THE
LGBTQ+
BAR
NATIONAL LESBIAN AND GAY LAW ASSOCIATION
DBA NATIONAL LGBTQ+ BAR ASSOCIATION
FINANCIAL STATEMENTS
JUNE 30, 2023
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**June 30, 2023**

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Independent Auditor’s Report

Board of Directors
National Lesbian and Gay Law Association
DBA National LGBTQ+ Bar Association
Washington, D.C.

Opinion

We have audited the accompanying financial statements of National LGBTQ+ Bar Association (the Association), which comprise the statement of financial position as of June 30, 2023, 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 the Association as of June 30, 2023, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Association 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.

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 the Association’s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists.
Board of Directors  
National LGBTQ+ Bar Association

**Auditor’s Responsibilities for the Audit of the Financial Statements (Continued)**

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, we:

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

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

**Report on Summarized Comparative Information**

We have previously audited the Association’s 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated December 9, 2022. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Bethesda, Maryland  
December 22, 2023  
Certified Public Accountants
### NATIONAL LGBTQ+ BAR ASSOCIATION

#### STATEMENT OF FINANCIAL POSITION

**JUNE 30, 2023**

*(WITH SUMMARIZED FINANCIAL INFORMATION AS OF JUNE 30, 2022)*

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$155,337</td>
<td>$167,011</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>-</td>
<td>7,327</td>
</tr>
<tr>
<td>Due from Foundation</td>
<td>$426,974</td>
<td>402,825</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>2,954</td>
<td>2,354</td>
</tr>
<tr>
<td>Investments</td>
<td>155,743</td>
<td>150,309</td>
</tr>
<tr>
<td>Investments, Deferred Compensation</td>
<td>38,475</td>
<td>32,442</td>
</tr>
<tr>
<td><strong>Property and Equipment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and Equipment</td>
<td>5,600</td>
<td>4,881</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td>(2,547)</td>
<td>(3,689)</td>
</tr>
<tr>
<td>Net Property and Equipment</td>
<td>3,053</td>
<td>1,192</td>
</tr>
<tr>
<td>Security Deposit</td>
<td>1,224</td>
<td>3,544</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$783,760</td>
<td>$767,004</td>
</tr>
<tr>
<td><strong>Liabilities and Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred Revenue</td>
<td>$56,253</td>
<td>$48,345</td>
</tr>
<tr>
<td>Accrued Liabilities</td>
<td>128,785</td>
<td>105,103</td>
</tr>
<tr>
<td>Deferred Compensation Payable</td>
<td>38,475</td>
<td>32,442</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>223,513</td>
<td>185,890</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Assets Without Donor Restrictions</td>
<td>560,247</td>
<td>581,114</td>
</tr>
<tr>
<td><strong>Total Net Assets Without Donor Restrictions</strong></td>
<td>560,247</td>
<td>581,114</td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td>$783,760</td>
<td>$767,004</td>
</tr>
</tbody>
</table>

*See accompanying Notes to Financial Statements.*
### National LGBTQ+ Bar Association

**Statement of Activities**

**For the Year Ended June 30, 2023**

*(With Summarized Financial Information for the Year Ended June 30, 2022)*

<table>
<thead>
<tr>
<th>Changes in Net Assets Without Donor Restrictions</th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership Dues</td>
<td>$103,437</td>
<td>$108,876</td>
</tr>
<tr>
<td>Licensing Agreement Royalties</td>
<td>272,016</td>
<td>224,856</td>
</tr>
<tr>
<td>Donated Services</td>
<td>95,192</td>
<td>-</td>
</tr>
<tr>
<td>Interest and Dividends</td>
<td>7,818</td>
<td>6,064</td>
</tr>
<tr>
<td>Investment Gain (Loss)</td>
<td>371</td>
<td>(27,914)</td>
</tr>
<tr>
<td>Service Fees and Other Income</td>
<td>38,544</td>
<td>81,165</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>517,378</td>
<td>393,047</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>American Bar Association</td>
<td>18,228</td>
<td>17,625</td>
</tr>
<tr>
<td>Member Services</td>
<td>149,103</td>
<td>169,738</td>
</tr>
<tr>
<td>Outreach Services</td>
<td>48,777</td>
<td>46,010</td>
</tr>
<tr>
<td>Advocacy</td>
<td>7,291</td>
<td>7,050</td>
</tr>
<tr>
<td><strong>Total Program Services</strong></td>
<td>223,399</td>
<td>240,423</td>
</tr>
<tr>
<td>Management and General</td>
<td>314,846</td>
<td>161,502</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>538,245</td>
<td>401,925</td>
</tr>
<tr>
<td><strong>Change in Net Assets Without Donor Restrictions</strong></td>
<td>(20,867)</td>
<td>(8,878)</td>
</tr>
<tr>
<td><strong>Net Assets Without Donor Restrictions, Beginning of Year</strong></td>
<td>581,114</td>
<td>589,992</td>
</tr>
<tr>
<td><strong>Net Assets Without Donor Restrictions, End of Year</strong></td>
<td>$560,247</td>
<td>$581,114</td>
</tr>
</tbody>
</table>

*See accompanying Notes to Financial Statements.*
# National LGBTQ+ Bar Association

## Statement of Functional Expenses

_for the year ended June 30, 2023_  
*(with summarized financial information for the year ended June 30, 2022)*

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### Program Services

<table>
<thead>
<tr>
<th></th>
<th>American Bar Association</th>
<th>Member Services</th>
<th>Outreach Services</th>
<th>Advocacy</th>
<th>Total Program Services</th>
<th>Management and General</th>
<th>2023 Total Expenses</th>
<th>2022 Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel Related Costs</td>
<td>$15,749</td>
<td>$124,293</td>
<td>$42,145</td>
<td>$6,300</td>
<td>$188,487</td>
<td>$127,868</td>
<td>$316,355</td>
<td>$307,454</td>
</tr>
<tr>
<td>Contract Services</td>
<td>1,418</td>
<td>11,188</td>
<td>3,794</td>
<td>567</td>
<td>16,967</td>
<td>51,535</td>
<td>68,502</td>
<td>65,944</td>
</tr>
<tr>
<td>Office and Operations</td>
<td>1,061</td>
<td>13,622</td>
<td>2,838</td>
<td>424</td>
<td>17,945</td>
<td>42,088</td>
<td>60,033</td>
<td>28,527</td>
</tr>
<tr>
<td>Donated Legal Services</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>93,355</td>
<td>93,355</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$18,228</strong></td>
<td><strong>$149,103</strong></td>
<td><strong>$48,777</strong></td>
<td><strong>$7,291</strong></td>
<td><strong>$223,399</strong></td>
<td><strong>$314,846</strong></td>
<td><strong>$538,245</strong></td>
<td><strong>$401,925</strong></td>
</tr>
</tbody>
</table>

_see accompanying notes to financial statements._
### National LGBTQ+ Bar Association

**Statement of Cash Flows**
*For the Year Ended June 30, 2023*
*(With Summarized Financial Information for the Year Ended June 30, 2022)*

<table>
<thead>
<tr>
<th></th>
<th>2023</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash Flows from Operating Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in Net Assets</td>
<td>$ (20,867)</td>
<td>$ (8,878)</td>
</tr>
<tr>
<td>Adjustments to Reconcile Change in Net Assets to</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Cash (Used in) Provided by Operating Activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>230</td>
<td>358</td>
</tr>
<tr>
<td>Investment (Gain) Loss</td>
<td>(371)</td>
<td>27,914</td>
</tr>
<tr>
<td><em>(Increase) Decrease in Assets</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>7,327</td>
<td>5,296</td>
</tr>
<tr>
<td>Due from Foundation</td>
<td>(24,149)</td>
<td>(51,104)</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>(600)</td>
<td>5,024</td>
</tr>
<tr>
<td>Investments, Deferred Compensation</td>
<td>(6,033)</td>
<td>67</td>
</tr>
<tr>
<td>Security Deposit</td>
<td>2,320</td>
<td>-</td>
</tr>
<tr>
<td><em>(Increase) Decrease in Liabilities</em></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred Revenue</td>
<td>7,908</td>
<td>(3,024)</td>
</tr>
<tr>
<td>Accrued Liabilities</td>
<td>23,682</td>
<td>36,093</td>
</tr>
<tr>
<td>Deferred Compensation Payable</td>
<td>6,033</td>
<td>(67)</td>
</tr>
<tr>
<td>Net Cash (Used in) Provided by Operating Activities</td>
<td>(4,520)</td>
<td>11,679</td>
</tr>
</tbody>
</table>

**Cash Flows from Investing Activities**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchases of Property and Equipment</td>
<td>(2,091)</td>
</tr>
<tr>
<td>Purchases of Investments</td>
<td>(3,900)</td>
</tr>
<tr>
<td>Proceeds from the Sales of Investments</td>
<td>(1,163)</td>
</tr>
<tr>
<td>Net Cash Used in Investing Activities</td>
<td>(7,154)</td>
</tr>
</tbody>
</table>

**Net (Decrease) Increase in Cash and Cash Equivalents**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net (Decrease) Increase in Cash and Cash Equivalents</td>
<td>(11,674)</td>
</tr>
<tr>
<td>Cash and Cash Equivalents, Beginning of Year</td>
<td>167,011</td>
</tr>
<tr>
<td><strong>Cash and Cash Equivalents, End of Year</strong></td>
<td><strong>$ 155,337</strong></td>
</tr>
</tbody>
</table>

*See accompanying Notes to Financial Statements.*
1. **Organization**

   The National Lesbian and Gay Law Association dba National LGBTQ+ Bar Association (the Association) was incorporated in 1990. Its purposes are to promote justice in and through the legal profession for the lesbian, gay, bisexual, and transgender community (referred to collectively as the Community), and to provide a means to serve, develop, and support programs and activities to advance the Community. The Association’s support comes primarily from membership dues and licensing agreement royalties.

2. **Summary of Significant Accounting Policies**

   **Basis of Accounting**

   The Association’s financial statements have been prepared on the accrual basis of accounting. Consequently, revenue is recognized when earned and expenses when the obligation is incurred.

   **Income Taxes**

   The Association is exempt from U.S. federal income taxes under Section 501(c)(6) of the Internal Revenue Code (IRC).

   The Association requires that a tax position be recognized or derecognized based on a “more-likely-than-not” threshold. This applies to positions taken or expected to be taken in a tax return. The Association does not believe its financial statements include, or reflect, any uncertain tax positions. The Association’s Forms 990, Return of Organization Exempt from Income Tax, 990-T, Exempt Organization Business Income Tax Return, and D-20, Corporate Franchise Tax Return, are subject to examination by the federal and state authorities, generally for three years after filing.

   **Cash and Cash Equivalents**

   The Association considers all cash and other highly liquid investments with initial maturities of three months or less to be cash and cash equivalents, except for amounts included in investments.

   **Investments**

   Investments are recorded at fair value based on quotations on national exchanges for identical or similar investments.

   **Property and Equipment**

   Property and equipment are stated at cost, if purchased, or fair market value at date of donation, if contributed. The Association capitalizes all expenditures for property and equipment in excess of $1,000. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

   **Use of Estimates**

   The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.
2. **Summary of Significant Accounting Policies (Continued)**

**Net Asset Classification**

The financial statements of the Association have been prepared in accordance with U.S. generally accepted accounting principles (U.S. GAAP), which requires the Association to report information regarding its financial position and activities according to the following net asset classifications:

*Net Assets Without Donor Restrictions*: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Association. These net assets may be used at the discretion of the Association’s management and the Board of Directors.

*Net Assets With Donor Restrictions*: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Association or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

**Revenue Recognition**

The Association recognizes membership dues on a pro-rata basis over the annual membership period. The Association recognizes licensing agreement royalties and service fees when the related event has occurred, or the services are provided. Contract receivables at July 1, 2022, were approximately $7,000.

Payments received in advance for membership dues are recorded in the year of receipt as deferred revenues and recognized as revenues in the years they are earned.

**Deferred Revenue**

Deferred revenue consists of member dues received in advance. The balance of deferred revenue as of July 1, 2022, was approximately $48,000 and has been included in membership dues revenue for the year ended June 30, 2023.

**Leases**

The determination of whether an arrangement is a lease is made at the lease's inception. Under the Financial Accounting Standards Board’s (FASB) Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the contract are changed.

The Association considers leases with initial terms of twelve months or less, and no option to purchase the underlying asset, to be short-term leases. Accordingly, short-term lease costs are expensed as payments when incurred.
2. **Summary of Significant Accounting Policies (Continued)**

*Adoption of Accounting Standards Update 2016-02*


The Association adopted the leasing standards effective July 1, 2022, using the modified retrospective approach with July 1, 2022, as the initial date of application. Management has elected to apply all practical expedients available under the new guidance.

The Association does not have any leases with terms in excess of twelve months. The short-term lease expense for the year ended June 30, 2023, was approximately $16,000.

*Functional Allocation of Expenses*

Certain costs have been allocated among the programs and supporting services benefited. These expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include personnel related costs which are allocated on the basis of time and effort by employees; office rent, depreciation, and other expenses included in office and operations are also based on time allocated to programs. Expenses directly identifiable to specific programs and supporting activities are allocated accordingly.

*Prior Year Information*

The financial statements include certain prior year summarized comparative totals as of and for the year ended June 30, 2022. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the financial statements for the year ended June 30, 2022, from which the summarized information was derived.

*Reclassifications*

Certain 2022 amounts have been reclassified for comparative purposes.

3. **Liquidity and Availability of Resources**

The Association’s cash flows have seasonal variations due to the timing of membership dues, and royalties. The Association manages its liquidity to meet general expenditures, liabilities, and other obligations as they become due. Excess funds are invested in mutual funds, exchange traded funds, and money market funds.
3. **Liquidity and Availability of Resources (Continued)**

As of June 30, 2023, the following financial assets and liquidity resources are available for general expenditures in the year ending June 30, 2024:

<table>
<thead>
<tr>
<th>Financial Assets</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>155,337</td>
</tr>
<tr>
<td>Due from Foundation</td>
<td>426,974</td>
</tr>
<tr>
<td>Investments</td>
<td>155,743</td>
</tr>
<tr>
<td><strong>Financial Assets Available to Meet Cash Needs for General Expenditures within One Year</strong></td>
<td><strong>738,054</strong></td>
</tr>
</tbody>
</table>

4. **Risks and Uncertainties**

At times during the year, the Association maintained cash balances at financial institutions in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limits. Management believes the risk in these situations to be minimal.

The Association invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

5. **Related Party Transactions**

The Association is related to National LGBTQ+ Bar Foundation (the Foundation) through common purposes and sharing of personnel and operating expenses. The Executive Director of the Association serves in the same position at the Foundation; however, the two organizations have separate and independent Boards, and do not have majority voting interests in each other, so no controlling interest exists. Therefore, the financial statements of the Association and the Foundation are not consolidated.

The Foundation has entered into a licensing agreement with the Association for the Foundation’s annual legal conference (the Conference). The terms of the agreement allow the Foundation to use the trademarks of the Association in promoting the Conference, as well as an agreement by the Foundation to pay the Association 25% of any profits derived from the Conference. For the year ended June 30, 2023, the Association’s share of the Conference profits was approximately $272,000 in royalties. As of June 30, 2023, the Association was owed approximately $427,000.

The Association reimburses the Foundation for its use of the Foundation’s employees and their share of operating expenses and the Foundation collects membership revenue on behalf of the Association. For the year ended June 30, 2023, expenses allocated to the Association were approximately $451,000 and revenue collected on behalf of the Association was approximately $200,000. The Association did not owe anything to the Foundation as of June 30, 2023.
6. **FAIR VALUE MEASUREMENTS**

The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels as follows:

*Level 1* - inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets (examples include equity securities);

*Level 2* - inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability other than quoted prices, either directly or indirectly, including inputs in markets that are not considered to be active (examples include corporate or municipal bonds and certificates of deposit);

*Level 3* - inputs to the valuation methodology are unobservable and significant to the fair value measurement. The inputs to the determination of fair value require significant management judgment (examples include certain private equity securities and split-interest agreements).

The following presents the Association’s assets and liabilities measured at fair value as of June 30, 2023:

<table>
<thead>
<tr>
<th>Description</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Money Market Fund</td>
<td>$3,614</td>
<td>-$</td>
<td>-$</td>
<td>$3,614</td>
</tr>
<tr>
<td>Exchange-Traded Funds and Closed-End Funds</td>
<td>11,585</td>
<td>-$</td>
<td>-</td>
<td>11,585</td>
</tr>
<tr>
<td>Mutual Funds</td>
<td>140,544</td>
<td>-$</td>
<td>-</td>
<td>140,544</td>
</tr>
<tr>
<td><strong>Total Investments at Fair Value</strong></td>
<td>155,743</td>
<td>-$</td>
<td>-</td>
<td>155,743</td>
</tr>
<tr>
<td>Investments, Deferred Compensation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mutual Funds</td>
<td>38,475</td>
<td>-$</td>
<td>-</td>
<td>38,475</td>
</tr>
<tr>
<td><strong>Total Assets at Fair Value</strong></td>
<td>$194,218</td>
<td>-$</td>
<td>-</td>
<td>$194,218</td>
</tr>
<tr>
<td>Deferred Compensation Liability</td>
<td>$38,475</td>
<td>-$</td>
<td>-</td>
<td>$38,475</td>
</tr>
<tr>
<td>Total Liabilities at Fair Value</td>
<td>$38,475</td>
<td>-$</td>
<td>-</td>
<td>$38,475</td>
</tr>
</tbody>
</table>

7. **RETIREMENT PLAN**

A qualified plan (the Plan) under Section 403(b) of the Internal Revenue Code was adopted by the Association, covering all employees who meet certain eligibility requirements. Employees may make contributions to the Plan up to statutory limits. The Association makes its share of discretionary contributions for all eligible employees. Under this Plan, the Association’s share of the contributions for the year ended June 30, 2023, totaled approximately $10,000.

8. **DEFERRED COMPENSATION PLAN**

Effective January 1, 2012, the Association adopted a deferred compensation plan (the Deferred Plan) under Section 457(b) of the Code. The Deferred Plan allows for certain management employees to defer a portion of their salary and to direct the investment of amounts deferred. The current value of the Association’s share of the investment account has been recorded as a separate asset with an offsetting liability for deferred compensation.
9. **DONATED SERVICES**

The Association was provided legal services at no cost. Based on current market rates, the Association would have paid approximately $95,000 for the year ended June 30, 2023. Approximately $93,000 of these costs were reported in management and general in the accompanying statement of functional expenses for the year ended June 30, 2023, and $2,000 was included in property and equipment on the statement of financial position as of June 30, 2023.

All donated services received by the Association for the year ended June 30, 2023, were considered without donor restrictions and able to be used by the Association as determined by the Board of Directors and management.

10. **SUBSEQUENT EVENTS**

In December 2023, the Foundation and the Association entered into a severance agreement with an employee.

Subsequent events were evaluated through December 22, 2023, which is the date the financial statements were available to be issued.