The Chicago Bar Foundation

Financial Report

May 31, 2020

Contents

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Independent Auditor's Report

To the Board of Directors
The Chicago Bar Foundation

We have audited the accompanying financial statements of The Chicago Bar Foundation (the "Foundation"), which comprise the statement of financial position as of May 31, 2020 and 2019 and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Chicago Bar Foundation as of May 31, 2020 and 2019 and the changes in its net assets, functional expenses, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As described in Note 2 to the financial statements, significant uncertainty exists surrounding the COVID-19 pandemic.

To the Board of Directors
The Chicago Bar Foundation

Also as described in Note 2 to the financial statements, the Foundation adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*.

Our opinion is not modified with respect to the above matters.

Plante & Moran, PLLC

November 16, 2020

Statement of Financial Position

May 31, 2020 and 2019

	2020	2019
Assets		
Current Assets		
Cash	$ 875,756	$ 773,462
Investments	391,186	368,874
Accounts receivable - Current portion	91,345	59,299
Current portion of pledges receivable - Net	391,025	444,349
Other assets	7,758	40,030
Total current assets	1,757,070	1,686,014
Long-term Contributions Receivable - Net	43,243	211,441
Deposits	7,004	19,628
Property and Equipment - Net	518,919	554,719
Accounts Receivable - Long-term portion	63,037	60,787
Total noncurrent assets	632,203	846,575
Total assets	**$ 2,389,273**	**$ 2,532,589**
Liabilities and Net Assets		
Current Liabilities		
Accounts payable and accrued expenses	$ 46,578	$ 64,297
Grants payable	847,950	60,625
Deferred rent	-	1,254
Deferred revenue	-	35,000
Current portion of long-term debt	117,942	50,000
Total current liabilities	1,012,470	211,176
Long-term Debt	303,189	183,333
Total liabilities	1,315,659	394,509
Net Assets		
Without donor restrictions	18,457	209,195
With donor restrictions	1,055,157	1,928,885
Total net assets	1,073,614	2,138,080
Total liabilities and net assets	**$ 2,389,273**	**$ 2,532,589**

See notes to financial statements.

Statement of Activities and Changes in Net Assets

Years Ended May 31, 2020 and 2019

	2020			2019		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue, Gains, and Other Support						
Contributions	$ 607,961	$ 1,432,699	$ 2,040,660	$ 597,564	$ 2,282,883	$ 2,880,447
Grants	97,431	299,727	397,158	108,368	266,179	374,547
Cy pres distributions	99,172	-	99,172	45,223	-	45,223
Special events revenue:						
Gross revenue	414,110	-	414,110	706,883	1,493	708,376
Direct benefit to donor costs	(238,800)	-	(238,800)	(247,435)	-	(247,435)
Total special events revenue	175,310	-	175,310	459,448	1,493	460,941
Net realized and unrealized gains (losses) on investments	1,656	588	2,244	(3,807)	(554)	(4,361)
Investment income - Net of fees	8,024	2,168	10,192	9,455	946	10,401
Net assets released from restrictions	2,608,910	(2,608,910)	-	2,709,631	(2,709,631)	-
Total revenue, gains, and other support	3,598,464	(873,728)	2,724,736	3,925,882	(158,684)	3,767,198
Expenses						
Grants and program services	3,060,639	-	3,060,639	3,176,668	-	3,176,668
Support services:						
Management and general	424,535	-	424,535	467,700	-	467,700
Fundraising	304,028	-	304,028	344,427	-	344,427
Total support services	728,563	-	728,563	812,127	-	812,127
Total expenses	3,789,202	-	3,789,202	3,988,795	-	3,988,795
Decrease in Net Assets	(190,738)	(873,728)	(1,064,466)	(62,913)	(158,684)	(221,597)
Net Assets - Beginning of year	209,195	1,928,885	2,138,080	272,108	2,087,569	2,359,677
Net Assets - End of year	**$ 18,457**	**$ 1,055,157**	**$ 1,073,614**	**$ 209,195**	**$ 1,928,885**	**$ 2,138,080**

See notes to financial statements.

Statement of Functional Expenses

Year Ended May 31, 2020

	Grants and Program Services	Management and General	Fundraising	Total
Grants awarded	$ 1,980,085	$ -	$ -	$ 1,980,085
Salaries, taxes, and fringe benefits	775,389	260,600	266,665	1,302,654
Special events expenses	39,376	-	199,424	238,800
Occupancy	160,898	8,492	9,787	179,177
Office expenses	27,437	35,980	14,062	77,479
Professional fees and consulting	24,386	60,148	287	84,821
Depreciation expense	25,871	4,214	5,716	35,801
Meetings, conferences, and grantee programs	44,792	8,714	53	53,559
Marketing, printing, and design	8,213	27,078	5,964	41,255
Computers and equipment	13,568	19,309	1,494	34,371
Total functional expenses	**$ 3,100,015**	**$ 424,535**	**$ 503,452**	**$ 4,028,002**

See notes to financial statements.

Statement of Functional Expenses

Year Ended May 31, 2019

	Grants and Program Services	Management and General	Fundraising	Total
Grants awarded	$ 2,067,473	$ -	$ -	$ 2,067,473
Salaries, taxes, and fringe benefits	768,514	244,335	294,893	1,307,742
Special events expenses	37,218	-	210,217	247,435
Occupancy	170,800	22,414	22,246	215,460
Office expenses	22,883	65,313	6,452	94,648
Professional fees and consulting	21,187	67,150	214	88,551
Depreciation and disposal of fixed assets	45,946	9,230	12,563	67,739
Meetings, conferences, and grantee programs	44,240	9,257	22	53,519
Marketing, printing, and design	14,513	32,550	5,695	52,758
Computers and equipment	21,112	17,451	2,342	40,905
Total functional expenses	**$ 3,213,886**	**$ 467,700**	**$ 554,644**	**$ 4,236,230**

See notes to financial statements.

Statement of Cash Flows

Years Ended May 31, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Decrease in net assets	$ (1,064,466)	$ (221,597)
Adjustments to reconcile decrease in net assets to net cash from operating activities:		
Depreciation	35,801	34,749
Net change in realized and unrealized (gains) losses on investments	(2,244)	4,361
Bad debt (recovery) expense	(3,146)	5,432
Loss on disposal of assets	-	32,990
Discount on long-term pledges	5,895	4,466
Deferred rent	(1,254)	(3,371)
Changes in operating assets and liabilities that (used) provided cash:		
Accounts receivable	(31,150)	(1,936)
Pledges receivable	215,627	135,256
Other assets	44,896	43,741
Accounts payable and accrued expenses	(17,719)	22,024
Grants payable	787,325	982
Deferred revenue	(35,000)	18,640
Net cash (used in) provided by operating activities	(65,435)	75,737
Cash Flows from Investing Activities		
Purchase of investments	(165,142)	(76,492)
Proceeds from sale of investments	145,074	60,855
Purchase of property and equipment	(1)	(290,924)
Net cash used in investing activities	(20,069)	(306,561)
Cash Flows from Financing Activities		
Proceeds from debt	237,798	250,000
Payments on debt	(50,000)	(16,667)
Net cash provided by financing activities	187,798	233,333
Net Increase in Cash	102,294	2,509
Cash - Beginning of year	773,462	770,953
Cash - End of year	**$ 875,756**	**$ 773,462**
Supplemental Cash Flow Information - Cash paid for interest	$ 10,313	$ 11,119

See notes to financial statements.

Note 1 - Nature of Business

The Chicago Bar Foundation (the "Foundation") is a nonprofit corporation whose mission is to bring Chicago's legal community together to improve access to justice for people in need and make the legal system more fair and efficient for everyone. The Foundation's primary sources of revenue are from private contributions, grants, and fundraising programs.

The Foundation is an affiliate of The Chicago Bar Association (the "Association") and conducts its activities from a condominium building that also houses the Association's offices. See Note 8 for additional information.

Note 2 - Significant Accounting Policies

Basis of Presentation

The financial statements of the Foundation have been prepared on the basis of generally accepted accounting principles (GAAP). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates.

Classification of Net Assets

Net assets of the Foundation are classified based on the presence or absence of donor-imposed restrictions.

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions or for which the donor-imposed restrictions have expired or been fulfilled. Net assets in this category may be expended for any purpose in performing the primary objectives of the Foundation.

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 Foundation or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Earnings, gains, and losses on donor-restricted net assets are classified as net assets without donor restrictions unless specifically restricted by the donor or by applicable state law.

Cash

Cash held by the Foundation in bank accounts may, at times, exceed the Federal Deposit Insurance Corporation (FDIC) coverage limit. Management believes the Foundation is not exposed to any significant credit risk related to cash.

Investments

The Foundation's investments are reported at fair value. Investment income and net realized and unrealized gains/losses are reflected in the statement of activities and changes in net assets. Interest and dividend income is recorded on the accrual basis.

The Foundation's investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to these risk factors, it is reasonably possible that changes in the value of investments will occur in the near term and could materially affect the amounts reported in the statement of financial position.

Note 2 - Significant Accounting Policies (Continued)

Accounts Receivable

Accounts receivable are stated at net invoice amounts. An allowance for doubtful accounts is established based on a specific assessment of all grants that remain unpaid following normal payment periods. In addition, a general valuation allowance is established for other accounts receivable based on historical loss experience. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. Management considers all accounts receivable collectible, and, therefore, an allowance for doubtful accounts has not been recorded at May 31, 2020 and 2019.

Pledges Receivable

Pledges receivable are reported at their net present values. An allowance for uncollectible pledges is estimated based upon management's judgment, including such factors as prior collection history and the type of pledge. If a pledge is receivable over an extended period of time, the present value of the pledge is recorded. Pledges are shown net of the allowance for uncollectible pledges and the present value discount, if any.

Property and Equipment

Property and equipment are recorded at cost. The straight-line method is used for computing depreciation and amortization. Assets are depreciated over their estimated useful lives. The cost of leasehold improvements is depreciated over the lesser of the length of the related leases or the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

Deferred Revenue

Sponsorships received in advance for future events are recorded as deferred revenue. Recognition as revenue occurs when the event takes place.

Contributions

Unconditional promises to give cash and other assets to the Foundation are reported at fair value on the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value on the date the gift becomes unconditional or is received. The gifts are reported as contributions with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or the purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from restrictions. Net assets with donor restrictions at May 31, 2020 and 2019 are restricted for time and various programmatic purposes.

Contributions receivable that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. An allowance for uncollectible contributions is provided when evidence indicates amounts promised by donors may not be collectible. All receivables at May 31, 2020 and 2019 are deemed to be collectible.

Cy Pres Distributions

Cy pres distributions are awarded by the courts and are recorded as revenue when official award notification with amounts specified is received by the Foundation.

Note 2 - Significant Accounting Policies (Continued)

Grant Revenue

Grant revenue received for grants is considered a conditional contribution and is recognized as the conditions of the grants have been met. Grant funding received in advance of conditions being met is recorded as deferred revenue.

Special Events

The Foundation hosts special events to raise contributions to support the Foundation's activities. The Foundation recognizes sponsorships as revenue after the event takes place, which is presented in the statement of activities and changes in net assets net of actual direct costs of the events.

Grants and Programs

Grants are recorded as liabilities and expensed at the time they are approved by the board of directors.

During the years ended May 31, 2020 and 2019, the Foundation had contracts with Cook County, Illinois to fund services in connection with two court-based help desks. The Foundation enters into grant contracts with various grantees who provide services under its agreement with Cook County, Illinois. Revenue is recognized as it is earned through expenditure and service delivery. The Foundation reimburses its grantees immediately upon receipt of funds from Cook County, Illinois.

Income Taxes

The Foundation is a not-for-profit corporation and is exempt from tax under the provisions of Internal Revenue Code Section 501(c)(3).

Functional Allocation of Expenses

Costs of providing the program and support services have been reported on a functional basis in the statement of functional expenses. The financial statements report certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses required allocation on a reasonable basis that is consistently applied. Salaries and related expenses are allocated on the basis of time and effort. Expenses deemed to be indirect to employee work, such as professional services, are considered to be management and general expenses. Other expenses utilized by all employees, such as occupancy, utilities, and training, are also allocated on the basis of time and effort. Costs have been allocated between the various programs and support services based on estimates determined by management. Although the methods of allocation used are considered appropriate, other methods could be used that may produce significantly different amounts.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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.

Note 2 - Significant Accounting Policies (Continued)

Adoption of Accounting Policy

As of June 1, 2019, the Foundation adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which provides enhanced guidance to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal transactions) and (2) determining whether a contribution is conditional. The Foundation adopted the new standard on a modified prospective basis; however, it did not impact the recognition of contribution or grant agreements received or made. There was no impact on the financial statements for the years ended May 31, 2020 and 2019 from the adoption of this ASU.

Impact of Disease Outbreak

On March 11, 2020, the World Health Organization declared the outbreak of a respiratory disease caused by a new coronavirus a pandemic. First identified in late 2019 and now known as COVID-19, the outbreak has impacted thousands of individuals worldwide. In response, many countries have implemented measures to combat the outbreak that have impacted global business operations. On March 9, 2020, the governor of Illinois declared all counties in the state of Illinois as a disaster area and issued a stay-at-home executive order effective March 21, 2020 through May 31, 2020. In addition, travel restrictions were put in place across the United States. The Foundation has responded to the outbreak by transitioning all staff to work at home while the office was temporarily closed. Board and committee meetings were convened via virtual platform. The Foundation has postponed certain fundraising campaigns and curtailed nonessential spending and is currently evaluating options for further expense reductions, should it be necessary. The Foundation also applied for and received a Paycheck Protection Program term note through Wintrust Bank in the amount of $237,798 to fund certain eligible operating expenses in the short term. See Note 6 for more information. No impairments were recorded as of the date of this report; however, due to significant uncertainty surrounding the situation, management's judgment regarding this could change in the future. In addition, while the Foundation's activities, functional expenses, cash flows, and financial condition could be negatively impacted, the extent of the impact cannot be reasonably estimated at this time.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including November 16, 2020, which is the date the financial statements were available to be issued.

Note 3 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Foundation's assets measured at fair value on a recurring basis at May 31, 2020 and 2019 and the valuation techniques used by the Foundation to determine those fair values.

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Foundation has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Note 3 - Fair Value Measurements (Continued)

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Foundation's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

	Assets Measured at Fair Value on a Recurring Basis at May 31, 2020			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at May 31, 2020
Money market funds	$ 83,718	$ -	$ -	$ 83,718
Mutual funds	163,309	-	-	163,309
Common stock and equity funds	144,159	-	-	144,159
Total investments	$ 391,186	$ -	$ -	$ 391,186

	Assets Measured at Fair Value on a Recurring Basis at May 31, 2019			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at May 31, 2019
Money market funds	$ 17,068	$ -	$ -	$ 17,068
Mutual funds	231,440	-	-	231,440
Common stock and equity funds	120,366	-	-	120,366
Total investments	$ 368,874	$ -	$ -	$ 368,874

The Foundation's policy is to recognize transfers in and transfers out of Level 1, 2, and 3 fair value classifications as of the actual date of the event of change in circumstances that caused the transfer. There were no significant transfers between levels of the fair value hierarchy during 2020 or 2019.

Note 4 - Pledges Receivable

Pledges receivable represent donors' promises to pay contributions to the Foundation (including The Justice Society program) and are measured at the present value of estimated future cash flows using a discount rate of 3 percent. The allowance for uncollectible contributions is a general valuation based on the percentage of prior year pledge write-offs. Specific pledges deemed uncollectible are charged against the allowance for uncollectible pledges in the period in which the determination is made. Both the general allowance and the specific write-offs are reported in the statement of activities and changes in net assets.

Note 4 - Pledges Receivable (Continued)

Pledges outstanding at May 31, 2020 and 2019 are expected to be collected as follows:

	2020	2019
Receivable in less than one year	$ 391,025	$ 444,349
Receivable in one to five years	44,757	218,850
Gross unconditional promises to give	435,782	663,199
Discount to fair value	(1,514)	(7,409)
Net unconditional promises to give	$ 434,268	$ 655,790

Note 5 - Property and Equipment

Property and equipment are summarized as follows:

	2020	2019	Depreciable Life - Years
Condominium and improvements	$ 699,917	$ 699,917	7-40
Equipment and fixtures	118,149	118,149	2-10
Leasehold improvements	-	9,207	5-20
Total cost	818,066	827,273	
Less accumulated depreciation	299,147	272,554	
Net property and equipment	$ 518,919	$ 554,719	

Depreciation expense for 2020 and 2019 was $35,801 and $34,749, respectively.

Note 6 - Long-term Debt

The Foundation entered into a debt agreement with a bank during fiscal year 2019. The Foundation borrowed the funds to make significant improvements to its office condominium. With these improvements, the Foundation was able to consolidate offices and will realize significant cost savings in the long term. The note payable of $250,000 is due in monthly installments of $4,166.67, plus interest at overnight LIBOR plus 3.25 percent (an effective rate of 4.46 percent at May 31, 2020). The note is collateralized by the real property constructed under and associated with the terms of the note and matures on July 23, 2023.

On April 17, 2020, the Foundation received a Paycheck Protection Program term note through Wintrust Bank in the amount of $237,798. The note was issued pursuant to the Coronavirus Aid, Relief, and Economic Security (CARES) Act's Paycheck Protection Program. The note structure required foundation officials to certify certain statements that permitted the Foundation to qualify for the loan and provides loan forgiveness for a portion up to all of the borrowed amount if the Foundation uses the loan proceeds for the permitted loan purpose described in the note agreement; the portion not forgiven will require the Foundation to pay back this amount in full by April 17, 2022, under 14 equal monthly principal installment payments beginning on February 17, 2021, with interest at 1.00 percent. The Foundation has the right to prepay any amount outstanding at any time without penalty. On June 5, 2020, the Paycheck Protection Program Flexibility Act was signed into law, which permits borrowers and lenders to mutually agree to extend the maturity date of the term note from two years to five years. As of the report date, no agreement had been made between the Foundation and lender to extend the maturity date of the Paycheck Protection Program term note.

Note 6 - Long-term Debt (Continued)

The balance of the debt matures as follows:

Fiscal Years Ending		Amount
2021	$	117,942
2022		219,856
2023		50,000
2024		33,333
Total	$	421,131

Interest expense was $10,313 and $11,119 for the years ended May 31, 2020 and 2019, respectively.

Note 7 - Net Assets

Net assets with donor restrictions as of May 31 are available for the following purposes:

		2020		2019
Restricted for purpose:				
Investing in Justice Campaign Fund	$	469,505	$	1,084,266
Chicago Sun-Times Public Interest Law Fellowship Program		8,000		13,791
Law school public interest scholarships (Moses)		164,918		183,129
Scholarships to needy law students pursuing careers in legal aid and public interest (Marovitz)		18,870		48,665
Support of projects of the CBA Young Lawyers Sections and other legal projects for the benefit of children (Gray)		42,024		46,990
Annual award to a lawyer under age 35 who provided outstanding service (Weigle)		28,036		30,953
Annual award to a lawyer in public service who has demonstrated excellent work, leadership, and service (Morsch)		10,000		9,893
Annual award to distinguished lawyers who have demonstrated an exemplary commitment to integrity and public service (Stevens)		1,119		2,165
Total restricted for purpose		742,472		1,419,852
Restricted for time - Multiyear pledges to be received in future years		296,685		493,033
Net assets restricted in perpetuity		16,000		16,000
Total	$	1,055,157	$	1,928,885

Due to the COVID-19 outbreak and shutdown, the FY2020 Investing in Justice Campaign was delayed and the time frame was extended into FY2021. The Investing in Justice Campaign Fund is composed of individual contributions made by members of Chicago's legal community. Through the Foundation, the legal community comes together each year through the campaign to ensure that everyone has access to necessary legal help, not just people who can afford it. A total of 100 percent of these individual contributions goes toward grants and other support for more than 30 pro bono and legal aid organizations and related initiatives.

The Foundation generally assesses a 2 percent annual administrative fee to a limited number of funds when permitted by the donor.

Net assets restricted in perpetuity consist of two donor-restricted endowments, the income from which is expendable for general purposes of the Foundation. The Denning and Miller Funds totaled $16,000 as of May 31, 2020 and 2019.

Note 8 - Affiliated Organization Transactions

In accordance with the bylaws of the Foundation, four members of the board of managers of the Association, an affiliated organization, are appointed as directors of the Foundation for a one-year term. There are 34 voting directors of the Foundation.

The Foundation receives voluntary contributions from members of the Association. These contributions accompany their dues remittances to the Association. Contribution revenue for the years ended May 31, 2020 and 2019 was $16,922 and $29,686, respectively. The Foundation also pays for The Chicago Bar Association memberships and complimentary continuing legal education for attorneys practicing at the Foundation's grantee organizations; the Association provides these memberships at a reduced rate.

Related party amounts consisted of receivables of $24,950 and $35,730 as of May 31, 2020 and 2019, respectively.

Note 9 - Operating Leases

As of May 31, 2020, the Foundation has two operating leases. The most significant lease, which ends on October 31, 2021, is a monthly office lease and does not require the Foundation to pay taxes, insurance, utilities, or maintenance costs. Total rent expense under the leases was $126,582 and $159,539 for 2020 and 2019, respectively.

Future minimum annual commitments under these operating leases are as follows:

Years Ending May 31	Amount
2021	$ 96,180
2022	38,545
Total	$ 134,725

Note 10 - Defined Contribution Plans

The Foundation sponsors a defined contribution 403(b) plan for all eligible employees, as defined. Employees may make elective contributions to the 403(b) plan in accordance with IRS regulations. The Foundation may make contributions to the 403(b) plan, as approved by the board.

Total contributions to the plan for the years ended May 31, 2020 and 2019 amounted to $28,188 and $28,408, respectively.

Note 11 - Liquidity and Availability of Resources

The following reflects the Foundation's financial assets as of May 31, 2020 and 2019, reduced by amounts not available for general use because of contractual or donor-imposed restrictions effective within one year of the statement of financial position date:

	2020	2019
Cash	$ 875,756	$ 773,462
Contributions and accounts receivable to be received within 12 months	482,370	503,648
Short-term investments	391,186	368,874
Financial assets - At year end	1,749,312	1,645,984
Less those unavailable for general expenditures within one year due to - Contractual or donor-imposed restrictions:		
Subject to appropriation and satisfaction of donor restrictions	1,038,318	1,419,852
Donor-restricted endowment funds	16,000	16,000
Financial assets available to meet cash needs for general expenditures within one year	$ 694,994	$ 210,132

The Foundation maintains cash balances sufficient to pay current liabilities and obligations. It is the Foundation's goal to have one year's worth of program and operating expenses available for general expenditures. In addition to financial assets available to meet general expenditures over the next 12 months, the Foundation operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.