105
COVID-19 and Influenza Vaccine Uptake Initiative for Older Adults and People with Disabilities	-	38,238
Disability Justice Alliance	27,500	-
Skadden Fellowship Foundation	1,708	1,708
Total	\$ 789,465	\$ 775,492

NOTE 7 - NOTE PAYABLE

On December 18, 2019, the Organization acquired the property in Lansing with financing, payable to the bank in the amount of \$1,600,000 with an interest rate of 4.75%. Principal and interest payments of \$10,400 are due monthly through November 2029 with the remaining unpaid principal due in December 2029.

Future maturities of the note payable are as follows:

Year Ending September 30,	
2025	\$ 61,324
2026	64,343
2027	67,512
2028	70,684
2029	74,316
Thereafter	1,008,056
	\$ 1,346,235

DISABILITY RIGHTS MICHIGAN
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 8 - LEASES

Operating Leases

The Organization rents office space in Lansing and Marquette, Michigan. During 2020, the Lansing office space was purchased by DRM Supporting Corporation. See Note 7. The Marquette office is an operating lease agreement that expires in May 2025. The Occupancy expense, including utilities, for the years ended September 30, 2024 and 2023 was \$8,254 for each year. Remaining operating lease commitment is as follows:

<u>Year Ending</u> <u>September 30,</u>	
2025	<u>\$ 5,683</u>

NOTE 9 - RETIREMENT PLAN

The Organization has adopted a defined contribution retirement plan for its employees. It is authorized under Internal Revenue Code Section 403(b). Contributions are applied to individual annuity contracts.

All employees meeting certain age and length of service requirements are eligible to participate in the plan. The employees enter into salary reduction agreements, which determine the amount of their contribution to the plan. The Organization also contributes to the plan an amount equal to 5% of the gross wages of the participants for individuals with up to 20 years of service and 7% for individuals with more than 21 years of service.

Employer contributions to the 403(b) plan were approximately \$178,000 and \$147,000 for the years ended September 30, 2024 and 2023, respectively.

SUPPLEMENTARY INFORMATION

DISABILITY RIGHTS MICHIGAN
CONSOLIDATING STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2024

	Disability Rights Michigan	DRM Supporting Corporation	Eliminations	Total
ASSETS				
Current assets				
Cash and cash equivalents	\$ 304,088	\$ 162,058	\$ -	\$ 466,146
Investments	938,000	200,000	-	1,138,000
Grants and contracts receivable				
Federal	483,489	-	-	483,489
State and other	14,837	-	-	14,837
Due from affiliate	225,341	-	(225,341)	-
Prepaid expenses	49,074	-	-	49,074
	<u>2,014,829</u>	<u>362,058</u>	<u>(225,341)</u>	<u>2,151,546</u>
Total current assets				
Property and equipment, net of accumulated depreciation	-	1,852,382	-	1,852,382
	<u>\$ 2,014,829</u>	<u>\$ 2,214,440</u>	<u>\$ (225,341)</u>	<u>\$ 4,003,928</u>
LIABILITIES AND NET ASSETS				
LIABILITIES				
Current liabilities				
Accounts payable	\$ 46,513	\$ -	\$ -	\$ 46,513
Refundable advances	789,465	-	-	789,465
Due to affiliate	-	225,341	(225,341)	-
Accrued payroll and related	219,997	-	-	219,997
Note payable, current portion	-	61,324	-	61,324
	<u>1,055,975</u>	<u>286,665</u>	<u>(225,341)</u>	<u>1,117,299</u>
Total current liabilities				
Note payable, less current portion	-	1,284,911	-	1,284,911
	<u>1,055,975</u>	<u>1,571,576</u>	<u>(225,341)</u>	<u>2,402,210</u>
NET ASSETS WITHOUT DONOR RESTRICTIONS				
Undesignated	958,854	-	-	958,854
Designated	-	642,864	-	642,864
	<u>958,854</u>	<u>642,864</u>	<u>-</u>	<u>1,601,718</u>
Total net assets				
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,014,829</u>	<u>\$ 2,214,440</u>	<u>\$ (225,341)</u>	<u>\$ 4,003,928</u>

**DISABILITY RIGHTS MICHIGAN
CONSOLIDATING STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024**

	Disability Rights Michigan	DRM Supporting Corporation	Eliminations	Total
CHANGES IN NET ASSETS WITHOUT DONOR RESTRICTIONS				
REVENUES				
Federal grants	\$ 5,990,280	\$ -	\$ -	\$ 5,990,280
State grants	194,400	-	-	194,400
Other	67,646	273,966	(265,064)	76,548
TOTAL REVENUES	6,252,326	273,966	(265,064)	6,261,228
EXPENSES				
Program services				
Developmental Disabilities Basic Support and Advocacy Grants	958,105	-	(48,735)	909,370
COVID-19 Expanding the Public Health Workforce Within Network	26,260	-	-	26,260
COVID-19 Vaccination for Underserved Populations	834,324	-	(20,428)	813,896
Protection and Advocacy for Individuals with Mental Illness	987,550	-	(48,462)	939,088
COVID-19 and Influenza Vaccine Uptake Initiative for Older Adults and People with Disabilities	68,766	-	-	68,766
State Grants for Protection and Advocacy Services	139,995	-	(5,465)	134,530
Voting Access for Individuals with Disabilities - Grants for Protection and Advocacy Systems	144,784	-	(6,326)	138,458
ACL Assistive Technology State Grants for Protection and Advocacy	131,469	-	(6,621)	124,848
ACL National Institute on Disability, Independent Living, and Rehabilitation Research	22,081	-	-	22,081
Protection and Advocacy of Individual Rights	621,031	-	(27,422)	593,609
Rehabilitation Services Client Assistance Program	335,528	-	(16,839)	318,689
Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries	238,848	-	(11,788)	227,060
Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries - Rep Payee Review Project	878,873	-	(43,708)	835,165
Advocacy for Developmental Disabilities/Mental Illness	174,817	-	-	174,817
Other	-	150,530	-	150,530
Total program services	5,562,431	150,530	(235,794)	5,477,167
Supporting services				
Management and general	637,576	16,726	(29,270)	625,032
Fundraising	6,446	-	-	6,446
Total supporting services	644,022	16,726	(29,270)	631,478
TOTAL EXPENSES	6,206,453	167,256	(265,064)	6,108,645
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	45,873	106,710	-	152,583
NET ASSETS, beginning of year	912,981	536,154	-	1,449,135
NET ASSETS, end of year	\$ 958,854	\$ 642,864	\$ -	\$ 1,601,718

**DISABILITY RIGHTS MICHIGAN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2024**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Award or Pass-Through Grantor's Number	Approved Grant Award Amount	Accrued (Deferred) Revenue at 10/1/2023	Prior Cumulative Expenditures (Memo Only)	Current Year Cash Receipts	Current Year Expenditures	Accrued (Deferred) Revenue at 9/30/2024
U.S. Department of Health and Human Services								
Direct Program								
Basic Support and Advocacy Grants								
Developmental Disabilities Basic Support and Advocacy Grants	93.630	2301MIPADD 2401MIPADD Program Income	\$ 1,148,516 1,124,885	\$ 33,387 -	\$ 989,333 -	\$ 192,570 770,049 88,495	\$ 159,183 836,250 69,983	\$ - 66,201 (412,582)
Total Basic Support and Advocacy Grants				(360,683)	989,333	1,051,114	1,065,416	(346,381)
COVID-19 Expanding the Public Health Workforce Within Network	93.630	2201MIPAPH-00	114,000	9,309	85,547	37,762	28,453	-
Total ALN 93.630				(351,374)	1,074,880	1,088,876	1,093,869	(346,381)
COVID-19 Vaccination for Underserved Populations	93.268	E20234211-001 E20240195-00	1,462,164 1,096,623	74,049 -	1,286,434 -	74,049 889,508	- 927,764	- 38,256
				74,049	1,286,434	963,557	927,764	38,256
Protection and Advocacy for Individuals with Mental Illness	93.138	X98SM087402 X98SM089551 Program Income	942,630 951,561	6,823 -	618,366 -	331,087 672,294 6,788	324,264 773,301 589	- 101,007 (164,169)
				(151,147)	618,366	1,010,169	1,098,154	(63,162)
Protection and Advocacy for Traumatic Brain Injury	93.873	2301MIPATB 2401MIPATB Program Income	128,016 139,709	17,158 -	58,100 -	87,074 70,926 589	69,916 85,167 589	- 14,241 -
				17,158	58,100	158,589	155,672	14,241
Voting Access for Individuals with Disabilities - Grants for Protection and Advocacy Systems	93.618	2201MIPAVA 2301MIPAVA	146,463 166,527	5,398 -	91,851 -	60,010 90,990	54,612 106,387	- 15,397
				5,398	91,851	151,000	160,999	15,397
ACL Assistive Technology Grants for Protection and Advocacy	93.843	2301MIPAAT 2401MIPAAT Program Income	135,652 134,883	7,866 -	82,755 -	60,763 82,737 589	52,897 92,709 589	- 9,972 (81,105)
				(73,239)	82,755	144,089	146,195	(71,133)
COVID-19 and Influenza Vaccine Uptake Initiative for Older Adults and People with Disabilities	93.048	90HDC0007-01-00	76,474	(38,238)	-	38,236	76,474	-
				(517,393)	3,212,386	3,554,516	3,659,127	(412,782)

The accompanying notes are an integral part of this schedule.

**DISABILITY RIGHTS MICHIGAN
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED SEPTEMBER 30, 2024**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Award or Pass-Through Grantor's Number	Approved Grant Award Amount	Accrued (Deferred) Revenue at 10/1/2023	Prior Cumulative Expenditures (Memo Only)	Current Year Cash Receipts	Current Year Expenditures	Accrued (Deferred) Revenue at 9/30/2024
U.S. Department of Health and Human Services (continued)								
Passed through University of Illinois - Chicago								
ACL National Institute on Disability, Independent Living, and Rehabilitation Research								
	93.433	90DPAD0012-02-00 90DPAD0012-03-01	\$ 23,000 25,840	\$ 23,000 -	\$ 23,000 -	\$ 23,000 15,039	\$ - 24,553	\$ - 9,514
				<u>23,000</u>	<u>23,000</u>	<u>38,039</u>	<u>24,553</u>	<u>9,514</u>
Total U.S. Department of Health and Human Services				<u>(494,393)</u>	<u>3,235,386</u>	<u>3,592,555</u>	<u>3,683,680</u>	<u>(403,268)</u>
U.S. Department of Education								
Direct Program								
Program of Protection and Advocacy of Individual Rights								
	84.240A	H240A230023 H240A240023 Program Income	505,942 503,074	23,035 -	180,082 -	348,895 244,104 64,000	325,860 300,725 64,000	- 56,621 -
				<u>23,035</u>	<u>180,082</u>	<u>656,999</u>	<u>690,585</u>	<u>56,621</u>
Rehabilitation Services Client Assistance Program								
	84.161A	H161A230010 H161A240010	381,027 347,620	14,111 -	17,637 -	346,299 -	363,390 9,716	31,202 9,716
				<u>14,111</u>	<u>17,637</u>	<u>346,299</u>	<u>373,106</u>	<u>40,918</u>
Passed through the State of Michigan								
Client Assistance Program								
	84.161A			<u>(34,178)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(34,178)</u>
Total ALN 84.161A				<u>(20,067)</u>	<u>17,637</u>	<u>346,299</u>	<u>373,106</u>	<u>6,740</u>
Assistive Technology								
	84.224A			<u>(68,223)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(68,223)</u>
Total U.S. Department of Education				<u>(65,255)</u>	<u>197,719</u>	<u>1,003,298</u>	<u>1,063,691</u>	<u>(4,862)</u>
Social Security Administration								
Direct Program								
Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries								
	96.009	PAB19020358-01-05 PAD24020414-01-00 SPS18000027-05-00 SPS23000060-01-00	243,420 247,385 952,720 1,028,979	11,238 - 77,849 -	78,496 - 462,092 -	176,162 78,759 568,477 377,236	164,924 100,677 490,628 486,680	- 21,918 - 109,444
Total Social Security Administration				<u>89,087</u>	<u>540,588</u>	<u>1,200,634</u>	<u>1,242,909</u>	<u>131,362</u>
Total Federal Expenditures				<u>\$ (470,561)</u>	<u>\$ 3,973,693</u>	<u>\$ 5,796,487</u>	<u>\$ 5,990,280</u>	<u>\$ (276,768)</u>

The accompanying notes are an integral part of this schedule.

**DISABILITY RIGHTS MICHIGAN
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of Disability Rights Michigan and Supporting Organization under programs of the federal government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Disability Rights Michigan and Supporting Organization it is not intended to and does not present the financial position, changes in net assets or cash flows of Disability Rights Michigan and Supporting Organization.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principals contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass through entity identifying numbers are presented where available. Disability Rights Michigan and Supporting Organization has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance. The Organization does not pass-through federal funds.



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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Directors of
Disability Rights Michigan and Supporting Organization

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Disability Rights Michigan (a nonprofit corporation) and Supporting Organization, which comprise the consolidated statement of financial position as of September 30, 2024, and the related consolidated statements of activities, functional expenses, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated January 14, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Disability Rights Michigan and Supporting Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Disability Rights Michigan and Supporting Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Disability Rights Michigan and Supporting Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Disability Rights Michigan and Supporting Organization's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Maney Costeiran PC

January 14, 2025



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Directors of
Disability Rights Michigan and Supporting Organization

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Disability Rights Michigan and Supporting Organization's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Disability Rights Michigan and Supporting Organization's major federal programs for the year ended September 30, 2024. Disability Rights Michigan and Supporting Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Disability Rights Michigan and Supporting Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Disability Rights Michigan and Supporting Organization and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Disability Rights Michigan and Supporting Organization's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Disability Rights Michigan and Supporting Organization's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Disability Rights Michigan and Supporting Organization's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Disability Rights Michigan and Supporting Organization's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Disability Rights Michigan and Supporting Organization's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Disability Rights Michigan and Supporting Organization's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Disability Rights Michigan and Supporting Organization's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Maney Costeiran PC

January 14, 2025

**DISABILITY RIGHTS MICHIGAN
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2024**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued based on financial statements prepared in accordance with generally accepted accounting principles.

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified? Yes X None reported

Noncompliance material to financial statements noted? Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? Yes X No
- Significant deficiency(ies) identified? Yes X None reported

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings that are required to be reported in accordance with Title 2 CFR Section 200.516(a)? Yes X No

Identification of major programs:

Assistance Listing Number(s)	Name of Federal Program or Cluster
93.138	Protection and Advocacy for Individuals with Mental Illness
93.630	Developmental Disabilities Basic Support and Advocacy Grants

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee? X Yes No

Section II - Financial Statement Findings

None noted.

Section III - Federal Award Findings and Questioned Costs

None noted.

**DISABILITY RIGHTS MICHIGAN
SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2024**

There were no audit findings in the prior year.