

GLAD Annual Report for Calendar Year 2010/FY 2011

A Message from the CFO

During 2010, GLAD elected to change its fiscal year-end from December 31st to March 31st effective December 2010. This change was made to better align GLAD's fiscal reporting with the annual program and revenue cycle. Accordingly, the accompanying financial summaries (*page 14*) reflect activity for fifteen months from January 2010 to March 2011.

Although the 15-month period is not exactly comparable to calendar 2009, there are some highlights and trends to note:

- We launched a public education initiative in Maine, hired 4 staff and opened a satellite office. This was made possible through a restricted gift from a major donor. We received \$450k through the end of March 2011 and another \$150k in May 2011. Spending at March 31st totaled \$332k and is included in the "Public Affairs & Education" program expenses.
- At the end of December 2009, GLAD's net assets (formerly known as "fund balance") totaled \$2.5m; 48% of this amount was unrestricted and 52% was temporarily restricted. Fifteen months later on March 31, 2011, total net assets decreased by \$345k, the result of two components: an operating surplus of \$287k and net spending of temp restricted funds of \$632k. While a reduction (usage) of temp restricted funds is expected and not an indication of financial stress, it is worth noting that the pace of new restricted multi-year gifts was lower compared to 2009, the year we implemented an aggressive DOMA fundraising campaign. In plain English, we're spending our backlog of pledges. [See figure 1](#)
- The overall value of our investments held steady and we had modest gains. At March 31, 2011 the market value of the portfolio was close to \$1m, an increase of \$104k compared to December 2009. The Finance & Audit Committee monitors investment results, risk tolerance and asset mix in accordance with our cash & investment policy. There has been a recent trend to slowly and responsibly raise the cash and short term bond positions.
- Contributions and grant income for the 15-month period ending March 31, 2011 is \$23k lower compared to the 12-month period for calendar year 2009. At first blush this seems concerning but 2009 includes a \$300k unsolicited restricted gift from a major donor. The second nuance is the timing of income during the year: Jan-Mar is typically the lowest quarter.
- Total expenses are up 23% or \$994k compared to calendar 2009. Setting aside the Maine education initiative described in the first bullet, the most significant increase is in the Transgender Rights Project, up 87% or \$352k; \$208k of which represents in-kind legal services.

In the fall of 2011 we completed a strategic planning process and over the next several years will expand and deepen our work in several program areas including legal advocacy for youth. We remain committed to excellence and will carefully monitor our financial results with an eye to the future.

Thank you for investing in GLAD.

Eva N. Boyce, *Chief Financial Officer*

Figure 1: Net Assets

	Operating Fund	Board Designated	Total Unrestricted	Temporarily Restricted	Total
Net Assets @ December 31, 2009	602,709	601,807	1,204,516	1,316,444	2,520,960
Change in Net Assets from January 2010 – March 2011	273,719	14,224	287,943	(632,542)	(344,599)
Net Assets @ March 31, 2011	876,428	616,031	1,492,459	683,902	2,176,361

GLAD Annual Report

continued

Statement of Activities*

For the 15 month period ended March 31, 2011 (with comparative totals for calendar 2009)

Support and Revenue	2011	2009	Change
Contributions & Grants	\$ 2,739,561	\$ 2,762,670	
Special Event Revenue, net	693,414	608,450	
Donated Services	1,228,784	1,295,035	
Fees & Program Revenue	286,495	120,649	
Other Income	12,379	3,575	
	4,960,633	4,790,379	170,254
Expenses			
Civil Rights	1,878,215	1,989,057	
Public Affairs and Education	1,178,405	719,238	
Transgender Rights Project	757,289	405,320	
AIDS Law Project	306,065	235,711	
Development & Fundraising	701,393	595,449	
General & Administrative	498,089	380,598	
	5,319,456	4,325,373	994,083
Change in Net Assets	(358,823)	465,006	(823,829)
Other Revenue (Expenses)			
Investment Income	28,421	24,080	
Net Realized & Unrealized Gain (Losses)	42,998	119,539	
Spending Policy Transfer	(57,195)	(52,179)	
	14,224	91,440	(77,216)
Total Change in Net Assets	\$ (344,599)	\$ 556,446	(901,045)

Statement of Financial Position*

March 31, 2011 with comparative totals at December 31, 2009

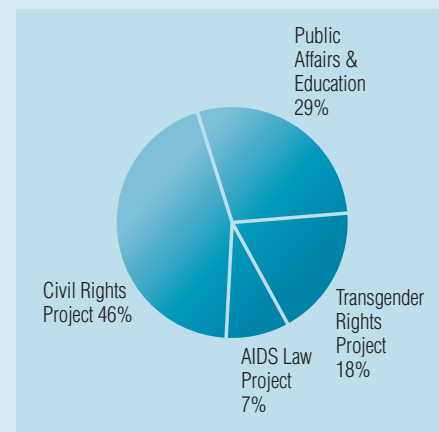
Assets	2011	2009	Change
Cash & Cash Equivalents	\$ 1,270,925	\$ 1,237,559	
Accounts Receivable & Pledges	215,189	671,343	
Investments	999,602	895,094	
Equipment, Deposits & Prepaid Expenses	111,942	71,052	
Total Assets	2,597,658	2,875,048	(277,390)
Liabilities			
Accounts Payable & Accrued Expenses	279,387	245,995	
Deferred Rent	141,910	108,093	
	421,297	354,088	67,209
Net Assets**			
Operating	818,342	575,858	242,484
Board Designated	616,031	601,807	14,224
Property & Equipment	58,086	26,851	31,235
Temporarily Restricted	683,902	1,316,444	(632,542)
	2,176,361	2,520,960	(344,599)
Total Liabilities & Net Assets	\$ 2,597,658	\$ 2,875,048	\$ (277,390)

* This information is summarized from the most recent annual audit. A copy of the audit report is available upon request and can be viewed on the website: www.GLAD.org

**See message from the CFO for more information.

Program Spending

15 month period ended March 31, 2011



Cost Categories

15 month period ended March 31, 2011

