

LAWYERS CONCERNED FOR LAWYERS
FINANCIAL STATEMENTS
YEARS ENDED JUNE 30, 2024 AND 2023



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**LAWYERS CONCERNED FOR LAWYERS
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Lawyers Concerned for Lawyers
St. Paul, Minnesota

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Lawyers Concerned for Lawyers (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lawyers Concerned for Lawyers as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Lawyers Concerned for Lawyers 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.

Other Matter

The financial statements of the Organization for the year ended June 30, 2023, were audited by another auditor, who expressed an unmodified opinion on those statements on March 21, 2024.

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' 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 GAAS 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 GAAS, 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 Lawyers Concerned for Lawyers 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 Lawyers Concerned for Lawyers 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Minneapolis, Minnesota
November 21, 2024

**LAWYERS CONCERNED FOR LAWYERS
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2024 AND 2023**

	2024	2023
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 591,884	\$ 533,064
Grants Receivable	10,461	52,042
Contributions Receivable	-	100
Prepaid Expenses and Other Assets	6,601	6,641
Total Current Assets	608,946	591,847
PROPERTY AND EQUIPMENT		
Furniture and Equipment	67,859	67,859
Leasehold Improvements	2,147	2,147
Website Development Costs	11,250	11,250
Total Property and Equipment, Cost	81,256	81,256
Less: Accumulated Depreciation	(65,795)	(58,224)
Property and Equipment, Net	15,461	23,032
NONCURRENT ASSETS		
Security Deposit	3,786	3,786
Right-of-Use Asset - Operating	84,444	103,677
Total Noncurrent Assets	88,230	107,463
Total Assets	\$ 712,637	\$ 722,342
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable	\$ 11,142	\$ 10,089
Accrued Expenses	6,789	8,352
Operating Lease Liability, Current Portion	33,019	31,658
Total Current Liabilities	50,950	50,099
NONCURRENT LIABILITIES		
Operating Lease Liability, Net of Current Portion	53,980	73,620
Total Noncurrent Liabilities	53,980	73,620
Total Liabilities	104,930	123,719
NET ASSETS		
Without Donor Restrictions	534,134	532,706
With Donor Restrictions	73,573	65,917
Total Net Assets	607,707	598,623
Total Liabilities and Net Assets	\$ 712,637	\$ 722,342

See accompanying Notes to Financial Statements.

**LAWYERS CONCERNED FOR LAWYERS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

	Without Donor Restrictions	With Donor Restrictions	Total
SUPPORT AND REVENUE			
Support:			
Contributions	\$ 103,134	\$ 9,440	\$ 112,574
Government Grants	611,500	-	611,500
Special Events, Net of Direct Benefit			
Expenses of \$36,060	31,795	-	31,795
Total Support	746,429	9,440	755,869
Revenue:			
Program Fees and Honoraria	2,160	-	2,160
Other Revenue	542	-	542
Interest Income	2,683	-	2,683
Total Revenue	5,385	-	5,385
Net Assets Released from Restrictions	1,784	(1,784)	-
Total Support and Revenue	753,598	7,656	761,254
EXPENSES			
Program Services	598,423	-	598,423
Supporting Services:			
Management and General	134,272	-	134,272
Fundraising	19,475	-	19,475
Total Supporting Services	153,747	-	153,747
Total Expenses	752,170	-	752,170
CHANGE IN NET ASSETS	1,428	7,656	9,084
Net Assets - Beginning of Year	532,706	65,917	598,623
NET ASSETS - END OF YEAR	\$ 534,134	\$ 73,573	\$ 607,707

See accompanying Notes to Financial Statements.

**LAWYERS CONCERNED FOR LAWYERS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2023**

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
SUPPORT AND REVENUE			
Support:			
Contributions	\$ 94,213	\$ 7,725	\$ 101,938
Government Grants	596,556	-	596,556
Special Events, Net of Direct Benefit			
Expenses of \$28,830	<u>32,970</u>	<u>-</u>	<u>32,970</u>
Total Support	<u>723,739</u>	<u>7,725</u>	<u>731,464</u>
Revenue:			
Program Fees and Honoraria	7,965	-	7,965
Other Revenue	966	-	966
Interest Income	1,996	-	1,996
Total Revenue	<u>10,927</u>	<u>-</u>	<u>10,927</u>
Net Assets Released from Restrictions	<u>5,291</u>	<u>(5,291)</u>	<u>-</u>
Total Support and Revenue	739,957	2,434	742,391
EXPENSES			
Program Services	542,740	-	542,740
Supporting Services:			
Management and General	111,130	-	111,130
Fundraising	<u>19,213</u>	<u>-</u>	<u>19,213</u>
Total Supporting Services	<u>130,343</u>	<u>-</u>	<u>130,343</u>
Total Expenses	<u>673,083</u>	<u>-</u>	<u>673,083</u>
CHANGE IN NET ASSETS	66,874	2,434	69,308
Net Assets - Beginning of Year	<u>465,832</u>	<u>63,483</u>	<u>529,315</u>
NET ASSETS - END OF YEAR	<u>\$ 532,706</u>	<u>\$ 65,917</u>	<u>\$ 598,623</u>

See accompanying Notes to Financial Statements.

**LAWYERS CONCERNED FOR LAWYERS
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2024**

	Supporting Services			Total Supporting Services	Total
	Program Services	Management and General	Fundraising		
Personnel Costs:					
Salaries and Wages	\$ 348,816	\$ 71,447	\$ 9,867	\$ 81,314	\$ 430,130
Payroll Taxes	27,023	5,510	761	6,271	33,294
Employee Benefits	39,445	10,405	1,196	11,601	51,046
Total Personnel Costs	415,284	87,362	11,824	99,186	514,470
Expenses:					
Mental and Chemical Health Services	67,306	-	-	-	67,306
Rent	49,911	10,177	1,406	11,583	61,494
Special Event - Direct Benefit Expenses	-	-	36,060	36,060	36,060
Professional Fees	2,516	28,387	-	28,387	30,903
Public Awareness	16,034	635	5,077	5,712	21,746
Office Supplies and Equipment	10,398	1,989	640	2,629	13,027
Travel	11,783	-	-	-	11,783
Insurance	6,561	2,969	162	3,131	9,692
Telephone and Internet	6,864	1,400	193	1,593	8,457
Staff Development	5,621	100	-	100	5,721
Expenses Before Depreciation	592,278	133,019	55,362	188,381	780,659
Depreciation	6,145	1,253	173	1,426	7,571
Total Expenses	598,423	134,272	55,535	189,807	788,230
Less: Expenses Netted with Revenue on the Statement of Activities:					
Special Event - Direct Benefit Expenses	-	-	(36,060)	(36,060)	(36,060)
Total Expenses by Function	\$ 598,423	\$ 134,272	\$ 19,475	\$ 153,747	\$ 752,170
	79.6%	17.8%	2.6%	20.4%	100.0%

See accompanying Notes to Financial Statements.

**LAWYERS CONCERNED FOR LAWYERS
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2023**

	Supporting Services			Total Supporting Services	Total
	Program Services	Management and General	Fundraising		
Personnel Costs:					
Salaries and Wages	\$ 303,459	\$ 65,276	\$ 9,015	\$ 74,291	\$ 377,750
Payroll Taxes	23,032	4,954	684	5,638	28,670
Employee Benefits	34,824	10,063	1,152	11,215	46,039
Total Personnel Costs	361,315	80,293	10,851	91,144	452,459
Expenses:					
Mental and Chemical Health Services	59,914	-	-	-	59,914
Rent	52,063	11,199	1,548	12,747	64,810
Special Event - Direct Benefit Expenses	-	-	28,830	28,830	28,830
Professional Fees	6,424	9,689	-	9,689	16,113
Public Awareness	14,557	419	5,082	5,501	20,058
Office Supplies and Equipment	12,138	3,173	1,112	4,285	16,423
Travel	9,193	-	-	-	9,193
Insurance	5,993	2,798	178	2,976	8,969
Telephone and Internet	6,955	1,496	207	1,703	8,658
Staff Development	6,292	365	-	365	6,657
Expenses Before Depreciation	534,844	109,432	47,808	157,240	692,084
Depreciation	7,896	1,698	235	1,933	9,829
Total Expenses	542,740	111,130	48,043	159,173	701,913
Less: Expenses Netted with Revenue on the Statement of Activities:					
Special Event - Direct Benefit Expenses	-	-	(28,830)	(28,830)	(28,830)
Total Expenses by Function	\$ 542,740	\$ 111,130	\$ 19,213	\$ 130,343	\$ 673,083
	80.6%	16.5%	2.9%	19.4%	100.0%

See accompanying Notes to Financial Statements.

**LAWYERS CONCERNED FOR LAWYERS
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2024 AND 2023**

	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 9,084	\$ 69,308
Adjustments to Reconcile Change in Net Assets to		
Net Cash Provided by Operating Activities:		
Depreciation and Amortization	7,571	9,829
(Increase) Decrease in Assets:		
Grants Receivable	41,581	11,162
Contributions Receivable	100	400
Miscellaneous Receivable	-	5,000
Prepaid Expenses	40	(40)
Right-of-Use Asset - Operating	19,233	31,027
Increase (Decrease) in Liabilities:		
Accounts Payable	1,053	1,801
Accrued Expenses	(1,563)	3,935
Deferred Rent	-	(5,513)
Lease Liability	(18,279)	(29,426)
Net Cash Provided by Operating Activities	58,820	97,483
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of Property and Equipment	-	(5,150)
Net Cash Provided (Used) by Investing Activities	-	(5,150)
NET CHANGE IN CASH AND CASH EQUIVALENTS	58,820	92,333
Cash and Cash Equivalents - Beginning of Year	533,064	440,731
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 591,884	\$ 533,064

See accompanying Notes to Financial Statements.

**LAWYERS CONCERNED FOR LAWYERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Lawyers Concerned For Lawyers (the Organization) was organized August 1, 1976 and has been determined to be a charitable, nonprofit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization serves as Minnesota's Lawyers assistance program. The Organization offers free, confidential help to lawyers, judges, law students and their immediate family members affected by alcohol and/or drug abuse, other addictions, depression and other mental illness, stress and other life-related problems and any condition which negatively affects the quality of one's life at work or at home. The Organization provides professional and peer assistance including up to four free counseling sessions and referrals to other professional services as well as mentoring and other support. The Organization also offers workshops and other programs to lawyers which qualify for continuing legal education credits. In addition to funds from the grant agreement with the Legal Services Advisory Committee (LSAC), funding has come from contributions by members and nonmembers in the legal profession and by grants from foundations and firms interested in this program.

The Organization has an agreement with the Legal Services Advisory Committee, an instrumentality of the Minnesota Supreme Court, to establish and operate a "Lawyer Assistance Program" (LAP) to provide consultation and assessments and facilitate access to extended mental health and chemical dependency services to Minnesota lawyers and their families, and in connection therewith, to coordinate the activities of the volunteer network of the Organization for peer support. This agreement is effective through June 30, 2025.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and related changes are classified and reported as follows:

Net Assets Without Donor Restrictions – Resources over which the Board has discretionary control are net assets without donor restrictions.

Net Assets With Donor Restrictions – Resources subject to donor-imposed stipulations that require they be maintained permanently or that may or will be met by actions of the Organization and/or the passage of time are net assets with donor restrictions.

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 may affect certain reported amounts and disclosures in the financial statements and accompanying notes. Actual results could differ from these estimates.

**LAWYERS CONCERNED FOR LAWYERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Organization considers unrestricted currency, demand deposits, and certificates of deposit with an initial maturity of three months or less to be cash and cash equivalents. The Organization maintains cash balances with quality financial institutions. At any point in time, bank balances may exceed FDIC insurance limits.

Grants Receivable

Grants receivable are stated at net realizable value. Grants receivable are individually analyzed for collectability. No allowance for doubtful accounts has been provided as grants receivable are considered collectible based on management's estimate and past history of the Organization with the grantor agency. As of June 30, 2024 and 2023, the Organization had \$10,461 and \$52,042 in grants receivable, respectively.

Contributions Receivable

Contributions receivable consist of promises to give and contributions made by donors to supporting organizations for the Organization but had not been received by the Organization prior to June 30, 2024 and 2023. No allowance for doubtful accounts has been provided as contributions receivable are all considered collectible. As of June 30, 2024 and 2023, contributions receivable of \$-0- and \$100, respectively, were receivable in less than one year.

Website Development Costs

Website development costs are stated at cost; purchases in excess of \$500 are capitalized. Planning stage costs, costs of training and site maintenance are expensed as incurred.

Fixed Assets

Fixed assets owned by the Organization are stated at cost if purchased and at fair value if donated. The Organization capitalizes all fixed assets with a cost of \$500 or more at the date of donation if received by contribution. Additions and improvements are capitalized while maintenance and repairs are charged to expense as incurred. Depreciation for leasehold improvements is calculated over the estimated useful life or over the remaining term of the lease, whichever is shorter. Depreciation is calculated using the straight-line method over the following estimated useful lives:

Furniture and Equipment	5 to 7 Years
Leasehold Improvements	5 to 7 Years
Website Development Costs	5 to 15 Years

Depreciation expense was \$7,571 and \$9,829 for the years ended June 30, 2024 and 2023, respectively.

**LAWYERS CONCERNED FOR LAWYERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The Organization leases office space and equipment. The Organization determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities on the balance sheets. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities on our balance sheets.

ROU assets represent the Organization's right to use an underlying asset for the lease term and lease liabilities represent the Organization's obligation to make lease payments arising from the lease. ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. As most of leases do not provide an implicit rate, the Organization uses risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Organization has elected to recognize payments for short-term leases with a lease term of 12 months or less as expense as incurred and these leases are not included as lease liabilities or right of use assets on the balance sheet.

The Organization has elected not to separate non-lease components from lease components and instead accounts for each separate lease component and the non-lease component as a single lease component.

Functional Expense Allocation

The costs of providing programs and activities have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among program and the supporting services benefited. The allocation of expenses has been determined by management on a reasonable basis that is consistently applied. Salaries and related expenses are allocated based on job descriptions and the best estimate of management. Expenses, other than salaries and related expenses, which are not directly identifiable by program or supporting service, are allocated based on the best estimates of management.

**LAWYERS CONCERNED FOR LAWYERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 1 PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and Revenue Recognition

The Organization recognizes contributions when cash, securities or other assets, an unconditional promise to give, or a notification of a beneficial interest is received. Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met.

A portion of the Organization's revenue is derived from cost-reimbursable contracts and grants, which are conditioned upon the incurrence of allowable qualifying expenses. Amounts received are recognized as revenue when the organization has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position. The Organization received cost-reimbursable grants of \$625,000 for which qualifying expenditures have not yet been incurred for the years ended June 30, 2024.

The organization recognizes revenue from Program Fees and Honoraria when the performance obligations of transferring the products and providing the services are met.

Advertising

The Organization uses advertising to promote public awareness and further its program purpose, as well as post job opportunities within the Organization. Advertising costs are expensed when incurred. Expenses for advertising were \$2,779 and \$1,681 for the years ended June 30, 2024 and 2023, respectively, and are classified in public awareness in the accompanying statements of functional expense.

Income Taxes

Lawyers Concerned For Lawyers is a nonprofit corporation as described in section 501(c)(3) of the Internal Revenue Code and is exempt from federal and state income taxes. Lawyers Concerned For Lawyers does not have any significant unrelated business income that would be subject to tax.

Subsequent Events

Subsequent events were evaluated through November 21, 2024, which is the date the financial statements were available to be issued.

NOTE 2 CONCENTRATIONS

A major portion of the Organization's support is received from the Legal Services Advisory Committee. The loss of this funding source would have an adverse effect on the Organization. During the years ended June 30, 2024 and 2023, the Legal Services Advisory Committee contributed \$611,500 and \$596,556, respectively. These contributions accounted for approximately 80% of total support and revenue for both the years ended June 30, 2024 and 2023.

LAWYERS CONCERNED FOR LAWYERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023

NOTE 3 JOINT COSTS

Following joint allocation accounting guidelines, Lawyers Concerned for Lawyers has prepared an analysis of its statewide mailings, to allocate the expenses attributable to the various functional expenses, program services, and fundraising. This analysis resulted in the following allocation of the public awareness expense for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Program Services	\$ 8,854	\$ 9,358
Fundraising	5,051	5,164
Total Functional Expenses	<u>\$ 13,905</u>	<u>\$ 14,522</u>

NOTE 4 LEASES

Effective January 1, 2020, the Organization entered into a property lease agreement with Court International, LLC that calls for monthly base payments of approximately \$2,608-\$3,114 and is set to expire in January 2027. The agreement also provides that the Organization is responsible for the property's incurred real estate taxes, insurance premiums and attributable operating expenses. The Organization has determined that this lease is an operating lease.

The ROU lease asset and corresponding lease liability were calculated utilizing a risk-free discount rate of 3.96%, according to the Organization's elected policy. The Organization's lease agreement does not contain any material residual value guarantees or material restrictive covenants.

Additional information about the Organization's lease for the year ended June 30, is as follows:

	<u>2024</u>	<u>2023</u>
Lease Expense:		
Operating Lease Expense	\$ 35,487	\$ 35,179
Short-Term Lease Expense	-	29,180
Total Lease Expense	<u>\$ 35,487</u>	<u>\$ 64,359</u>

Other Information:

Cash Paid for Amounts Included in the
Measurement of Lease Liabilities:

Operating Cash Flows from Operating Leases	\$ 34,715	\$ 34,119
ROU Assets Obtained in Exchange for New Operating Lease Liabilities	\$ -	\$ 132,162
Weighted-Average Remaining Lease Term - Operating Leases	2.50 Years	3.08 Years
Weighted-Average Discount Rate - Operating Leases	3.96%	3.96%

**LAWYERS CONCERNED FOR LAWYERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 4 LEASES (CONTINUED)

Maturities of operating lease liabilities are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 35,756
2026	36,829
2027	18,687
Total Undiscounted Cash Flows	<u>91,272</u>
Less: Present Value	<u>(4,273)</u>
Total Lease Liabilities	<u><u>\$ 86,999</u></u>

NOTE 5 RETIREMENT PLAN

The Organization established a retirement plan pursuant to section 401(k) of the Internal Revenue Code effective January 1, 2006. Employees are eligible to make elective salary deferrals under the plan and share in the Organization's contributions to the plan upon attaining age 21 and completing one year of eligibility service. The Organization provides a mandatory matching contribution of 100% of the first 3% that an employee contributes to the plan. The Organization may, in its sole discretion, elect to make additional employer contributions for any plan year. Employees are fully vested in the Organization's contributions to the plan after three years of service; employees are immediately vested in their contributions to the plan. Retirement expense was \$9,319 and \$7,677 for the years ended June 30, 2024 and 2023, respectively, and is classified in employee benefits in the accompanying statements of functional expenses.

NOTE 6 NET ASSETS

Net assets with donor restrictions consist of the following as of June 30:

	<u>2024</u>	<u>2023</u>
Founders Memorial Fund	\$ 70,198	\$ 62,542
Advertising and Contract Services for Program Service Expansion	<u>3,375</u>	<u>3,375</u>
Total Net Assets with Donor Restrictions	<u><u>\$ 73,573</u></u>	<u><u>\$ 65,917</u></u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Advertising and Contract Services for Program Service Expansion	\$ 1,784	\$ 2,913
Program Service Expansion Project	<u>-</u>	<u>2,378</u>
Total Net Assets with Donor Restrictions	<u><u>\$ 1,784</u></u>	<u><u>\$ 5,291</u></u>

**LAWYERS CONCERNED FOR LAWYERS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024 AND 2023**

NOTE 7 LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS

The following reflects the Organization's financial assets available to meet cash needs for general expenditures within one year of June 30:

	2024	2023
Cash and Cash Equivalents	\$ 591,884	\$ 533,064
Grants Receivable	10,461	52,042
Contributions Receivable	-	100
Total Financial Assets	602,345	585,206
Less Amounts Unavailable for General Expenditures Within One Year Due to:		
Donor Restrictions	(73,573)	(65,917)
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	\$ 528,772	\$ 519,289

The Organization is primarily funded by grants and contributions from donors without donor restrictions and with donor restrictions. Donor restrictions require that resources be used in a certain manner or in a future period; therefore, the Organization must maintain adequate resources to meet those responsibilities to its donors and certain financial assets may not be available for general expenditure within one year. As part of the Organization's liquidity management, the Organization strives to structure their financial assets to be available as their general expenditures, liabilities and other obligations become due. In addition, the Organization invests cash in excess of short-term requirements in a savings account or short-term certificates of deposit.



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