



FFLA and The Florida Bar Foundation Endowment Trust

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2024



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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
FFLA and The Florida Bar Foundation Endowment Trust
Maitland, Florida

Opinion

We have audited the accompanying consolidated financial statements of FFLA and The Florida Bar Foundation Endowment Trust, (nonprofit organizations), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities, functional expenses, 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 consolidated financial position of FFLA and The Florida Bar Foundation Endowment Trust, as of June 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of FFLA and The Florida Bar Foundation Endowment Trust, and to meet our other 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 Consolidated 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 FFLA and The Florida Bar Foundation Endowment Trust'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 Consolidated 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 will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

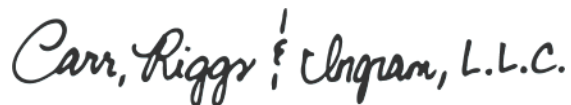
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 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 FFLA and The Florida Bar Foundation Endowment Trust'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 FFLA and The Florida Bar Foundation Endowment Trust's ability to continue as a going concern for a reasonable period of time.

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

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedule of revenues by funding sources and the consolidating schedule of expenses by funding sources are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." in a cursive script.

CARR, RIGGS & INGRAM, L.L.C.
Orlando, Florida

December 18, 2024

FFLA and
The Florida Bar Foundation Endowment Trust
Consolidated Statements of Financial Position

<i>June 30,</i>	2024	2023
Assets		
Current assets		
Cash and cash equivalents	\$ 2,548,906	\$ 1,217,059
Interest on trust accounts (IOTA) contributions receivable	23,599,204	24,594,645
Notes receivable, net	441,290	407,742
Interest and dividends receivable	45,041	45,041
Other receivables	54,945	30,146
Investments	314,307,025	65,983,459
Prepaid and reimbursable expenses	98,979	70,366
Total current assets	341,095,390	92,348,458
Property and equipment, net	1,295,400	1,315,696
Non-current assets		
Investments restricted in perpetuity	2,616,255	2,608,713
Total non-current assets	2,616,255	2,608,713
Total assets	\$ 345,007,045	\$ 96,272,867
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued expenses	\$ 226,611	\$ 230,566
Grants payable	997,580	1,593,612
Contract liabilities	86,445	86,445
Obligations under capital leases, current portion	5,263	9,120
Total current liabilities	1,315,899	1,919,743
Non-current liabilities		
Other long-term liabilities	2,481	36,238
Obligations under capital leases, less current portion	16,850	18,451
Total non-current liabilities	19,331	54,689
Total liabilities	1,335,230	1,974,432
Net assets		
Without donor restrictions	30,376,174	21,586,485
With donor restrictions	313,295,641	72,711,950
Total net assets	343,671,815	94,298,435
Total liabilities and net assets	\$ 345,007,045	\$ 96,272,867

The accompanying notes are an integral part of the consolidated financial statements.

FFLA and
The Florida Bar Foundation Endowment Trust
Consolidated Statements of Activities

<i>For the year ended June 30,</i>	Without Donor Restrictions	With Donor Restrictions	2024 Total
Revenues, Support and Gains (Losses)			
Contributions:			
IOTA	\$ -	\$ 278,660,721	\$ 278,660,721
Other contributions	227,004	764,805	991,809
Specialty license plate	-	3,101	3,101
Contract revenue:			
Cy-Pres awards	502,648	-	502,648
Investment income, net	3,381,806	158,689	3,540,495
Net realized and unrealized gains			
on investments	7,175,005	222,670	7,397,675
Other income	228,963	-	228,963
Net assets released from restrictions	39,226,295	(39,226,295)	-
Total revenues, support and gains (losses)	50,741,721	240,583,691	291,325,412
Expenses			
Program activities	40,349,899	-	40,349,899
Management and general	1,348,125	-	1,348,125
Fundraising	254,008	-	254,008
Total expenses	41,952,032	-	41,952,032
Change in Net Assets	8,789,689	240,583,691	249,373,380
Net assets at beginning of year	21,586,485	72,711,950	94,298,435
Net assets at end of year	\$ 30,376,174	\$ 313,295,641	\$ 343,671,815

The accompanying notes are an integral part of the consolidated financial statements.

FFLA and
The Florida Bar Foundation Endowment Trust
Consolidated Statements of Activities (Continued)

<i>For the year ended June 30,</i>	Without Donor Restrictions	With Donor Restrictions	2023 Total
Revenues, Support and Gains (Losses)			
Contributions:			
IOTA	\$ -	\$ 68,891,186	\$ 68,891,186
Other contributions	123,756	513,351	637,107
Specialty license plate	-	26,850	26,850
Contract revenue:			-
Settlements	673,632	-	673,632
Cy-Pres awards	61,886	-	61,886
Investment income, net	1,019,007	111,761	1,130,768
Net realized and unrealized losses			-
on investments	979,274	243,780	1,223,054
Other income	109,345	-	109,345
Net assets released from restrictions	12,037,158	(12,037,158)	-
Total revenues, support and gains (losses)	15,004,058	57,749,770	72,753,828
Expenses			
Program activities	11,954,003	-	11,954,003
Management and general	1,245,501	-	1,245,501
Fundraising	267,673	-	267,673
Total expenses	13,467,177	-	13,467,177
Change in Net Assets	1,536,881	57,749,770	59,286,651
Net assets at beginning of year	20,049,604	14,962,180	35,011,784
Net assets at end of year	\$ 21,586,485	\$ 72,711,950	\$ 94,298,435

The accompanying notes are an integral part of the consolidated financial statements.

FFLA and
The Florida Bar Foundation Endowment Trust
Consolidated Statements of Functional Expenses

For the years ended June 30,

	2024				2023			
	Program Activities	Management and General	Fundraising	Total Expenses	Program Activities	Management and General	Fundraising	Total Expenses
Grants	\$39,738,040	\$ -	\$ -	\$ 39,738,040	\$11,324,992	\$ -	\$ -	\$ 11,324,992
Salaries and benefits	320,984	757,855	165,372	1,244,211	317,437	743,786	153,127	1,214,350
Facilities and equipment	173,415	109,174	19,256	301,845	212,465	144,626	25,727	382,818
Professional services	27,079	84,265	18,363	129,707	17,135	41,794	30,849	89,778
Office expenses	18,431	50,193	33,970	102,594	18,605	50,744	35,419	104,768
Audit, accounting, legal and bank fees	689	79,598	382	80,669	2,289	61,375	4,748	68,412
Insurance	8,618	27,069	4,774	40,461	7,561	23,747	4,189	35,497
Awards	48,000	5,301	-	53,301	11,000	3,056	-	14,056
Depreciation and amortization	11,123	34,935	6,162	52,220	12,844	40,342	7,116	60,302
Meetings and reimbursements	1,000	60,033	1,109	62,142	4,380	48,140	1,050	53,570
Uncollectable notes receivable	-	-	-	-	17,553	-	-	17,553
Interest expense	-	-	770	770	-	-	-	-
Other operating expenses	1,865	5,857	1,033	8,755	6,104	5,147	908	12,159
Cultivation, promotion, and recognition	-	340	2,158	2,498	-	329	1,417	1,746
Travel	655	9,738	659	11,052	1,458	15,617	3,123	20,198
Personnel and professional development	-	119,489	-	119,489	180	62,311	-	62,491
Post-retirement benefits	-	4,278	-	4,278	-	4,487	-	4,487
Total expenses	\$ 40,349,899	\$ 1,348,125	\$ 254,008	\$ 41,952,032	\$ 11,954,003	\$ 1,245,501	\$ 267,673	\$ 13,467,177

The accompanying notes are an integral part of the consolidated financial statements.

FFLA and
The Florida Bar Foundation Endowment Trust
Consolidated Statements of Cash Flows

<i>For the years ended June 30,</i>	2024	2023
Cash Flow from Operating Activities		
Change in net assets	\$ 249,373,380	\$ 59,286,651
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	52,220	60,302
Gain on disposal of equipment	-	(17,605)
Net realized and unrealized gains on investments	(7,397,675)	(1,223,054)
Write-off of uncollectible notes receivable	-	(17,553)
Decrease (increase) in:		
IOTA contributions receivable	995,441	(23,343,795)
Notes receivable	(33,548)	109,611
Interest and dividends receivable	-	(45,041)
Other receivables	(24,799)	24,530
Prepaid and reimbursable expenses	(28,613)	11,893
Other assets	-	11,411
Increase (decrease) in:		
Accounts payable and accrued expenses	(3,955)	(14,798)
Grants payable	(596,032)	(1,999,961)
Contract liabilities	-	(686,157)
Other long-term liabilities	(33,757)	(3,943)
Total adjustments	(7,070,718)	(27,134,160)
Net cash provided by operating activities	242,302,662	32,152,491
Investing Activities		
Proceeds from sale of investments	1,679,128	47,238,859
Purchase of investments	(242,612,561)	(86,827,169)
Purchase of property and equipment	(31,924)	(1,269,746)
Net cash used in investing activities	(240,965,357)	(40,858,056)
Financing Activities		
Principal payments under capital lease obligations	(5,458)	(15,073)
Net cash provided used in financing activities	(5,458)	(15,073)
Net (decrease) increase in cash and cash equivalents	1,331,847	(8,720,638)
Cash and cash equivalents at beginning of year	1,217,059	9,937,697
Cash and cash equivalents at end of year	\$ 2,548,906	\$ 1,217,059

The accompanying notes are an integral part of the consolidated financial statements.

FFLA and
The Florida Bar Foundation Endowment Trust
Notes to Consolidated Financial Statements

Note 1: NATURE OF ORGANIZATION

FFLA (the Organization), is a non-profit, tax-exempt corporation established in 1956 by The Florida Bar Board of Governors under authority granted by the Florida Supreme Court for the purpose of providing greater access to justice. The Organization accomplishes this mission through funding of programs which expand and improve representation and advocacy on behalf of low-income persons in civil legal matters, improve the fair and effective administration of justice and promote service to the public by members of the legal profession by making public service an integral component of the law school experience.

The Florida Bar Foundation Endowment Trust (the Endowment) is a non-profit, tax-exempt trust established in 1992. The Endowment was created solely to benefit the exempt purposes of the Organization by providing income to fund its charitable activities from the investment of endowment contributions. The Endowment has no employees and is managed by Foundation personnel. Distributions from the Endowment to the Organization are at the discretion of the Trustees of the Endowment (the Trustees). Use of Endowment distributions for Foundation charitable activities is determined by the Board of Directors of the Organization (the Board).

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

The consolidated financial statements of the Organization and the Endowment include their program services and supporting activities. Program expenses primarily include grants to other organizations for the purpose of accomplishing the objectives of the Organization's grant programs and program-related expenses in support of those programs. Program-related expenses include staff salaries and related costs, professional services, meeting expenses, and other costs to support accomplishment of the programs described below. Management and general expenses include staff salaries and related costs, accounting, and other professional services expenses, insurance, office facility expenses, and other expenses in support of the operations of the Organization and the Endowment. Fundraising expenses include staff salaries and related costs, printing, mail costs, professional services, travel and meetings, and other expenses of soliciting contributions to support the programs of the Organization.

**FFLA and
The Florida Bar Foundation Endowment Trust
Notes to Consolidated Financial Statements**

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting (Continued)

Historically, the Organization's primary source of funding is the Interest on Trust Accounts (IOTA) program, which represents net assets with donor restrictions for expenditures in support of the Organization's tax-exempt purposes. IOTA contributions to the Organization are made through financial institution remittance of interest earned on nominal or short-term deposits in participants' client trust accounts from participating attorneys.

The Endowment's primary sources of funding are investment income, the Fellows program and other contributions. To become a life member and Fellow of the Organization, participants pledge to pay \$1,000 over a five or ten-year term. All payments are invested in perpetuity and income earned thereon may be classified as without donor restrictions or with donor restrictions to specific Foundation programs based on the donor's instruction.

Principles of Consolidation

The Organization has the sole authority to appoint Endowment Trustees and has an economic interest in the Endowment. Accordingly, the Organization and Endowment's financial statements are presented on a consolidated basis. For purposes of this audit, all significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are the investment valuation, allowance for doubtful accounts, depreciation on assets, and allocation of functional expenses.

Program Services

The Organization's program services consist of the following:

Legal Assistance for the Poor – The Organization provides funding for the expansion and improvement of representation and advocacy on behalf of low-income persons in civil legal matters.

Administration of Justice – The Organization provides funding for the improvement of the administration of justice.

Law Student Assistance Grants – The Organization provides funding for the promotion of service to the public by members of the legal profession by making public service an integral component of the law school experience.

**FFLA and
The Florida Bar Foundation Endowment Trust
Notes to Consolidated Financial Statements**

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

The Organization and the Endowment consider all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents except for such instruments held by investment custodians.

IOTA and Other Receivables

Contributions, including unconditional promises to give and IOTA receipts, are recorded as contribution revenue when cash, securities or other assets, or an unconditional promise to give is received. Conditional promise to give, those with a measurable performance barrier or other barrier, and a right of return are not recognized until the conditions on which they depend have been met. Receivables are reduced to the amount estimated to be realized by an allowance for credit losses. Receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Organization's policy to charge off amounts when management determines the receivable will not be collected. Contributions to be received in future periods greater than one year are generally discounted to their present value in the year the contribution is made.

Allowance for Credit Losses

Management evaluates its receivables on an ongoing basis by analyzing relationships and previous payment histories. The allowance for credit losses is management's best estimate of the amount of expected credit losses in the existing accounts based on current market conditions. Historically, losses on uncollectible accounts have been within management's expectations. The allowance for credit losses is reviewed on a periodic basis to ensure there is sufficient reserve to cover any potential credit losses. When receivables are considered uncollectible, they are charged against the allowance for credit losses. Collections on accounts previously written off are included in the change in net assets as received. As of June 30, 2024 and 2023, there were no allowance for credit losses.

Investments

Investments in marketable securities are stated at fair value. Alternative investments are stated at net asset value (NAV). All realized and unrealized gains and losses attributable to investments and all investment income (interest and dividends, net of investment fees) are reflected in the consolidated statements of activities. Cost is determined by the specific identification method or the average cost method in computing realized gains and losses on sales of investments.

FFLA and
The Florida Bar Foundation Endowment Trust
Notes to Consolidated Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments (Continued)

Investment securities are exposed to various risks such as interest rate, market, and credit risks. In addition, alternative investment funds are not subject to audit other than at their fiscal year end and there are no published market prices for such investments to establish their fair value at intervening dates.

Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investment securities will occur in the near term and that such changes could materially affect investment account balances and the amounts reported in the consolidated statements of financial position and activities.

Property and Equipment, Net

Acquisitions of property and equipment in excess of \$1,000 and all expenditures for maintenance, renewals and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation and amortization are calculated using the straight-line method over the following useful lives:

<i>Asset Classifications</i>	Estimated Useful Lives (Years)
Buildings	30
Office equipment	5
Computer equipment	5
Furniture and fixtures	6 - 8
Software	5

Impairment of Long-Lived Assets

The Organization reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future undiscounted cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of are reported at the lower of the carrying amount or fair value less costs to sell. There were no impairment losses recorded during the years ended June 30, 2024 and 2023.

FFLA and
The Florida Bar Foundation Endowment Trust
Notes to Consolidated Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Grants Payable

Grants unconditionally approved for payment by the Organization's Board are recorded as grants expense and grants payable at the time the Board approves the grant. Conditional promises to grant funds, those with a measurable performance barrier or other barrier, and a right of return, are not recorded as grants expense until the conditions on which they depend have been met by the grantee.

Net Assets

The Organization and the Endowment report information regarding their financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Organization and the Endowment, the environment in which they operate, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated, from net assets without donor restrictions, net assets for specific purposes.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Revenue Recognition

Payments under various contracts, including legal settlements and Cy-Pres Awards are recognized as revenue when performance obligations under the terms of the contracts are satisfied. Income from contract revenue and Cy Pres Awards received in advance are deferred and recognized over the periods to which the dates and income relate. These amounts are included in performance obligation liabilities within the statements of financial position.

FFLA and
The Florida Bar Foundation Endowment Trust
Notes to Consolidated Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue Recognition (Continued)

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

Donated Assets

Donated investments and noncash donations are recorded as contributions at their fair values at the date of donation. During the year ending June 30, 2024, there were no donated assets.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Organization. Volunteers also provided fund-raising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Functional Allocation of Expenses

The costs of providing the various programs and other activities of the Organization and the Endowment have been summarized on a functional basis in the consolidated statements of activities and functional expenses. Salaries and related payroll expenses are allocated among functional categories based on the estimated proportion of time spent relative to each function. Rent and maintenance, depreciation expense, insurance, office expenses, and dues and subscriptions are allocated based on the number of employees per function.

Income Taxes

The Organization and the Endowment are tax exempt organizations under Section 501(c)(3) of the Internal Revenue Code and are exempt from state income taxes under similar provisions in the Florida Statutes. The Organization and the Endowment have been determined to be other than a private foundation under the meaning of Section 509(a) of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the accompanying consolidated financial statements.

**FFLA and
The Florida Bar Foundation Endowment Trust
Notes to Consolidated Financial Statements**

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (Continued)

The Organization and the Endowment utilize the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2024 and 2023, the Organization and the Endowment have no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 18, 2024. See Note 15 for relevant disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.

New Accounting Standards

In June 2016, the FASB issued ASU 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which is often referred to as the CECL model, or current expected credit losses. Among other things, the amendments in this ASU require the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. Financial institutions and other organizations will now use forward-looking information to better inform their credit loss estimates. Many of the loss estimation techniques applied today will still be permitted, although the inputs to those techniques will change to reflect the full amount of expected credit losses. In addition, the ASU amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration.

The Organization adopted ASU 2016-13 on July 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in enhanced disclosures only. Please refer to IOTA and other receivables policy.

FFLA and
The Florida Bar Foundation Endowment Trust
Notes to Consolidated Financial Statements

Note 3: LIQUIDITY AND AVAILABILITY OF RESOURCES

The Organization's and Endowment's financial assets available within one year of the consolidated statement of financial position date for general expenditures are as follows:

<i>June 30,</i>	2024	2023
Cash and cash equivalents	\$ 2,548,906	\$ 1,217,059
Investments	314,307,025	65,983,459
IOTA contributions receivable	23,599,204	24,594,645
Other receivables	54,945	30,146
Interest and dividends receivable	45,041	45,041
 Total Financial Assets Available Within One Year	 340,555,121	 91,870,350
 Less:		
Net assets with donor restrictions subject to expenditure for specific purpose	(310,652,264)	(70,077,493)
Board designated grant reserve fund	(5,105,981)	(5,105,981)
Earnings on Bank of America settlement designated for program expenses	(103,089)	(103,089)
Board designated special reserves	(3,976,853)	(3,976,853)
Board designated for preservation of minimum investment value	(2,500,000)	(2,500,000)
 Net Financial Assets and Liquidity Resources Available Within One Year	 \$ 18,216,934	 \$ 10,106,934

As part of the Organization's and Endowment's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

In addition, the Organization invests cash in excess of daily requirements in short-term investments and mid-long-term investment accounts which are reviewed and managed by the Investment Committee. The Organization has established a board-designated endowment which considers, on a case-by-case basis, individual requests from the Board before making distributions of allowable earnings. Earnings are restricted for specific Foundation programmatic activities or available to the Organization, as requested, for any of its purposes. In addition, as of June 30, 2024 and 2023, the Organization has board designated reserves, which are excluded from financial assets, of \$11,685,923. In addition, conditional grants in the amount of \$2,232,974 and \$1,011,694 are excluded from financial assets for the years ending June 30, 2024 and 2023, respectively.

FFLA and
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Notes to Consolidated Financial Statements

Note 4: CONTRIBUTIONS RECEIVABLE

IOTA contributions receivable in the amount of \$23,599,204 and \$24,594,645 as of June 30, 2024 and 2023, respectively, are considered fully collectible within the next year.

Note 5: NOTES RECEIVABLE

The Organization has established a loan repayment assistance program (LRAP). This program provides law school educational debt repayment assistance to law school graduates employed by qualified legal aid organizations. Each participant may receive up to \$5,000 per year that must be applied toward repayment of student loan debt. In the event an applicant's principal balance is equal to or less than the maximum annual benefit amount, an applicant may qualify for a loan in the amount of the principal balance. The loans are for one year and are paid to the program participants in semiannual installments and are forgiven annually provided the staff attorney remains employed on a full-time or at least part time (50% or greater FTE) basis for the full loan year by a qualified legal aid organization and provides proof of payment of student loan debt using all of the LRAP proceeds. Loan principal of \$616,292 and \$776,970, was forgiven during the years ended June 30, 2024 and 2023, respectively.

The unforgiven balance of the loan due from a participant who terminates qualified employment becomes payable in 12 equal monthly installments, including interest at 3%. As of June 30, 2024 and 2023, participants with outstanding loan balances of \$134,888 and \$122,079, respectively, had ceased to qualify under the program's guidelines and their loans are being repaid under the above terms. Interest on the loans is recorded as income when received. Interest income was \$2,428 and \$1,499 for the years ended June 30, 2024 and 2023, respectively, and was included in other income on the consolidated statement of activities.

The Organization provides an allowance for credit losses based on its collection experience. As of June 30, 2024 and 2023, management determined the allowance for uncollectible loans for all notes receivable to be \$51,395 and \$74,000, respectively. Loans are only written off after management has exhausted all reasonable collection efforts. Bad debt expense was \$- and \$17,553 for the years ended June 30, 2024 and 2023, respectively.

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Note 6: INVESTMENTS

Investments are classified in three separate accounts as Current Operating, Mid-Long Term, and Endowment Investments. The Current Operating Account was established to provide funding for the Organization's operating expenses as well as near-term capital and grant commitments in support of the Organization's charitable activities. Consequently, the investment objectives for the Current Operating Account are to provide for preservation of principal value, high liquidity, and current income. To provide for current and future funding of grant programs, operation and capital needs, the Organization established the Mid-Long Term Investment Account. The investment objective for the Mid-Long Term Investment Account is to provide current income, preservation of capital, and long-term capital growth. The investment objective of Endowment Investments to be held in perpetuity is to provide long-term capital growth.

The Organization owns the following investments that are recorded at net asset value (NAV):

- The ACL Alternative Fund SAC Limited USD Class A Fund (Managed futures) may be redeemed on a daily basis. The investment objective is to produce positive long-term returns. Diversification is achieved through both the trading style and at the market sector level which is broadly diversified with positions in global currency, financial and commodity markets.
- The Hatteras Core Alternatives TEI Institutional Fund, L.P. (Hedge funds) may be redeemed quarterly with a 65-day notice. The investment objective of the Fund is to provide capital appreciation consistent with the return characteristics of the alternative investment portfolios of larger endowments. The secondary objective of the Fund is to provide capital appreciation with less volatility than that of the equity markets.

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Notes to Consolidated Financial Statements

Note 6: INVESTMENTS (Continued)

Investments consist of the following:

<i>June 30,</i>	2024	
	Cost	Market Value
Current Operating Investments:		
Cash and money market funds	\$ 4,816,438	\$ 4,807,172
Exchange traded funds	1,586,011	1,598,581
Fixed income mutual funds	3,160,201	3,182,876
Total operating investments	9,562,650	9,588,629
Foundation mid long-term investments:		
Cash and money market funds	4,844,686	4,649,327
Common stocks	10,937,322	11,511,661
Commodity mutual funds	357,535	287,005
Equity mutual funds	23,918,854	23,963,440
Exchange traded funds	9,827,907	11,137,961
Fixed income mutual funds	4,075,101	3,966,842
Hedge funds & liquid alternatives	247,843	338,905
Managed futures	553,851	607,215
US Treasuries	240,434,254	244,334,671
Total mid long-term investments	295,197,353	300,797,027
Endowment investments:		
Cash and money market funds	288,124	288,159
Common stocks	1,682,176	1,863,583
Commodity mutual funds	200,512	152,960
Equity mutual funds	890,960	880,800
Exchange traded funds	655,356	1,079,896
Fixed income mutual funds	1,952,796	1,921,374
Hedge funds & liquid alternatives	162,687	147,865
Managed futures	111,958	202,987
Total endowment investments	5,944,569	6,537,624
Total Investments	\$ 310,704,572	\$ 316,923,280

FFLA and
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Notes to Consolidated Financial Statements

Note 6: INVESTMENTS (Continued)

<i>June 30,</i>	<i>2023</i>	
	Cost	Market Value
Current Operating Investments:		
Cash and money market funds	\$ 4,150,094	\$ 4,141,236
Exchange traded funds	741,025	735,145
Fixed income mutual funds	1,488,999	1,468,080
Total current operating investments	6,380,118	6,344,461
Foundation mid long-term investments:		
Cash and money market funds	1,206,666	1,206,198
Common stocks	3,723,003	3,863,416
Commodity mutual funds	502,280	459,380
Equity mutual funds	2,015,596	1,998,558
Exchange traded funds	2,887,815	3,306,346
Fixed income mutual funds	6,262,458	5,712,085
Hedge funds & liquid alternatives	828,257	789,247
Managed futures	341,927	469,942
US Treasuries	38,266,409	38,417,417
Total mid long-term investments	56,034,411	56,222,589
Endowment investments:		
Cash and money market funds	237,242	237,261
Common stocks	1,334,423	1,421,313
Commodity mutual funds	191,207	165,423
Equity mutual funds	838,704	865,508
Exchange traded funds	795,302	1,183,685
Fixed income mutual funds	1,985,113	1,812,868
Hedge funds and liquid alternatives	188,542	148,146
Managed futures	111,958	190,918
Total endowment investments	5,682,491	6,025,122
Total Investments	\$ 68,097,020	\$ 68,592,172

FFLA and
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Notes to Consolidated Financial Statements

Note 6: INVESTMENTS (Continued)

Investments are classified in the consolidated statements of financial position based on their availability of expenditure as follows:

<i>June 30,</i>	2024	2023
Current assets (available for expenditure)		
Investments	\$ 314,307,025	\$ 65,983,459
Other assets (not available for expenditure)		
Investments restricted in perpetuity	2,616,255	2,608,713
Total Investments	\$ 316,923,280	\$ 68,592,172

The consolidated investment return of the Organization and the Endowment is comprised of the following:

<i>For the year ended June 30,</i>	2024	2023
Investment income, net:		
Interest	\$ 3,133,830	\$ 590,030
Dividends and reinvested capital gains	692,941	579,888
Investment fees	(286,276)	(39,150)
Total investment income, net	3,540,495	1,130,768
Net gains (losses):		
Realized	1,674,119	(567,690)
Unrealized	5,723,556	1,790,744
Net realized and unrealized gains (losses) on investments	7,397,675	1,223,054
Total investment return, net	\$ 10,938,170	\$ 2,353,822

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Notes to Consolidated Financial Statements

Note 7: PROPERTY AND EQUIPMENT, NET

Property and equipment, net consists of the following:

<i>June 30,</i>	2024	2023
Land	\$ 402,748	\$ 391,785
Buildings	883,041	865,533
Office equipment	84,861	81,410
Computer equipment	18,960	18,960
Furniture and fixtures	50,000	50,000
Software	147,374	147,374
	1,586,984	1,555,062
Less accumulated depreciation and amortization	(291,584)	(239,366)
Total property and equipment, net	\$ 1,295,400	\$ 1,315,696

Depreciation and amortization expenses were \$52,220 and \$60,302 for the year ended June 30, 2024 and 2023, respectively.

Note 8: NET ASSETS

A summary of net assets without donor restrictions follows:

<i>June 30,</i>	2024	2023
Undesignated	\$ 18,690,251	\$ 9,900,562
Board designated		
Earnings on Bank of America settlement designated for program expenses	103,089	103,089
Funding of grants reserve	5,105,981	5,105,981
Preservation of minimum investment value	2,500,000	2,500,000
Special reserves, including disaster relief, future building fund, and operating	3,976,853	3,976,853
Total board designated	11,685,923	11,685,923
Total net assets without donor restrictions	\$ 30,376,174	\$ 21,586,485

FFLA and
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Notes to Consolidated Financial Statements

Note 8: NET ASSETS (Continued)

A summary of net assets with donor restrictions follows:

<i>June 30,</i>	2024	2023
Time restricted	\$ 27,122	\$ 25,744
Purpose restricted	310,652,264	70,077,493
Total subject to expenditure for specified purpose	310,679,386	70,103,237
Endowment investments restricted in perpetuity	2,616,255	2,608,713
Total net assets with donor restrictions	\$ 313,295,641	\$ 72,711,950

A summary of the release of donor restrictions follows:

<i>June 30,</i>	2024	2023
Purpose restricted	\$ 39,226,295	\$ 12,037,158
Total net assets released from restrictions	\$ 39,226,295	\$ 12,037,158

As of June 30, 2024 and 2023, the Board had approved grants contingent on the recipients meeting certain conditions specified in the grant agreements. The conditional grants are not reflected in the accompanying consolidated financial statements and will be recorded when the conditions are met. These conditional grant commitments and non-endowed Board designations are as follows:

<i>June 30,</i>	2024	2023
Legal Assistance for the Poor	\$ 1,235,394	\$ 1,011,694
Total conditional grants	\$ 1,235,394	\$ 1,011,694

FFLA and
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Notes to Consolidated Financial Statements

Note 9: REVENUE

Disaggregated Revenue

A summary of disaggregated revenue information follows:

<i>June 30,</i>	2024	2023
Contract liabilities, beginning of year	\$ 86,445	\$ 772,602
Contract liabilities, end of year	\$ 86,445	\$ 86,445

Contract Balances

<i>For the years ended June 30,</i>	2024	2023
Contracts revenue		
Recognized over time	\$ 502,648	\$ 735,518
Contributions (non-exchange)	279,655,631	69,555,143
Other revenue (non-exchange)	11,167,133	2,463,167
Total revenue	\$291,325,412	\$ 72,753,828

Note 10: ENDOWMENT

Endowment funds include both donor-restricted endowment funds and funds designated for endowment by the Board. As required by U.S. GAAP, the principal of donor-restricted endowment funds are classified and reported as net assets with donor restrictions and the earnings are classified and reported based on the existence or absence of donor-imposed restrictions. The Board-designated endowment fund has been designated by the Board for endowment with the intention of growing the endowment fund to ultimately support the programmatic activities of the Organization and are classified and reported as net assets without donor restrictions. The earnings on the donor-restricted endowment fund are either restricted for program activities or are unrestricted and will be appropriated for expenditure by the Trustees.

Note 10: ENDOWMENT (Continued)

Interpretation of Relevant Law

The governing document of the Endowment requires the principal of the endowment funds to be maintained in perpetuity as the ultimate source for providing income to carry on the Organization's charitable activities. Accordingly, the Trustees and the Board interpret Florida Uniform Prudent Management of Institutional Funds Act (FUPMIFA) as requiring the preservation of the fair value of the original gifts as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the donor-restricted endowment funds are classified as net assets with donor restrictions and include (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instruments at the time the accumulation is added to the fund. Earnings on donor-restricted endowment funds not otherwise restricted are classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Trustees in a manner consistent with the standard of prudence prescribed by FUPMIFA. In accordance with FUPMIFA, the Trustees consider the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund.
- The purpose of the Organization's request for distribution.
- General economic conditions.
- The possible effect of inflation and deflation.
- The expected total return from income and the appreciation of investments.
- Other resources of the Organization.
- The investment policies of the Endowment Trust.

Return Objectives and Risk Parameters

The Trustees have adopted investment and spending policies for endowment assets that attempt to provide future funding to Foundation programs. Endowment assets include those assets of donor-restricted funds that must be held in perpetuity, as well as Board-designated funds. Under these policies, as approved by the Trustees, the endowment assets are invested in a manner that is intended to provide a total return primarily emphasizing capital appreciation (realized and unrealized) and current yield (interest and dividends). The Endowment's investment policy targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

FFLA and
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Note 10: ENDOWMENT (Continued)

Endowment Spending Policy

The Endowment's policy is to not distribute funds annually, but to consider, on a case-by-case basis, individual requests from the Board. In reviewing a request for distribution, the Trustees consider the importance of the Organization's needs considering its other resources, as well as the objective of providing additional real growth for future funding through accumulations of investment returns.

Endowment net asset composition by type of fund as of June 30, 2024, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 5,039,170	\$ 5,039,170
Board-designated endowment funds	1,632,798	-	1,632,798
Total	\$ 1,632,798	\$ 5,039,170	\$ 6,671,968

Change in endowment net assets for the fiscal year ended June 30, 2024, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 1,508,950	\$ 4,648,893	\$ 6,157,843
Investment income, net	51,533	158,689	210,222
Net realized and unrealized losses	72,315	222,670	294,985
Contributions	-	8,918	8,918
Endowment net assets, end of year	\$ 1,632,798	\$ 5,039,170	\$ 6,671,968

Endowment net asset composition by type of fund as of June 30, 2023, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 4,648,893	\$ 4,648,893
Board-designated endowment funds	1,508,950	-	1,508,950
Total	\$ 1,508,950	\$ 4,648,893	\$ 6,157,843

FFLA and
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Notes to Consolidated Financial Statements

Note 10: ENDOWMENT (Continued)

Endowment Spending Policy (Continued)

Change in endowment net assets for the fiscal year ended June 30, 2023, is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, beginning of year	\$ 1,392,840	\$ 4,267,536	\$ 5,660,376
Investment income, net	36,497	111,761	148,258
Net realized and unrealized gains	79,613	243,780	323,393
Contributions	-	25,816	25,816
Endowment net assets, end of year	\$ 1,508,950	\$ 4,648,893	\$ 6,157,843

Note 11: FAIR VALUE INVESTMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
 - observable; or
 - can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

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Notes to Consolidated Financial Statements

Note 11: FAIR VALUE INVESTMENTS (Continued)

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2024 and 2023.

Common stocks: Valued at the closing price reported on the active market on which the individual securities are traded.

Mutual funds and exchange-traded: Valued at the daily closing price as reported by the fund. Mutual funds held by the Organization and the Endowment are open-end mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Organization and the Endowment are deemed to be actively traded.

US treasuries: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

Liquid alternatives: Valued at the daily closing price as reported by the fund. Liquid alternatives held by the Organization are open-ended mutual funds that are registered with the SEC. These funds are required to publish their daily NAV and to transact at that price. The liquid alternatives held by the Organization are deemed to be actively traded.

Managed futures and hedge funds: Valued based on NAV per share or unit as a practical expedient as reported by the fund manager, multiplied by the number of shares or units held as of the measurement date. Accordingly, the NAV based investments have been excluded from the fair value hierarchy leveling.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization and the Endowment believe their valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

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Note 11: FAIR VALUE INVESTMENTS (Continued)

The following tables set forth by level, within the fair value hierarchy, the Organization's and Endowments' investments at fair value:

<i>June 30,</i>				2024
	Level 1	Level 2	Level 3	Total
Current Operating Investments:				
Cash and money market funds	\$ 4,807,172	\$ -	\$ -	\$ 4,807,172
Exchange traded funds	1,598,581	-	-	1,598,581
Fixed income mutual funds	3,182,876	-	-	3,182,876
Total operating investments	9,588,629	-	-	9,588,629
Foundation mid long-term investments:				
Cash and money market funds	4,649,327	-	-	4,649,327
Common stocks	11,511,661	-	-	11,511,661
Commodity mutual funds	287,005	-	-	287,005
Equity mutual funds	23,963,440	-	-	23,963,440
Exchange traded funds	11,137,961	-	-	11,137,961
Fixed income mutual funds	3,966,842	-	-	3,966,842
Hedge funds & liquid alternatives	338,905	-	-	338,905
US Treasuries	244,334,671	-	-	244,334,671
	300,189,812	-	-	300,189,812
Managed futures (A)	-	-	-	607,215
Total mid long-term investments	300,189,812	-	-	300,797,027
Endowment investments:				
Cash and money market funds	288,159	-	-	288,159
Common stocks	1,863,583	-	-	1,863,583
Commodity mutual funds	152,960	-	-	152,960
Equity mutual funds	880,800	-	-	880,800
Exchange traded funds	1,079,896	-	-	1,079,896
Fixed income mutual funds	1,921,374	-	-	1,921,374
	6,186,772	-	-	6,186,772
Hedge funds (A)	-	-	-	147,865
Managed futures (A)	-	-	-	202,987
			-	350,852
Total endowment investments	6,186,772	-	-	6,537,624
Total investments at fair value	\$ 315,965,213	\$ -	\$ -	\$ 316,923,280

(A) Investments that are measured at fair value using the net asset value per share have been excluded from the fair value hierarchy leveling.

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Note 11: FAIR VALUE INVESTMENTS (Continued)

<i>June 30,</i>					2023
	Level 1	Level 2	Level 3		Total
Current Operating Investments:					
Cash and money market funds	\$ 4,141,236	\$ -	\$ -	\$	4,141,236
Exchange traded funds	735,145	-	-		735,145
Fixed income mutual funds	1,468,080	-	-		1,468,080
Total current operating investments	6,344,461	-	-		6,344,461
Foundation mid long-term investments:					
Cash and money market funds	1,206,198	-	-		1,206,198
Common stocks	3,863,416	-	-		3,863,416
Commodity mutual funds	459,380	-	-		459,380
Equity mutual funds	1,998,558	-	-		1,998,558
Exchange traded funds	3,306,346	-	-		3,306,346
Fixed income mutual funds	5,712,085	-	-		5,712,085
Hedge funds & liquid alternatives	789,247	-	-		789,247
US Treasuries	38,417,417	-	-		38,417,417
	55,752,647	-	-		55,752,647
Managed futures (A)	-	-	-		469,942
Total mid long-term investments	55,752,647	-	-		56,222,589
Endowment investments:					
Cash and money market funds	237,261	-	-		237,261
Common stocks	1,421,313	-	-		1,421,313
Commodity mutual funds	165,423	-	-		165,423
Equity mutual funds	865,508	-	-		865,508
Exchange traded funds	1,183,685	-	-		1,183,685
Fixed income mutual funds	1,812,868	-	-		1,812,868
Hedge funds & liquid alternatives	137,188	-	-		137,188
	5,823,246	-	-		5,823,246
Hedge fund (A)	-	-	-		10,958
Managed futures (A)	-	-	-		190,918
					201,876
Total endowment investments	5,823,246	-	-		6,025,122
Total investments at fair value	\$ 67,920,354	\$ -	\$ -	\$	68,592,172

(A) Investments that are measured at fair value using the net asset value per share have been excluded from the fair value hierarchy leveling.

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Note 11: FAIR VALUE INVESTMENTS (Continued)

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfer between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the year ended June 30, 2024 and 2023, there were no significant transfers in or out of Levels 1, 2 or 3.

Fair Value of Investments that Calculate Net Asset Value

Common collective trusts are maintained by investment companies and hold investments in accordance with a stated set of fund objectives. Common collective trusts measured at fair value based on NAV per share consists of the following.

June 30,	Fair Value	Unfunded Commitments	Redemption Frequency (if eligible)	Redemption Notice Period
2024				
Managed Futures	\$ 810,202	\$ 810,202	Daily	0 - 30 Days
Hedge funds & liquid alternatives	\$ 147,865	\$ 147,865	Quarterly	65 Days
2023				
Managed Futures	\$ 660,860	\$ 660,860	Daily	0 - 30 Days
Hedge funds & liquid alternatives	\$ 10,958	\$ 10,958	Quarterly	65 Days

Note 12: CONCENTRATIONS

Concentration of Credit Risk

Financial instruments which potentially expose the Organization and the Endowment to concentrations of credit risk, as defined by U.S. GAAP, include bank and brokerage cash and cash equivalent accounts in excess of federally insurance balances in national financial institutions at June 30, 2024 and 2023. In management's opinion, the capitalization and operating history of these financial institutions is such that the likelihood of a loss is remote.

Note 12: CONCENTRATIONS (Continued)

Concentration of IOTA Revenue

A substantial portion of the Organization's revenues are derived from contributions related to the IOTA program. A reduction in the amount of IOTA contributions received in the near term could have a significant impact on the Organization's financial position and results of activities.

IOTA programs similar to Florida's have been established in every state, the District of Columbia and the U.S. Virgin Islands. Legal challenges to IOTA programs have been initiated over the years in a number of federal jurisdictions, including Florida. The federal court challenges have ended in the wake of the U.S. Supreme Court's decision in *Brown v. Legal Foundation of Washington*, 538 U.S. 216, (2003), which found that Washington State's program did not violate the Fifth Amendment of the U.S. Constitution. Presently, there are no asserted claims concerning the constitutionality of Florida's IOTA program.

On June 18, 2021, the Florida Supreme Court issued its decision regarding its previously-entered Administrative Order (No. AOSC19-70). That decision can be found on the Court's online docket under Case No. SC 2020-1543 (IN RE: AMENDMENTS TO RULE REGULATING THE FLORIDA BAR 5-1.1(g)). The decision amends Rule 5-1.1(g) which is commonly referred to as "the IOTA rule" in several respects. Most notably, the decision affirms that The Florida Bar Foundation shall continue to remain as the statewide administrator for the collection and distribution of IOTA funds. Similarly, while the amended rule does not diminish (or increase) the total amount of IOTA funds to be received (this amount is directly determined by the principal balance amount of all lawyer trust accounts and the net interest rates paid by participating financial institutions – which makes the Organization's current primary source of income largely dependent on economic conditions and resulting market rates), it does limit the amount of IOTA revenues the Organization may use to pay its operating expenses associated with its duties and obligations as Florida's IOTA administrator to 15% of the IOTA funds received in each fiscal year beginning July 1, 2021. In addition, 85% of the IOTA funds received in each fiscal year beginning July 1, 2021 must be used to pay eligible grant recipients. Such payments must also occur no later than 6 months after the end of each fiscal year. Therefore, funds received will be donor restricted until such remittances and expenses occur.

Note 13: COMMITMENTS AND CONTINGENCIES

Legal

The Organization and Endowment may be involved in lawsuits in the normal course of business. Management knows of no asserted claims or threatened litigation at this time. Accordingly, no provision for any contingent liabilities that may result has been made in the consolidated financial statements.

Note 14: EMPLOYEE RETIREMENT PLAN

The Organization has adopted a defined contribution retirement plan (the Plan) for all eligible employees. The Plan was effective October 1, 2014, and is subject to the provisions of the Employee Retirement Income Security Act of 1971 (ERISA). The plan provides for employee contributions through elective salary deferrals and for employer profit sharing contributions after meeting a three-month and a two-year length of service requirement, respectively. Under the Plan, eligible participants may elect to contribute a percentage of their annual compensation, subject to certain limitations under the Internal Revenue Code. The Organization may, in its sole discretion, make profit sharing contributions equal to 10% of a participant's annual salary, based on participants length of service, but may not exceed the amount permissible under the Internal Revenue Code. Employer contributions amounted to \$77,103 and \$76,856, for the years ended June 30, 2024 and 2023, respectively, and is included in salaries and benefits in the consolidated statements of functional expenses.

Note 15: SUBSEQUENT EVENTS

On August 7, 2024, the Florida Supreme Court denied the Florida Bankers' Association's motion for rehearing relating to the 2023 amendments to the IOTA Rule. This event effectively keeps the amended rule, and higher resulting remittance rates in place until further notice.

In September 2024, the Director of Financial Services began at the Organization.



SUPPLEMENTARY INFORMATION



FFLA and
The Florida Bar Foundation Endowment Trust
Schedule I – Consolidating Schedule of Revenue by Funding Sources

For the year ended June 30,

2024

	Without Donor Restrictions		With Donor Restrictions										
										Earnings Not Yet			
	Unallocated	Total Without Donor Restrictions	Legal Assistance for the Poor	Law Student Assistance	Unallocated IOTA	Administration of Justice	Staff Operation	Alan B Bookman Memorial	Appropriated for Expenditures	The Florida Bar Foundation Endowment Trust	Total With Donor Restrictions	Total	
Revenue:													
IOTA contributions	\$ -	\$ -	\$ -	\$ -	\$ 278,660,721	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 278,660,721	\$ 278,660,721	
Fellows' contributions	-	-	-	-	-	-	-	-	-	5,000	5,000	5,000	
Children's Legal Services contributions:													
Florida Bar Fee statement contributions	-	-	570,972	-	-	-	-	-	-	-	570,972	570,972	
Other	-	-	135,522	-	-	-	-	-	-	-	135,522	135,522	
Kids Deserve Justice license plate sales	-	-	3,101	-	-	-	-	-	-	-	3,101	3,101	
Contributions in support of the Equal Justice Works fellowships	-	-	250	-	-	-	-	-	-	-	250	250	
Other contributions	227,004	227,004	9,492	39,500	-	1,000	(849)	250	-	3,670	53,063	280,067	
Net investment income	3,381,806	3,381,806	32,068	619	-	1,262	-	3,848	128,041	-	165,838	3,547,644	
Net realized and unrealized gains on investments	7,175,005	7,175,005	28,306	705	-	1,438	-	5,399	179,671	-	215,519	7,390,524	
Cy-Pres awards	502,648	502,648	-	-	-	-	-	-	-	-	-	502,648	
Rental income	50,400	50,400	-	-	-	-	-	-	-	-	-	50,400	
Other	178,563	178,563	-	-	-	-	-	-	-	-	-	178,563	
Total Revenue	\$ 11,515,426	\$ 11,515,426	\$ 779,711	\$ 40,824	\$ 278,660,721	\$ 3,700	\$ (849)	\$ 9,497	\$ 307,712	\$ 8,670	\$ 279,809,986	\$ 291,325,412	

See Independent Auditor's Report on Supplementary Information.

FFLA and
The Florida Bar Foundation Endowment Trust
Schedule II – Consolidating Schedule of Expenses by Funding Sources

For the year ended June 30,

2024

	Foundation Funds						Other Funds	Total
	Legal Assistance for the Poor	Law Student Assistance	Administration of Justice	Pro Bono	Other Program Costs	Unallocated	Bookman	
Expenses:								
Program:								
Legal Assistance to the Poor Grants:								
Foreclosure Prevention and Community Redevelopment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Children's Legal Services	997,580	-	-	-	-	-	-	997,580
LAP - General	-	-	-	-	-	-	-	-
IOTA	33,870,910	-	-	-	-	-	-	33,870,910
Training and Technology	-	-	-	-	-	-	-	-
Pro Bono Innovation - Unspent Funds	3,789,793	-	-	-	-	-	-	3,789,793
Engle	-	-	-	-	-	-	-	-
Loan Repayment Assistance Program	616,292	-	-	-	-	-	-	616,292
Equal Justice Works Fellowship Program	-	-	-	-	-	-	-	-
Alan B. Bookman Memorial Funds	-	-	-	-	-	-	2,500	2,500
Matching Funds	-	-	-	-	-	-	-	-
Administration of Justice Grants:								
Regular	-	-	425,000	-	-	-	-	425,000
Law Student Assistance Grants:								
Summer Fellows	-	138,600	-	-	-	-	-	138,600
Program-related expenses:								
Program personnel and other costs	-	-	-	23,077	276,585	-	-	299,662
Grantee Capacity Building	126,790	-	-	-	-	-	-	126,790
Other Pro Bono program costs	-	-	-	28,497	-	-	-	28,497
Other	54,275	-	-	-	-	-	-	54,275
Paul Doyle Children's Advocacy Award	-	-	-	-	-	-	-	-
Total Program	39,455,640	138,600	425,000	51,574	276,585	-	2,500	40,349,899
Management and general	-	-	-	-	-	1,348,125	-	1,348,125
Fund raising expenses	-	-	-	-	-	254,008	-	254,008
Total expenses	\$ 39,455,640	\$ 138,600	\$ 425,000	\$ 51,574	\$ 276,585	\$ 1,602,133	\$ 2,500	\$ 41,952,032

See Independent Auditor's Report on Supplementary Information.