

**Annual Report for Illinois Licensed Adoption Agencies**

Date: 8-12-24

Name of Agency: Lawrence Hall

Corporate Address\*: 4833 N. Francisco  
Chicago, IL 60625

Illinois DCFS  
License/Provider ID number: 012231 Telephone: 773-769-3500

License Effective date: 6-28-22 to 6-28-2026

The reporting period and answers to all questions for this report relate to the agency’s most recent fiscal year. Specify the dates of your agency’s fiscal year and reporting period for this report: FY24

**\*If the agency operates satellite or branch offices, please attach a separate sheet listing complete addresses of all other offices.**

This report is to be completed by agencies providing adoption services and shall be filed with the Department of Children and Family Services and with the Illinois Attorney General’s Office. In addition, each licensed agency that maintains a website shall provide this report on its website. The report shall be filed annually, no later than the 45<sup>th</sup> day following an adoption agency’s license anniversary date. Failure to provide the annual report or disclose certain information required in the report may result in the suspension of an agency’s license for a period of 90 days. Subsequent violations may result in a revocation of the license. [Rule 401.530]

**This report applies only to the provision of adoption services and includes agencies providing foster care conversion services.**

Question number 1 (A – M) pertains only to domestic and international agency-assisted adoption services, and home study services-only programs. Question number 1 (A-M) does not pertain to foster care conversion adoptions. Agencies that provide adoption services only through foster care conversions must answer questions 2 – 12, but need not answer question number 1.

Please respond to the following questions with a yes or no answer on the left and provide additional detail as requested:

Yes 1. **Non-identifying** information for the past year concerning adoption is attached:

**Domestic Agency-Assisted Adoptions**

- A. The number of adoptive families who have submitted an agency application but who are not yet licensed: 0
- B. The number of adoptive families who are licensed and awaiting domestic placement as of the agency’s fiscal year end: 1
- C. The number of biological parents who the agency provided services to during the reporting period for domestic adoption: 17
- D. The number of children placed in adoptive homes during the year:  
Adoptive parents/families who are Illinois Residents: 11  
Adoptive parents/families who are non-Illinois Residents: 1

- E. The number of adoptions initiated during the year:  
 Adoptive parents/families who are Illinois Residents: 28  
 Adoptive parents/families who are non-Illinois Residents: 1
- F. The number of adoptions finalized during the year:  
 Adoptive parents/families who are Illinois Residents: 17  
 Adoptive parents/families who are non-Illinois Residents: 0
- G. The number of adoptive placement disruptions: 0
- H. The number of domestic adoption dissolutions this year: 0

**International Adoptions (either by direct placements/referrals, or through home-study-services-only)**

Check the boxes that apply to the intercountry adoption services the agency provides:

- Child referral/matching placement services;
- Adoption home study/post placement services (utilized by families who are working with another agency for their referral/match);
- None.

The number of adoptive families who have submitted an agency application but who are not yet approved or licensed: \_\_\_\_\_

The number of adoptive families who are licensed or approved and awaiting international placement: \_\_\_\_\_

The number of international adoptive placements made during the year: \_\_\_\_\_

List the countries with which you have accredited international adoption programs:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The number of international adoptions finalized this year in the U.S., specifying the countries of origin: \_\_\_\_\_

\_\_\_\_\_

The number of finalizations in other countries, specifying the countries of origin:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

The number of international adoptive placement disruptions: \_\_\_\_\_

No 2. Has the agency:

- lost the right to provide adoption services in any state or country,
- had its license suspended for cause, or
- was the agency the subject of other sanctions by any court, governmental agency, or governmental regulatory body relating to the provision of adoption services?

*If the answer to any portion of this question is yes, attach a full and complete statement of explanation.*

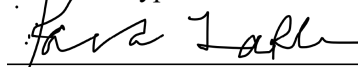
- No 3. During the past year, were any actions related to licensure initiated against the agency by a licensing or accrediting body?  
*If the answer is yes, attach a complete statement of explanation.*
- No 4. During the past year, has the agency been a named party in any civil court actions in relation to the provision of foster care or adoption services?  
*If the answer is yes, attach a complete statement of explanation.*
- No 5. Is the agency currently the subject of a pending investigation by federal or state authorities?  
*If the answer is yes, attach a complete statement of explanation.*
- No 6. Were there any criminal charges, child abuse charges, malpractice complaints, or lawsuits related to the provision of adoption services against the agency or any of its employees, officers, or directors during the past year?  
*If the answer is yes, attach a complete statement of explanation and the basis or disposition of the actions.*
- No 7. Was the agency found liable for any civil or administrative violation or found guilty of or pled guilty to any criminal or administrative violation that relates to the provision of adoption services under federal, state or foreign law?  
*If the answer is yes, attach a complete statement of explanation.*
- No 8. Was any employee, officer or director of the agency found guilty of any crime or determined to have violated a civil law or administrative rule relating to the provision of adoption services under federal, state or foreign law?  
*If the answer is yes, attach a complete statement of explanation.*
- No 9. Was any civil or administrative proceeding relating to adoption services instituted by the agency during the year (excluding uncontested adoption proceedings and proceedings filed pursuant to Section 12a of the Adoption Act)?  
*If the answer is yes, attach a complete statement of explanation.*
- Yes 10. The agency's website address is: www.lawrencehall.org
- Yes 11. An audited financial statement for the prior fiscal year, including a general description of fees, wages, salaries and other compensation described in Rule 401.565(a), certified by an independent public accountant, is attached.
- Yes 12. This Annual Report with attachments and audited financial statement, certified by an independent public accountant, has been posted on the website listed in item 9.
- Yes 13. Effective August 15, 2005, Annual Reports are available upon request.

Information contained in this report is subject to the applicable confidentiality requirements of the Child Care Act and the Adoption Act.

I certify that the above statements are true and accurate, based on information available to me at this time.

Kara Teeple

Printed or typed name of Executive Director



Signature of Executive Director

8/12/2024

Date

Mailing Instructions on the back

This report is to be mailed to the child welfare agency's A&I licensing Unit and the Illinois Attorney General's Office:

Illinois Attorney General  
Charitable Trust Bureau  
100 W. Randolph Street, 11<sup>th</sup> Floor  
Chicago, IL 60601  
312-814-2595 or 312-814-3000

DCFS Agency and Intuitional Licensing Units:

Cook County

A&I Licensing Unit  
A&I Licensing Supervisor  
1911 S. Indiana Ave. – 9<sup>th</sup> Fl.  
Chicago, IL 60616

Northern Region

A&I Licensing Unit  
A&I Licensing Supervisor  
1619 W. Jefferson Street  
Joliet, IL 60435

Central / Southern Region

A&I Licensing Unit  
A&I Licensing Supervisor  
1124 N. Walnut  
Springfield, IL 62702

# Lawrence Hall

Financial Report  
June 30, 2023

## Contents

---

Independent auditor's report	1-2
<hr/>	
Financial statements	
Statements of financial position	3
Statements of activities	4-7
Statements of functional expenses	8-11
Statements of cash flows	12
Notes to financial statements	13-32
Supplementary information	
Schedule of property and equipment	33
Schedule of fees and grants from government agencies	34-35
Detail of functional expenses—other programs	36-39

---

## Independent Auditor's Report

Board of Trustees  
Lawrence Hall

### Report on the Audit of the Financial Statements

#### **Opinion**

We have audited the financial statements of Lawrence Hall (the Agency), which comprise the statements of financial position as of June 30, 2023 and 2022, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Agency as of June 30, 2023 and 2022, and changes in its net assets and its 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 (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency 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 Financial Statements**

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

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

#### **Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplementary information is presented for purposes of additional analysis and is 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 audits 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 financial statements or to the 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.

*RSM US LLP*

Chicago, Illinois  
February 21, 2024

## Lawrence Hall

### Statements of Financial Position June 30, 2023 and 2023

	2023	2022
<b>Assets</b>		
Cash and cash equivalents	\$ 3,409,815	\$ 3,236,724
Accounts receivable, net	2,779,429	1,982,324
Pledges receivable	157,900	150,900
Prepaid expenses and other assets	937,216	782,682
Operating investments	7,952,422	6,998,931
Investments with donor restrictions	4,017,321	3,429,480
Beneficial interest in irrevocable trusts	11,847,665	11,134,635
Operating lease right-of-use assets	370,027	-
Finance lease right-of-use assets	225,515	-
Property and equipment, net	14,367,416	14,709,712
	<u>\$ 46,064,726</u>	<u>\$ 42,425,388</u>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable	\$ 574,594	\$ 20,126
Accrued expenses	522,061	599,807
Accrued payroll and payroll taxes	595,373	484,422
Other liabilities	1,426,161	1,146,211
Refundable advance	3,684,478	3,990,316
Operating lease liabilities	355,673	-
Financing lease liabilities	224,470	-
Accrued pension liability	458,928	1,165,784
Bonds payable, net	8,592,228	9,044,971
	<u>16,433,966</u>	<u>16,451,637</u>
Net assets:		
Without donor restrictions	12,961,744	10,459,081
With donor restrictions	16,669,016	15,514,670
	<u>29,630,760</u>	<u>25,973,751</u>
	<u>\$ 46,064,726</u>	<u>\$ 42,425,388</u>

See notes to financial statements.

Lawrence Hall

Statement of Activities  
Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	2023 Total
Revenue:			
Fees and grants from government agencies	\$ 24,371,112	\$ -	\$ 24,371,112
Contributions, grants and bequests	783,583	485,118	1,268,701
United Way of Metropolitan Chicago	42,955	-	42,955
Allocations from Episcopal Charities	21,676	-	21,676
Special events, net of \$47,530 of expenses	291,595	-	291,595
Investment income, net	173,650	-	173,650
Distributions from beneficial interest in irrevocable trusts	553,721	-	553,721
Realized and unrealized gains on investments	641,952	587,841	1,229,793
Increase in value of beneficial interest in irrevocable trusts	-	713,030	713,030
Other	6,340	-	6,340
Net assets released from restrictions	631,643	(631,643)	-
	<u>27,518,227</u>	<u>1,154,346</u>	<u>28,672,573</u>

(Continued)

Lawrence Hall

Statement of Activities (Continued)  
Year Ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	2023 Total
Expenses:			
Program services:			
Residential programs:			
Institutional Residential Care	\$ 3,279,499	\$ -	\$ 3,279,499
SST Institutional Care	2,449,468	-	2,449,468
Interim Care	876,385	-	876,385
Therapeutic Day School	2,174,206	-	2,174,206
Independent Living	25,360	-	25,360
Transitional Living	212,043	-	212,043
YV-Independent Living	687,899	-	687,899
YV-Transitional Living	3,349,277	-	3,349,277
Relative/Traditional Foster Care	2,776,531	-	2,776,531
Specialized Mental Health Foster Care	927,809	-	927,809
Treatment Family Home Foster Care	32,725	-	32,725
Other programs	4,274,186	-	4,274,186
	<u>21,065,388</u>	-	<u>21,065,388</u>
Supporting services:			
Management and general	4,073,457	-	4,073,457
Fundraising	583,575	-	583,575
	<u>4,657,032</u>	-	<u>4,657,032</u>
<b>Total functional expenses</b>	<u>25,722,420</u>	-	<u>25,722,420</u>
<b>Increase in net assets before other items</b>	<u>1,795,807</u>	<u>1,154,346</u>	<u>2,950,153</u>
Other items:			
Net periodic pension costs	(78,360)	-	(78,360)
Pension-related changes other than net periodic pension costs	785,216	-	785,216
	<u>706,856</u>	-	<u>706,856</u>
<b>Increase in net assets</b>	<u>2,502,663</u>	<u>1,154,346</u>	<u>3,657,009</u>
Net assets:			
Beginning of year	<u>10,459,081</u>	<u>15,514,670</u>	<u>25,973,751</u>
End of year	<u>\$ 12,961,744</u>	<u>\$ 16,669,016</u>	<u>\$ 29,630,760</u>

See notes to financial statements.

**Lawrence Hall**

**Statement of Activities  
Year Ended June 30, 2022**

	Without Donor Restrictions	With Donor Restrictions	2022 Total
<b>Revenue:</b>			
Fees and grants from government agencies	\$ 20,548,923	\$ -	\$ 20,548,923
Contributions, grants and bequests	748,017	579,891	1,327,908
United Way of Metropolitan Chicago	50,858	-	50,858
Allocations from Episcopal Charities	20,600	-	20,600
Special events, net of \$40,846 of expenses	173,751	-	173,751
Investment income, net	203,364	-	203,364
Distributions from beneficial interest in irrevocable trusts	509,821	-	509,821
Realized and unrealized losses on investments	(1,035,347)	(948,076)	(1,983,423)
Decrease in value of beneficial interest in irrevocable trusts	-	(2,359,836)	(2,359,836)
Other	9,389	-	9,389
Net assets released from restrictions	247,508	(247,508)	-
	<u>21,476,884</u>	<u>(2,975,529)</u>	<u>18,501,355</u>

(Continued)

**Lawrence Hall**

**Statement of Activities (Continued)  
Year Ended June 30, 2022**

	Without Donor Restrictions	With Donor Restrictions	2022 Total
<b>Expenses:</b>			
Program services:			
Residential programs:			
Institutional Residential Care	\$ 3,180,737	\$ -	\$ 3,180,737
SST Institutional Care	2,215,994	-	2,215,994
Interim Care	1,028,706	-	1,028,706
Therapeutic Day School	2,137,301	-	2,137,301
Independent Living	26,195	-	26,195
Transitional Living	191,609	-	191,609
YV-Independent Living	737,115	-	737,115
YV-Transitional Living	3,185,005	-	3,185,005
Relative/Traditional Foster Care	2,381,509	-	2,381,509
Specialized Mental Health Foster Care	826,473	-	826,473
Treatment Family Home Foster Care	34,650	-	34,650
Other programs	2,691,393	-	2,691,393
	<u>18,636,687</u>	<u>-</u>	<u>18,636,687</u>
Supporting services:			
Management and general	3,546,702	-	3,546,702
Fundraising	471,799	-	471,799
	<u>4,018,501</u>	<u>-</u>	<u>4,018,501</u>
<b>Total functional expenses</b>	<u>22,655,188</u>	<u>-</u>	<u>22,655,188</u>
<b>Decrease in net assets before other items</b>	<u>(1,178,304)</u>	<u>(2,975,529)</u>	<u>(4,153,833)</u>
Other items:			
Write off of capitalized 2014 Bond Costs	(101,637)	-	(101,637)
Net periodic pension income	140,171	-	140,171
Pension-related changes other than net periodic pension costs	(674,004)	-	(674,004)
	<u>(635,470)</u>	<u>-</u>	<u>(635,470)</u>
<b>Decrease in net assets</b>	<u>(1,813,774)</u>	<u>(2,975,529)</u>	<u>(4,789,303)</u>
Net assets:			
Beginning of year	<u>12,272,855</u>	<u>18,490,199</u>	<u>30,763,054</u>
End of year	<u>\$ 10,459,081</u>	<u>\$ 15,514,670</u>	<u>\$ 25,973,751</u>

See notes to financial statements.

Lawrence Hall

Statement of Functional Expenses  
Year Ended June 30, 2023

	Program Services												
	Residential Programs				Older Adolescent Programs			Foster Care Programs					
	Institutional Residential Care	SST Institutional Care	Interim Care	Therapeutic Day School	Independent Living	Transitional Living	YV-Independent Living	YV-Transitional Living	Relative/Traditional	Specialized Mental Health	Treatment Family Home	Other Programs	Total
Salaries	\$ 1,895,772	\$ 1,449,316	\$ 511,350	\$ 1,025,982	\$ 19,829	\$ 141,294	\$ 200,211	\$ 1,956,896	\$ 1,224,548	\$ 354,015	\$ 9,668	\$ 1,895,043	\$ 10,684,924
Employee health and retirement benefits	205,284	205,409	54,901	125,002	2,512	15,379	25,398	231,948	160,122	38,172	1,212	233,664	1,300,003
Payroll taxes and benefits	164,714	170,470	44,113	107,963	2,042	12,628	20,624	188,169	130,725	30,425	993	189,831	1,062,697
	2,265,770	1,825,195	610,364	1,260,947	24,383	169,301	246,233	2,377,013	1,515,395	422,612	11,873	2,318,538	13,047,624
Professional fees and contract service payments	163,212	92,661	28,348	193,724	-	-	18,658	56,138	52,860	48,719	5,671	193,816	853,807
Supplies	135,972	76,760	27,451	132,193	339	101	887	8,961	6,809	1,659	-	197,687	588,819
Telephone	9,217	5,550	3,134	14,930	384	1,731	3,296	19,553	5,905	2,365	133	29,471	95,669
Postage and shipping	3,053	1,470	564	1,244	-	-	-	8	327	86	-	113	6,855
Occupancy	331,865	222,628	110,531	274,497	-	1,038	4,205	169,978	97,354	38,572	5,662	202,743	1,459,073
Printing and publications	32	21	11	726	-	-	-	-	1,250	518	-	2,143	4,701
Local transportation	58,333	29,848	18,644	45,484	24	291	3,561	56,392	102,763	9,695	22	33,995	389,028
Conferences and training	9,377	1,976	417	3,255	24	17	407	2,526	1,168	218	-	19,510	38,895
Subscriptions	-	-	-	-	1	2	10	27	-	-	-	-	40
Foster care room and board	-	-	-	-	-	-	-	-	888,874	385,648	-	377,710	1,652,232
Specific assistance to clients	75,224	25,691	1,560	6,383	-	9,017	410,623	637,092	63,657	9,067	1,915	826,332	2,066,561
Membership dues	1,582	1,054	527	4,084	2	4	19	452	130	56	-	9	7,919
Minor equipment	(22,462)	5,283	2,642	6,656	227	90	-	17,468	20,896	8,514	-	36,532	75,846
Miscellaneous	1,572	780	75	76,785	-	-	-	-	240	80	-	2,702	82,234
	3,032,747	2,288,917	804,258	2,020,908	25,360	181,562	687,899	3,345,608	2,757,628	927,809	25,276	4,241,301	20,339,303
Depreciation and amortization	246,752	160,551	72,127	153,298	-	30,451	-	3,669	18,903	-	7,449	32,885	726,085
	\$ 3,279,499	\$ 2,449,468	\$ 876,385	\$ 2,174,206	\$ 25,360	\$ 212,043	\$ 687,899	\$ 3,349,277	\$ 2,776,531	\$ 927,809	\$ 32,725	\$ 4,274,186	\$ 21,065,388

(Continued)

**Lawrence Hall**

**Statement of Functional Expenses (Continued)  
Year Ended June 30, 2023**

	Supporting Services			2023 Total
	Management and General	Fundraising	Total	
Salaries	\$ 2,388,038	\$ 404,347	\$ 2,792,385	\$ 13,477,309
Employee health and retirement benefits	324,661	51,256	375,917	1,675,920
Payroll taxes and benefits	232,844	41,834	274,678	1,337,375
	<u>2,945,543</u>	<u>487,437</u>	<u>3,442,980</u>	<u>16,490,604</u>
Professional fees and contract service payments	495,635	4,395	500,030	1,353,837
Supplies	51,965	949	52,914	641,733
Telephone	19,833	1,277	21,110	116,779
Postage and shipping	603	62	665	7,520
Occupancy	117,738	10,476	128,214	1,587,287
Printing and publications	1,781	3,392	5,173	9,874
Local transportation	18,589	521	19,110	378,138
Conferences and training	21,228	634	21,862	60,757
Subscriptions	1,518		1,518	1,558
Foster care room and board	-	-	-	1,652,232
Specific assistance to Clients	2,172	106	2,278	2,068,839
Membership dues	58,509	394	58,903	66,822
Minor equipment	62,745	10,421	73,166	149,012
Miscellaneous	215,030	53,511	268,541	350,775
	<u>4,012,889</u>	<u>583,575</u>	<u>4,596,464</u>	<u>24,835,767</u>
Depreciation and amortization	60,568	-	60,568	786,653
	<u>\$ 4,073,457</u>	<u>\$ 583,575</u>	<u>\$ 4,657,032</u>	<u>\$ 25,722,420</u>

See notes to financial statements.

**Lawrence Hall**

**Statement of Functional Expenses  
Year Ended June 30, 2022**

	Program Services													
	Residential Programs				Older Adolescent Programs				Foster Care Programs				Total	
	Institutional Residential Care	SST Institutional Care	Interim Care	Therapeutic Day School	Independent Living	Transitional Living	YV-Independent Living	YV-Transitional Living	Relative/Traditional	Specialized Mental Health	Treatment Family Home	Other Programs		
Salaries	\$ 1,935,717	\$ 1,415,925	\$ 655,828	\$ 1,107,144	\$ 19,039	\$ 117,899	\$ 182,628	\$ 1,990,251	\$ 1,070,133	\$ 269,109	\$ 13,865	\$ 1,350,978	\$ 10,128,516	
Employee health and retirement benefits	228,563	159,601	78,640	144,548	2,546	15,054	24,497	254,176	156,848	28,510	1,874	181,661	1,276,518	
Payroll taxes and benefits	187,886	130,511	64,548	124,413	2,112	12,503	20,284	211,155	119,492	23,997	1,550	150,359	1,048,810	
Professional fees and contract service payments	2,352,166	1,706,037	799,016	1,376,105	23,697	145,456	227,409	2,455,582	1,346,473	321,616	17,289	1,682,998	12,453,844	
Supplies	29,172	26,885	7,111	130,044	-	-	18,389	59,817	44,686	55,386	-	12,128	383,618	
Telephone	122,207	68,964	28,789	133,807	2	406	27	13,217	3,551	1,325	-	127,422	499,717	
Postage and shipping	12,086	6,989	4,201	16,715	310	1,634	2,332	16,250	19,295	8,166	91	42,752	130,821	
Occupancy	2,283	2,028	1,200	1,328	-	-	-	208	2,069	665	-	303	10,084	
Printing and publications	283,987	186,903	98,045	270,499	1,137	3,047	3,611	96,440	87,301	35,534	7,928	156,652	1,231,084	
Local transportation	17	70	6	89	-	-	-	-	759	300	-	498	1,739	
Conferences and training	39,440	21,673	12,196	31,407	729	434	1,331	41,741	75,593	12,471	78	8,991	246,084	
Subscriptions	4,470	1,431	428	979	74	185	1,261	5,931	2,823	482	-	6,404	24,468	
Foster care room and board	-	-	-	-	-	-	-	-	721,920	-	-	1,092	1,092	
Specific assistance to clients	55,427	35,576	9,429	5,938	245	2,338	482,736	491,037	44,533	373,255	-	478,844	1,619,078	
Membership dues	96	64	32	164	1	4	19	57	109	47	-	295	888	
Minor equipment	35,704	3,009	1,505	16,000	-	-	-	3,900	9,457	4,053	-	16,359	89,987	
Miscellaneous	231	413	68	597	-	-	-	167	2,898	274	-	124,100	128,748	
Depreciation and amortization	2,937,286	2,060,042	962,026	1,983,672	26,195	153,504	737,115	3,184,347	2,361,467	826,473	25,462	2,658,838	17,916,427	
	243,451	155,952	66,660	153,629	-	38,105	-	658	20,042	-	-	32,555	720,260	
	\$ 3,180,737	\$ 2,215,994	\$ 1,028,706	\$ 2,137,301	\$ 26,195	\$ 191,609	\$ 737,115	\$ 3,185,005	\$ 2,381,509	\$ 826,473	\$ 34,650	\$ 2,691,393	\$ 18,636,687	

(Continued)

Lawrence Hall

Statement of Functional Expenses (Continued)  
Year Ended June 30, 2022

	Supporting Services			2022 Total
	Management and General	Fundraising	Total	
Salaries	\$ 2,164,012	\$ 312,912	\$ 2,476,924	\$ 12,605,440
Employee health and retirement benefits	290,890	42,107	332,997	1,609,515
Payroll taxes and benefits	240,884	34,925	275,809	1,324,619
	2,695,786	389,944	3,085,730	15,539,574
Professional fees and contract service payments	452,316	52,637	504,953	888,571
Supplies	36,752	1,139	37,891	537,608
Telephone	16,719	1,829	18,548	149,369
Postage and shipping	(77)	618	541	10,625
Occupancy	106,447	8,781	115,228	1,346,312
Printing and publications	4,114	1,468	5,582	7,321
Local transportation	12,632	546	13,178	259,262
Conferences and training	21,330	1,430	22,760	47,228
Subscriptions	1,342	-	1,342	2,434
Foster care room and board	-	-	-	1,095,175
Specific assistance to clients	-	-	-	1,619,078
Membership dues	18,243	174	18,417	19,305
Minor equipment	42,947	7,834	50,781	140,768
Miscellaneous	78,364	5,399	83,763	212,511
	3,486,915	471,799	3,958,714	21,875,141
Depreciation and amortization	59,787	-	59,787	780,047
	\$ 3,546,702	\$ 471,799	\$ 4,018,501	\$ 22,655,188

See notes to financial statements.

Lawrence Hall

**Statements of Cash Flows**  
**Years Ended June 30, 2023 and 2022**

	2023	2022
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 3,657,009	\$ (4,789,303)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation and amortization	792,059	780,047
Realized and unrealized (gain) loss on investments	(1,229,793)	1,983,423
(Increase) decrease in value of beneficial interest in irrevocable trusts	(713,030)	2,359,836
Reduction in carrying amount of operating lease right-of-use assets	165,010	-
Reduction in carrying amount of finance lease right-of-use assets	77,451	-
Write off of capitalized 2014 Bond Costs	-	101,637
Changes in:		
Accounts receivable	(797,105)	(395,179)
Pledges receivable	(7,000)	5,000
Prepaid expenses and other assets	(154,534)	(460,254)
Accounts payable	554,468	(349,527)
Accrued expenses	(77,746)	(1,619)
Accrued payroll and payroll taxes	110,951	75,513
Other liabilities	279,950	417,388
Refundable advance	(305,838)	2,178,718
Operating lease liability	(179,364)	-
Accrued pension liability	(706,856)	533,833
<b>Net cash provided by operating activities</b>	<b>1,465,632</b>	<b>2,439,513</b>
Cash flows from investing activities:		
Additions to property and equipment	(444,357)	(291,895)
Proceeds from sales of investments	3,664,876	600,955
Purchases of investments	(3,976,415)	(1,907,778)
<b>Net cash used in investing activities</b>	<b>(755,896)</b>	<b>(1,598,718)</b>
Cash flows from financing activities:		
Issuance costs related to Series 2014 bonds	-	(86,487)
Cash paid for finance leases	(78,496)	9,463,612
Principal payments on bonds payable	(458,149)	(9,798,469)
<b>Net cash used in financing activities</b>	<b>(536,645)</b>	<b>(421,344)</b>
<b>Increase in cash and cash equivalents</b>	<b>173,091</b>	<b>419,451</b>
Cash and cash equivalents:		
Beginning of year	3,236,724	2,817,273
End of year	\$ 3,409,815	\$ 3,236,724
Supplemental disclosure of cash flow information:		
Interest paid	\$ 219,588	\$ 233,343

See notes to financial statements.

## Lawrence Hall

### Notes to Financial Statements

---

#### Note 1. Nature of Activities and Significant Accounting Policies

**Nature of activities:** Lawrence Hall (the Agency) is a child welfare agency licensed by the Illinois Department of Children and Family Services (DCFS). The Agency provides services to abused, neglected, disadvantaged and educationally handicapped youths and their families in the Chicagoland area (Chicago, Illinois). Major services contracted with DCFS and the City of Chicago include residential, foster care, independent living, job placement programs and a school for children with behavioral and emotional disabilities. These contracts provide a substantial portion of the Agency's revenue. Activities are conducted from owned facilities on the North Side of Chicago and various other locations.

The Agency is exempt from income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code and applicable state law.

The Agency follows accounting standards established by the Financial Accounting Standards Board (FASB), as applicable to nonprofit organizations, to ensure consistent reporting of financial condition, results of activities and cash flows. References to accounting principles generally accepted in the United States of America (U.S. GAAP) in these footnotes are to the FASB Accounting Standards Codification, sometimes referred to as the Codification or ASC.

**Basis of presentation:** The financial statements have been prepared in accordance with accounting principles applicable to nonprofit organizations.

**Net asset accounting:** In accordance with the limitations, designations and restrictions placed on the use of resources available to the Agency, the following classifications are utilized according to the nature and purpose of the resources:

**Net assets without donor restrictions:** Net assets without donor restrictions represent net assets that are not subject to donor-imposed restrictions. Contributions are considered to be available for general use unless specifically restricted by the donor. Net assets without donor restrictions also include certain funds functioning as an endowment which have been designated by the board for investment purposes. Earnings on the funds functioning as an endowment can be used for general operations, once appropriated for expenditure.

**Net assets with donor restrictions:** Net assets with donor restrictions are assets subject to donor-imposed restrictions. Some of these restrictions may or will be met, either by actions of the Agency and/or the passage of time. When such a restriction is satisfied, the net assets are transferred to net assets without donor restrictions and are reported in the statements of activities as net assets released from restrictions. Other donor restrictions do not terminate but instead require that funds be held in perpetuity, while the income is available for general use. Included in this amount are the Agency's interests in various irrevocable trusts.

**Cash and cash equivalents:** Cash and cash equivalents consist of highly liquid interest-bearing depository and money market accounts. The Agency considers all highly liquid investments with a maturity of three months or less at date of purchase to be cash equivalents. At times, cash and cash equivalents balances may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limit. Management has not experienced any losses and does not believe there is any significant market risk associated with such balances.

**Accounts receivable:** Accounts receivable primarily consist of amounts due from DCFS and the Chicago Board of Education for program services provided. Accounts receivable are net of an allowance for doubtful accounts of \$105,085 and \$124,102 at June 30, 2023, and 2022, respectively, determined based on historical experience and analysis of specific accounts. Uncollectible accounts are written off in the year they are deemed to be uncollectible.

**Notes to Financial Statements**

---

**Note 1. Nature of Activities and Significant Accounting Policies (Continued)**

**Investments:** Investments are recorded at fair value. Changes in fair value are recorded as unrealized gains (losses). Contributions of securities from donors are recorded at fair value at the time the gift is made. The Agency records its investment transactions on a trade-date basis. Interest income is recorded on the accrual basis.

Investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with investments, it is at least reasonably possible that changes in the fair value of investments will occur in the near term and that such changes could materially affect the financial statements.

**Leases:** Prior to July 1, 2022, the Agency followed the lease accounting guidance in FASB ASC Topic 840. Effective July 1, 2022, the Agency follows the lease accounting guidance in FASB ASC Topic 842. The Agency determines if an arrangement is a lease at inception of the contract. Under Topic 842, a lease is a contract, or part of a contract, that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Agency's contracts determined to be or contain a lease include explicitly or implicitly identified assets where the Agency has the right to obtain substantially all of the economic benefits of the assets and has the ability to direct how and for what purpose the assets are used during the lease term.

Leases are classified as either operating or finance. For both operating and finance leases, the Agency recognizes a lease liability equal to the present value of the remaining lease payments, and a right of use asset equal to the lease liability, subject to certain adjustments, such as for prepaid rents. The lease term may include options to extend or terminate the lease when it is reasonably certain that the Agency will exercise such option. When the rate implicit in the lease is not readily determinable, the Agency has made a policy election to use a risk-free rate, based on the United States Treasury rates, to determine the present value of the lease payments for all classes of assets.

The Agency defines a short-term lease as any lease arrangement with an original lease term of twelve months or less that does not include an option to purchase the underlying asset. The Agency has made a policy election to not recognize right-of-use assets and lease liabilities for short-term leases. As a result, short-term lease payments are recognized as expense on a straight-line basis over the lease term, and variable lease payments are recognized in the period in which the obligation is incurred.

Certain of the Agency's leases also include variable lease costs. These variable payments typically represent additional services transferred to the Agency, such as overage charges for related services and these are recorded in occupancy expense in the period incurred.

Operating leases result in a straight-line lease expense, while finance leases result in a front-loaded expense pattern. The Agency's lease agreements do not contain any residual value guarantees or restrictive covenants.

**Property and equipment:** Property and equipment are stated at cost and are being depreciated over their estimated useful lives (ranging from 2 to 40 years) using the straight-line method. Amortization is being provided for leasehold improvements using the straight-line method over the term of the leases.

**Other liabilities:** Other liabilities at June 30, 2023 and 2022, include a liability of \$1,410,000 and \$1,135,000, respectively, for various program surpluses generated in fiscal years 2020 through 2023. The funder may require the Agency to return some or all of these surpluses.

Notes to Financial Statements

---

**Note 1. Nature of Activities and Significant Accounting Policies (Continued)**

**Advances from government agencies:** Unearned receipts represent cash paid by the funder according to the program budget, which has not yet been earned based on program census. These amounts are reflected on the statement of financial position as a refundable advance liability.

**Bond issuance costs:** Certain costs incurred in connection with the issuance of bonds are capitalized and amortized on a straight-line basis over the life of the bonds. Any remaining unamortized costs are written off when the associated debt is extinguished.

**Functional expenses:** Operating expenses directly identifiable with a functional area are charged to that area and, where expenses affect more than one area, they are allocated on the basis of ratios determined by management. Personnel costs are allocated based on estimates of time and effort. Occupancy, utilities and rent are allocated on estimates of square footage usage.

**Revenue recognition:** Contributions, including unconditional pledges, are recognized in the period the promise is made. Conditional pledges are not recognized until the conditions on which they depend are substantially met. Contributions of assets other than cash are recorded at estimated fair value at the date of gift. Pledges receivable representing unconditional promises to pay are stated at the present value of the expected future cash flows; discounts are amortized and recorded as contribution revenue.

The Agency reports gifts of cash and other assets as net assets with donor restrictions if they are received with donor stipulations limiting the use of the donated assets. When a donor restriction expires, restricted net assets are reclassified as net assets without donor restrictions and are reported in the statements of activities as net assets released from restrictions.

Gifts of property and equipment are reported as net assets without donor restrictions unless donor stipulations specify how the assets are to be used. Gifts of long-lived assets with restrictions specifying how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. The Agency reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Government grants and contract agreements are accounted for as conditional promises to give and are recognized as revenue when the barriers have been substantially met. Generally, the barriers are met when qualifying expenses have been incurred or services have been delivered and other grant requirements have been met. The Agency has elected the simultaneous release policy for government grants, which allows the Agency to recognize restricted conditional contributions directly in net assets without donor restrictions when the condition is met. The Agency has received conditional commitments, which generally represent unexpended government grants, amounting to \$1,575,935 and \$1,133,000 as of and for the years ended June 30, 2023 and 2022, respectively, which have not been recognized because the Agency has not yet met the related barriers. These amounts are subject to recognition as the Agency incurs qualifying expenses and performs its duties under the terms of the grant agreements. Any unexpended amounts received in advance are recorded as advances from government agencies.

**Donated materials and services:** Donated materials and equipment are reflected as contributions at their estimated values at date of receipt. No amounts have been reflected for donated services because they do not meet the criteria for inclusion in the financial statements. However, a substantial number of volunteers have donated their time to the Agency's program services and its fundraising activities.

**Fair value measurements:** The provisions of the FASB guidance on fair value measurements defines fair value, establishes a framework for measuring fair value and expands disclosure of fair value measurements. The guidance applies to all assets and liabilities that are measured and reported at fair value.

Notes to Financial Statements

---

**Note 1. Nature of Activities and Significant Accounting Policies (Continued)**

**Use of estimates:** In preparing financial statements in conformity with U.S. GAAP, management makes estimates and assumptions affecting the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Income taxes:** The guidance on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under this guidance, the Agency may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. Examples of tax positions include the tax-exempt status of the Agency and various positions related to the potential sources of unrelated business taxable income (UBTI). The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits identified or recorded as liabilities during the periods covered by these financial statements. The Agency files Form 990 in the U.S. federal jurisdiction and the state of Illinois.

**Adopted accounting pronouncements:** Accounting Standards Update (ASU) 2016-02, *Leases (Topic 842)*, supersedes the leasing guidance in FASB ASC Topic 840, *Leases*, which is intended to increase transparency and comparability among organizations related to their leasing arrangements. The new lease standard, including all the related amendments subsequent to its issuance, supersedes the current guidance for lease accounting and requires lessees to recognize a right-of-use asset representing the right to use an underlying asset and a lease liability representing the obligation to make lease payments over the lease term for substantially all leases, as well as disclose key quantitative and qualitative information about leasing arrangements.

The Agency adopted ASU 2016-02 on July 1, 2022, using the optional transition method to the modified retrospective approach, which eliminates the requirement to restate the prior period financial statements. Under this transition provision, the Agency has applied ASU 2016-02 to reporting periods beginning on July 1, 2022, while prior periods continue to be reported and disclosed in accordance with the legacy guidance under ASC Topic 840, *Leases*, (ASC 840). The adoption did not result in a cumulative-effect adjustment to the opening balance of net assets.

In addition to policy election choices, FASB ASC Topic 842 includes practical expedient choices. The Agency elected the package of practical expedients available in the standard and as a result, did not reassess the lease classification of existing leases, whether a preexisting contract is deemed to be or to include a lease or the initial direct costs associated with existing leases. The Agency did not elect the hindsight practical expedient, and so did not re-evaluate lease terms for existing leases and will measure the right-of-use asset and lease liability using the remaining portion of the lease term at adoption on July 1, 2022.

Adoption of the new lease standard resulted in the recording of operating lease right-of-use assets of approximately \$535,000 and operating lease liabilities of approximately \$535,000 as of July 1, 2022. Adoption also resulted in the recording of finance lease right-of-use assets of approximately \$153,000 and finance lease liabilities of approximately \$153,000 as of July 1, 2022.

**Reclassifications:** Certain amounts in the 2022 statement of activities and statement of functional expenses have been reclassified to conform with the presentation in the current year, without any effect on net assets or changes in net assets, as previously reported.

## Lawrence Hall

### Notes to Financial Statements

---

#### Note 1. Nature of Activities and Significant Accounting Policies (Continued)

**Subsequent events:** The Agency has evaluated subsequent events for potential recognition and/or disclosure through February 21, 2024, the date the financial statements were issued.

#### Note 2. Pledges Receivable

Pledges receivable consist of gifts from various foundations and individuals payable in the future. As of June 30, 2023 and 2022, all amounts recorded as pledges receivable were due to be collected within the following fiscal year. No reserve for uncollectibility is required for pledges receivable, as management expects the full amount outstanding at June 30, 2023, to be collected.

#### Note 3. Investments

The Agency has unrestricted and restricted investments which are stated at fair value. Investments at June 30, 2023 and 2022, consisted of:

	June 30, 2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Exchange-traded funds	\$ 4,307,731	\$ 2,176,134	\$ 6,483,865
Fixed income funds	1,664,937	841,075	2,506,012
Mutual funds	1,979,754	1,000,112	2,979,866
	<u>\$ 7,952,422</u>	<u>\$ 4,017,321</u>	<u>\$ 11,969,743</u>

	June 30, 2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Exchange-traded funds	\$ 3,556,259	\$ 1,925,251	\$ 5,481,510
Fixed income funds	1,653,059	708,462	2,361,521
Mutual funds	1,789,613	795,767	2,585,380
	<u>\$ 6,998,931</u>	<u>\$ 3,429,480</u>	<u>\$ 10,428,411</u>

#### Note 4. Beneficial Interest in Irrevocable Trusts

The Agency is a beneficiary of several trusts maintained by independent trustees. The trusts' assets are to be held in perpetuity. The Agency expects to receive annual distributions of its share of the trusts' annual income. These distributions are recorded in the revenue section of the statements of activities as distributions from beneficial interest in irrevocable trusts. The gifts have been recognized in the financial statements as beneficial interest in irrevocable trusts at the fair market value of the Agency's interests in the trusts, which amounted to \$11,847,665 and \$11,134,635 at June 30, 2023 and 2022, respectively.

The change in value of the beneficial interest in irrevocable trusts is recorded as gain or (loss) with donor restrictions in the statements of activities. The change in value of the beneficial interests in irrevocable trusts totaled \$713,030 and (\$2,359,836) for fiscal years ended June 30, 2023 and 2022, respectively. The investment income (distributions received) from beneficial interests in irrevocable trusts, which is recorded without donor restrictions, totaled \$553,721 and \$509,821 for fiscal years 2023 and 2022, respectively.

Notes to Financial Statements

---

**Note 5. Fair Value Measurements**

The accounting standard related to fair value measurements defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined as assumptions market participants would use in pricing an asset or liability. The three levels of the fair value hierarchy are described below:

**Level 1:** Unadjusted quoted prices for identical assets or liabilities in active markets that the Agency has the ability to access at the measurement date. The type of investments included in Level 1 includes listed equities and listed derivatives.

**Level 2:** Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs that are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability.

The asset's 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The valuation methods used may produce a fair value calculation that may not be indicative of the net realizable value or reflective of future fair values. Furthermore, although the Agency believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There have been no changes in the methodologies used at June 30, 2023 and 2022.

**Investments:** The fair value of money market funds, exchange-traded funds, mutual funds and fixed income securities are based upon market quotations of national security exchanges.

**Beneficial interest in irrevocable trusts:** Beneficial interest in irrevocable trusts is valued at the proportional share of interest at the closing price reported on the active or observable market on which the trusts' underlying individual securities are traded as reported to the Agency by the trustees.

**Retirement plan investments:** Pooled separate accounts are valued at net asset value (NAV) of shares held by the Agency's defined benefit pension plan at year-end.

**Lawrence Hall**

**Notes to Financial Statements**

**Note 5. Fair Value Measurements (Continued)**

For the years ended June 30, 2023 and 2022, there were no transfers between levels of the fair value hierarchy. The following tables set forth by level, within the fair value hierarchy, the Agency's assets and liabilities at fair value as of June 30, 2023 and 2022:

	Fair Value as of June 30, 2023			
	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Cash equivalents:				
Institutional money market funds	\$ 753,994	\$ -	\$ -	\$ 753,994
Investments:				
Exchange-traded funds	\$ 6,483,865	\$ -	\$ -	\$ 6,483,865
Fixed income funds	2,506,012	-	-	2,506,012
Mutual funds	2,979,866	-	-	2,979,866
	<u>\$ 11,969,743</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11,969,743</u>
Beneficial interest in irrevocable trusts	\$ -	\$ -	\$ 11,847,665	\$ 11,847,665
<b>Fair Value as of June 30, 2022</b>				
	Level 1	Level 2	Level 3	Total
<b>Assets:</b>				
Cash equivalents:				
Institutional money market funds	\$ 891,884	\$ -	\$ -	\$ 891,884
Investments:				
Exchange-traded funds	\$ 5,481,510	\$ -	\$ -	\$ 5,481,510
Fixed income funds	2,361,521	-	-	2,361,521
Mutual funds	2,585,380	-	-	2,585,380
	<u>\$ 10,428,411</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,428,411</u>
Beneficial interest in irrevocable trusts	\$ -	\$ -	\$ 11,134,635	\$ 11,134,635

The institutional money market fund amounts above are included in cash and cash equivalents on the statements of financial position.

## Lawrence Hall

### Notes to Financial Statements

---

#### Note 6. Property and Equipment

Property and equipment consisted of the following at June 30, 2023 and 2022:

	2023	2022
Land	\$ 74,408	\$ 74,408
Site improvements	2,078,272	2,078,272
Buildings	19,695,988	19,695,988
Building and leasehold improvements	3,724,215	3,536,235
Furnishings and equipment	2,892,862	2,662,123
Automobiles	282,833	257,195
	<u>28,748,578</u>	<u>28,304,221</u>
Accumulated depreciation and amortization	(14,381,162)	(13,594,509)
	<u>\$ 14,367,416</u>	<u>\$ 14,709,712</u>

Depreciation expense totaled \$786,653 and \$777,344 for fiscal years 2023 and 2022, respectively.

#### Note 7. Retirement Plans

The Agency maintains a defined benefit pension plan that was frozen in 2005 after which no further benefits or credited service accrued under the plan. Benefits accrued through December 31, 2005, were not affected by the plan freeze. Approximately 50 employees remain covered under the plan. Benefits are based on years of service and the employee's compensation during the last years of employment. The Agency's funding policy is to contribute to the plan the annual actuarially required amounts. In fiscal 2022, the Agency switched plan administrators from Prudential to Mutual of America, and accordingly the plan assets were moved from the Prudential separate accounts to Mutual of America separate accounts.

ASC Topic 715, Compensation – Retirement Benefits, requires the Agency to recognize the funded position of its plan (the difference between the fair value of plan assets and the projected benefit obligation). The Agency recognized a non-operating gain (loss) of \$785,216 and (\$674,004) for fiscal years 2023 and 2022, respectively, which have been separately reported in the statements of activities as changes in net assets without donor restrictions.

## Lawrence Hall

### Notes to Financial Statements

---

#### Note 7. Retirement Plans (Continued)

Following is a summary of plan information as of and for the years ended June 30, 2023 and 2022, as provided by the consulting actuary:

	2023	2022
Change in projected benefit obligation:		
Projected benefit obligation, beginning of year	\$ 8,367,725	\$ 9,563,768
Interest cost	305,152	243,294
Actuarial gain	(465,012)	(666,238)
Benefits paid	(627,195)	(773,099)
Projected benefit obligation, end of year	<u>7,580,670</u>	<u>8,367,725</u>
Change in plan assets:		
Fair value of plan assets, beginning of year	7,201,941	8,931,817
Actual return (loss) on plan assets	565,646	(927,369)
Benefits paid and expenses disbursed	(645,845)	(802,507)
Fair value of plan assets, end of year	<u>7,121,742</u>	<u>7,201,941</u>
Funded status – benefit obligation in excess of plan assets (liability on statements of financial position)	<u>\$ (458,928)</u>	<u>\$ (1,165,784)</u>
Accumulated benefit obligation	<u>\$ 7,580,670</u>	<u>\$ 8,367,725</u>
Components of net periodic benefit cost (income) and other amounts recognized in net assets without donor restrictions:		
Interest cost	\$ 305,152	\$ 243,294
Service cost	15,920	29,408
Expected return on plan assets	(438,776)	(512,734)
Amortization of net loss	196,064	41,613
Settlement/curtailment	-	58,248
	<u>78,360</u>	<u>(140,171)</u>
Other changes in plan assets and benefit obligations recognized as an (increase) decrease to net assets without donor restrictions:		
Net (gain) loss for the period	(589,152)	773,865
Amortization of net loss	(196,064)	(41,613)
Recognition of settlement gain (loss)	-	(58,248)
	<u>(785,216)</u>	<u>674,004</u>
Total pension-related (increase) decrease to net assets without donor restrictions	<u>\$ (706,856)</u>	<u>\$ 533,833</u>
Benefits paid	<u>\$ 627,195</u>	<u>\$ 773,099</u>

## Lawrence Hall

### Notes to Financial Statements

---

#### Note 7. Retirement Plans (Continued)

	2023	2022
Weighted-average assumptions used to determine benefit obligations:		
Discount rate	4.82%	4.10%
Weighted-average assumptions used to determine net periodic benefit cost:		
Discount rate	4.10%	2.54%
Expected long-term return on plan assets	7.00%	5.75%

The Agency's expected long-term return on plan assets assumption is based on a periodic review and modeling of the plan's asset allocation and liability structure over a long-term horizon. Expectations of returns for each asset class are the most important of the assumptions used in the review and modeling and are based on comprehensive reviews of historical data and economic/financial market theory. The expected long-term rate of return on assets was selected from within the reasonable range of rates determined by (a) historical real returns, net of inflation, for the asset classes covered by the investment policy and (b) projections of inflation over the long-term period during which benefits are payable to plan participants.

At June 30, 2023 and 2022, plan assets were invested in mutual funds and comprised of approximately 56% (2022 – 43%) debt securities funds (NAV), 43% (2022 – 47%) equity funds (NAV) and 1% (2022 – 10%) in other funds (NAV). The Agency's target allocation was 34% debt securities, 56% equity securities and 10% in other funds.

The asset's 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 used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

**Pooled separate accounts:** Valued at NAV of shares/units held by the Agency at year-end as determined by the plan administrator.

## Lawrence Hall

### Notes to Financial Statements

---

#### Note 7. Retirement Plans (Continued)

The tables below present the fair value hierarchy as well as amounts valued at NAV using the practical expedient for those pension assets measured at fair value on a recurring basis, as of June 30, 2023 and 2022:

	Fair Value as of June 30, 2023		
	Level 3	NAV*	Total
Pension Assets			
Shares of pooled separate accounts:			
Equity funds:			
Growth	\$ -	\$ 152,689	\$ 152,689
Value	-	234,785	234,785
International	-	825,346	825,346
Index	-	2,803,780	2,803,780
Fixed income funds:			
Short-term	-	55,571	55,571
Total return	-	3,049,571	3,049,571
	<u>\$ -</u>	<u>\$ 7,121,742</u>	<u>\$ 7,121,742</u>

	Fair Value as of June 30, 2022		
	Level 3	NAV*	Total
Pension Assets			
Shares of pooled separate accounts:			
Equity funds:			
Growth	\$ -	\$ 131,899	\$ 131,899
Value	-	215,991	215,991
International	-	704,138	704,138
Index	-	2,360,883	2,360,883
Fixed income funds:			
Short-term	-	690,804	690,804
Total return	-	3,098,226	3,098,226
	<u>\$ -</u>	<u>\$ 7,201,941</u>	<u>\$ 7,201,941</u>

\* In accordance with ASC 820-10, investments that are measured at fair value using the NAV per share as a practical expedient are not classified in the fair value hierarchy.

## Lawrence Hall

### Notes to Financial Statements

---

#### Note 7. Retirement Plans (Continued)

In 2022, funds totaling \$821,387 formerly invested in the Prudential Guaranteed deposit account (Level 3) were transferred to the Mutual of America Pension Money Market fund (NAV).

The following table sets forth additional disclosures of the Agency's plan investments whose fair value is estimated using NAV per share (or its equivalent) as of June 30, 2023 and 2022:

Investment	Investment Objective	Fair Value June 30, 2023	Fair Value June 30, 2022	Redemption Frequency	Redemption Notice Period
Shares of pooled separate accounts:					
Equity funds:					
Growth	(a)	\$ 152,689	\$ 131,899	Daily	None
Value	(a)	234,785	215,991	Daily	None
International	(b)	825,346	704,138	Daily	None
Index	(c)	2,803,780	2,360,883	Daily	None
Fixed income funds:					
Short term	(d)	55,571	690,804	Daily	None
Total return	(e)	3,049,571	3,098,226	Daily	None
		<u>\$ 7,121,742</u>	<u>\$ 7,201,941</u>		

- (a) Invests in common stock and other types of equity investments.
- (b) Invests in common stock and other types of equity investments of non-U.S. companies.
- (c) Invests in common stocks representing the S&P 500 Index and S&P 500 Index future instruments.
- (d) Invests in money market instruments.
- (e) Invests in public and private fixed income securities rated investment grade at the time of purchase.

As determined by its actuary, there is no expected required contribution for fiscal 2024.

The Agency's investment policy includes various guidelines and procedures designed to ensure assets are invested in a manner necessary to meet expected future benefits earned by participants. The investment guidelines consider a broad range of economic conditions. Central to the policy are target allocations (shown above) by major asset categories. The objectives of the target allocations are to maintain investment portfolios that diversify risk through prudent asset allocation parameters, achieve asset returns that meet or exceed the plan's actuarial assumptions and achieve asset returns that are competitive with like institutions employing similar investment strategies. The investment policy is periodically reviewed by the Agency. The policy is established and administered in a manner so as to comply at all times with applicable government regulations.

The benefits expected to be paid for the next 10 fiscal years are as follows:

2024	\$ 1,679,000
2025	656,000
2026	520,000
2027	648,000
2028	596,000
2029-2033	2,464,000

**Notes to Financial Statements**

---

**Note 7. Retirement Plans (Continued)**

In 2006, the Agency instituted a qualified 401(k) plan for its employees. Employees are eligible to contribute to the plan upon employment and anytime thereafter. The Agency provides a matching contribution to employees that have completed one year of service during which the employee has completed 1,000 hours of service. The Agency's required matching contribution is 100% of the employee's first 3% contribution and 50% of the employee's next 2% contribution for a maximum Agency contribution of 4%. Employer contributions for fiscal years 2023 and 2022 were \$342,260 and \$326,375, respectively.

**Note 8. Bonds Payable**

In August 2014, the Agency issued 24-year tax-exempt bonds through the Illinois Finance Authority (Authority) in the amount of \$12,100,000 and entered into a bond and loan agreement with the Authority and Fifth Third Bank for the proceeds of the bond issue. The proceeds were used to refund the Agency's 2006 bonds. The 2014 bonds, which mature November 1, 2038, were issued in three series consisting of aggregate principal amounts of \$2,016,667 at a variable rate of interest, \$4,033,333 at fixed rate of interest of 2.83% and \$6,050,000 at a fixed rate of interest of 2.83%. The rate structure and amortization schedule for retirement of the bonds is set forth in an agreement between the Agency and Fifth Third Bank, which purchased and held the bonds.

Upon the end of the initial interest period on September 1, 2021, the bonds, which had an outstanding balance of \$9,463,612 (\$1,523,078, \$3,176,214, and \$4,764,320 for each of the three series, respectively), became subject to mandatory tender for purchase, whereby each series could be retained by the initial purchaser, remarketed to a new purchaser, or purchased by the Agency. Each series of the bonds was remarketed to Wintrust Bank, as the new purchaser. In connection with the remarketing, the interest rate on each series of bonds was reset on the purchase date to a fixed rate of 2.48%. The bonds are subject to mandatory tender on September 1, 2028, at which time interest rates will be reset.

A first amendment to the bond and loan agreement among the Authority, the Agency and Wintrust Bank, supplements and amends the 2014 agreement. Bonds held by the initial purchaser were cancelled and replaced with a new and amended form of bond for each series. The maturity date of November 1, 2038 remains unchanged.

The outstanding balance of the debt, net of unamortized bond issuance costs, totaled \$8,592,228 and \$9,044,971, at June 30, 2023 and 2022, respectively. Interest expense paid to bond holders totaled \$219,588 and \$233,343 for fiscal years ended June 30, 2023 and 2022, respectively.

Bond issuance costs associated with the retired 2014 bonds in the amount of \$101,637 were written off during 2022. Unamortized bond issuance costs of \$78,378 and \$83,784 are net of accumulated amortization of \$8,108 and \$2,703 at June 30, 2023 and 2022, respectively. Amortization expense was \$5,405 and \$2,703 for fiscal years 2023 and 2022, respectively.

## Lawrence Hall

### Notes to Financial Statements

---

#### Note 8. Bonds Payable (Continued)

Principal payments are scheduled annually in November as follows (by fiscal year):

2024	\$ 468,671
2025	480,427
2026	492,478
2027	504,831
2028	517,494
Thereafter	<u>6,206,705</u>
	8,670,606
Less unamortized bond issuance costs	<u>(78,378)</u>
	<u>\$ 8,592,228</u>

Related loan obligations are collateralized by a security interest on substantially all of the Agency's assets granted to the Bank. Financial covenants under a continuing covenant agreement with the Bank include a Debt Service Coverage Ratio requirement of 1.00 and a Liquidity Ratio requirement of 0.70.

#### Note 9. Lease Obligations

The Agency enters into contracts to lease real estate and various equipment. The Agency's most significant lease is an office lease with an initial lease term expiring during fiscal year 2026. Equipment leases have initial lease terms ranging up to six years. Certain leases include renewal, termination, or purchase options. Under FASB ASC Topic 842, the lease term at the lease commencement date is determined based on the non-cancellable period for which the Agency has the right to use the underlying asset, together with any periods covered by an option to extend the lease if the Agency is reasonably certain to exercise that option, periods covered by an option to terminate the lease if the Agency is reasonably certain not to exercise that option, and periods covered by an option to extend (or not to terminate) the lease in which the exercise of the option is controlled by the lessor. The Agency considered a number of factors when evaluating whether the options in its lease contracts were reasonably certain of exercise, such as length of time before option exercise, expected value of the leased asset at the end of the initial lease term, importance of the lease to overall operations, costs to negotiate a new lease, and any contractual or economic penalties.

FASB ASC Topic 842 includes a number of reassessment and re-measurement requirements for lessees based on certain triggering events or conditions, including whether a contract is or contains a lease, assessment of lease term and purchase options, measurement of lease payments, assessment of lease classification and assessment of the applicable discount rate. The Agency reviewed the reassessment and re-measurement requirements and did not identify any events or conditions that required a reassessment or re-measurement. In addition, there were no impairment indicators identified that required an impairment test for the Agency's right-of-use assets or other long-lived assets in accordance with ASC 360-10.

## Lawrence Hall

### Notes to Financial Statements

---

#### Note 9. Lease Obligations (Continued)

The components of lease expense and supplemental cash flow information related to leases for fiscal year 2023, are as follows:

Operating lease cost	\$ 179,364
Finance lease cost:	
Amortization of right-of-use assets	77,451
Interest on lease liabilities	957
Total lease cost	<u>\$ 257,772</u>

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows from operating leases	\$ 179,364
Right-of-use assets obtained in exchange for new finance lease liabilities	149,962

Weighted-average remaining lease term-operating leases	2.14 Years
Weighted-average remaining lease term-finance leases	4.17 Years
Weighted average discount rate-operating leases	2.87%
Weighted average discount rate-finance leases	3.60%

As of June 30, 2023, maturities of the Agency's lease liabilities are as follows:

	Operating Leases	Finance Leases
2024	\$ 184,486	\$ 72,529
2025	142,431	53,886
2026	50,105	44,358
2027	-	40,599
2028	-	33,000
Total lease payments	<u>377,022</u>	<u>244,372</u>
Less imputed interest	(21,349)	(19,902)
	<u>\$ 355,673</u>	<u>\$ 224,470</u>

As of June 30, 2022, future minimum lease commitments, as determined under ASC Topic 840, were as follows:

2023	\$ 245,419
2024	207,329
2025	155,488
2026	62,645
	<u>\$ 670,881</u>

## Lawrence Hall

### Notes to Financial Statements

---

#### Note 10. Net Asset Restrictions

Restricted net assets consisted of the following at June 30, 2023 and 2022:

	2023	2022
Subject to the passage of time:		
General operations	\$ 144,390	\$ 300,000
Subject to expenditure for a specific purpose:		
Foster care	42,830	50,635
Residential	122,049	118,526
School	140,668	100,345
Scholarships	55,076	55,891
Workforce Development	133,520	149,285
LHYS Auxiliaries	40,263	42,101
Program operations and clinical services	35,189	42,039
Special events	1,000	1,000
Other	89,045	90,733
	<u>659,640</u>	<u>650,555</u>
Subject to appropriation in accordance with endowment spending policy:		
Endowment earnings	3,405,809	2,817,968
Required to be maintained in perpetuity:		
Donor-restricted endowment	611,512	611,512
Beneficial interest in irrevocable trusts	11,847,665	11,134,635
	<u>12,459,177</u>	<u>11,746,147</u>
	<u>\$ 16,669,016</u>	<u>\$ 15,514,670</u>

Assets released from restrictions as of June 30, 2023 and 2022, are as follows:

	2023	2022
Residential	\$ 49,507	\$ 35,630
Program operations and clinical services	129,850	2,825
Foster care	120,304	4,365
School	79,645	13,561
Scholarships	3,771	1,540
Workforce Development	83,264	29,636
LHYS Auxiliaries	8,002	4,515
Other	1,690	5,436
General operations	155,610	150,000
	<u>\$ 631,643</u>	<u>\$ 247,508</u>

**Note 11. Endowment Fund**

The Agency's endowment consists of various contributions from donors for the creation of an endowment for general purposes with a specified portion designated for the Therapeutic Day School. The board-designated investments are funds functioning as an endowment fund. The assets are invested in the general investment portfolio of the Agency, and all other accumulations to the endowment are classified as net assets without donor restrictions, absent explicit donor stipulations to the contrary. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. There were no principal additions to the endowment fund in 2023 and \$1,500,000 in additions in 2022.

The Agency follows the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as adopted by the State of Illinois. UPMIFA eliminates the historic dollar value rule with respect to endowment fund spending, updates the prudence standard for the management and investment of charitable funds, and amends the provisions governing the release and modification of restrictions on charitable funds. The Agency complies with the provisions of ASC 958, Endowments of Not-for-Profit Agencies: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act and Enhanced Disclosures for all Endowment Funds.

**Interpretation of Relevant Law:** The Board of Trustees of the Agency has interpreted Illinois UPMIFA as requiring the preservation of the fair value of the original gift 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 Agency classifies as net assets with donor restrictions required to be maintained in perpetuity (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 instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not required to be maintained in perpetuity is classified as net assets with donor restrictions until those amounts are appropriated for expenditure by the Agency in a manner consistent with the standard of prudence prescribed by UPMIFA.

**Spending Policy:** The Agency's policy is to preserve the historical dollar value of contributions to the endowment and to use any of the investment returns as is prudent, taking into consideration the Agency's long- and short-term needs, resources, donor restrictions, expected total return on its investments and investment policies. The Agency's endowment spending policy provides for the transfer of funds to operations in an amount, subject to annual approval by the Agency's Board of Trustees, ranging from 3% to 5% of the average fair market value of the investments included in the Endowment Fund for each of the preceding three years ended June 30. The Agency elected not to transfer any endowment funds to operations in 2023 or 2022.

**Funds with Deficiencies:** From time-to-time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or Illinois UPMIFA requires the Agency to retain as a fund of perpetual duration. There were no such deficiencies at June 30, 2023 and 2022.

**Return Objectives and Risk Parameters:** The Investment Committee, which oversees the investment portfolio of the Agency with the assistance of the Agency investment advisor, operates in accordance with an investment policy statement that is intended to provide a predictable stream of income and investment returns. Under the policy guidelines, as approved by the Board of Trustees, the endowment assets are invested in accordance with sound investment practices that emphasize long-term investment fundamentals. In establishing investment objectives, the Board of Trustees, with the assistance of the Investment Committee, has taken into account the time horizon available for investment, the nature of the Agency's cash flow requirements, and other factors that affect the Board of Trustees' and Investment Committee's risk tolerance.

## Lawrence Hall

### Notes to Financial Statements

---

#### Note 11. Endowment Fund (Continued)

**Strategy Employed for Achieving Objectives:** Accordingly, the Agency's Investment Committee has recommended, and the Board of Trustees has adopted, an investment objective of long-term growth for the invested assets. The investment guidelines emphasize long-term capital appreciation as a primary source of return, recognize that the assets are exposed to risk and may be subject to fluctuations in market value from year-to-year, expect to earn returns sufficient to grow the purchasing power of assets over the long-term, diversify the invested assets in order to reduce the risk of wide swings in market value from year-to-year, or of incurring large losses that may result from concentrated positions, and achieve investment results over the long-term that compare favorably with those of other endowments and foundations, other professionally managed portfolios, and appropriate market indexes.

Beneficial interests in irrevocable trusts are maintained by independent trustees and do not operate under the return objectives and risk parameters or the strategy employed for achieving endowment objectives and, therefore, are not included in the changes in the following tables.

The endowment net asset composition by type of fund was as follows for the years ended June 30, 2023 and 2022:

	2023		
	Without Donor Restrictions	With Donor Restrictions	Total
Funds functioning as an endowment	\$ 8,706,417	\$ -	\$ 8,706,417
Donor-restricted endowment funds	-	4,017,321	4,017,321
Total	<u>\$ 8,706,417</u>	<u>\$ 4,017,321</u>	<u>\$ 12,723,738</u>

	2022		
	Without Donor Restrictions	With Donor Restrictions	Total
Funds functioning as an endowment	\$ 7,890,815	\$ -	\$ 7,890,815
Donor-restricted endowment funds	-	3,429,480	3,429,480
Total	<u>\$ 7,890,815</u>	<u>\$ 3,429,480</u>	<u>\$ 11,320,295</u>

The funds functioning as an endowment are included in net assets without donor restrictions on the statements of financial position.

## Lawrence Hall

### Notes to Financial Statements

---

#### Note 11. Endowment Fund (Continued)

Changes in endowment net assets for fiscal years 2023 and 2022, were as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Endowment net assets, July 1, 2021	\$ 7,222,798	\$ 4,377,556	\$ 11,600,354
Deposits	1,500,000	-	1,500,000
Investment return:			
Investment income, net of investment management fees	203,364	-	203,364
Net depreciation in value	(1,035,347)	(948,076)	(1,983,423)
Endowment net assets, June 30, 2022	7,890,815	3,429,480	11,320,295
Investment return:			
Investment income, net of investment management fees	173,650	-	173,650
Net appreciation in value	641,952	587,841	1,229,793
Endowment net assets, June 30, 2023	<u>\$ 8,706,417</u>	<u>\$ 4,017,321</u>	<u>\$ 12,723,738</u>

#### Note 12. Contingencies

From time-to-time, the Agency is subject to litigation that arises in the ordinary course of conducting activities. In management's opinion, the resolution of litigation matters, if any, would not have a material effect on the financial position of the Agency at June 30, 2023 and 2022.

#### Note 13. Liquidity and Availability

As of June 30, 2023, the following financial assets held by the Agency could readily be made available within one year of the statement of financial position date to meet general expenditures.

	2023	2022
Financial assets at year-end:		
Cash and cash equivalents	\$ 3,409,815	\$ 3,236,724
Accounts receivable, net	2,779,429	1,982,324
Pledges receivable, net to be received within one year	157,900	150,900
Expected endowment spending-rate distributions and appropriations	535,000	455,000
Expected distributions from beneficial interests in irrevocable trusts	500,000	500,000
	<u>\$ 7,382,144</u>	<u>\$ 6,324,948</u>

Funds functioning as endowment of \$8,706,417 at June 30, 2023, are subject to the Agency's annual spending policy. Although the Agency does not intend to spend from these board-designated funds functioning as an endowment (other than amounts appropriated for general expenditure as part of the Agency's annual budget approval and appropriation), these amounts could be made available if necessary.

**Notes to Financial Statements**

---

**Note 13. Liquidity (Continued)**

On an annual basis, the Agency receives distributions from its beneficial interest in irrevocable trusts. The amount reflected above represents an estimate of funds to be received in fiscal year 2023, based on historical experience.

In addition to financial assets available to meet general expenditures over the next 12 months, the Agency operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

## **Supplementary Information**

**Lawrence Hall**

**Schedule of Property and Equipment  
June 30, 2023**

	Assets				Accumulated Depreciation				Net June 30, 2023	
	Balance July 1, 2022	Additions	Transfers	Retirements	Balance June 30, 2023	Balance July 1, 2022	Provisions	Retirements		Balance June 30, 2023
Francisco Avenue Campus:										
Land	\$ 51,458	\$ -	\$ -	\$ -	\$ 51,458	-	\$ -	\$ -	\$ -	\$ 51,458
Site improvements	2,078,272	-	-	-	2,078,272	163,385	11,516	-	174,901	1,903,371
Buildings	19,572,995	-	-	-	19,572,995	8,328,599	484,544	-	8,793,143	10,779,852
Building improvements	1,921,800	116,614	-	-	2,038,414	1,241,168	113,627	-	1,354,795	683,619
Furnishings and equipment	1,756,782	217,183	-	-	1,973,965	1,523,062	105,598	-	1,628,660	345,305
Group Home Properties:										
Land	22,950	-	-	-	22,950	-	-	-	-	22,950
Buildings	122,993	-	-	-	122,993	122,993	-	-	122,993	-
Building improvements	1,614,436	71,365	-	-	1,685,801	1,226,483	33,712	-	1,260,195	425,606
Furnishings and equipment	100,504	2,052	-	-	102,556	80,514	1,652	-	82,166	20,390
Automobiles	257,195	25,638	-	-	282,833	210,995	16,403	-	227,398	55,435
Leased Building Property:										
Furnishings and equipment	804,836	11,505	-	-	816,341	697,310	39,601	-	736,911	79,430
	<u>\$ 28,304,221</u>	<u>\$ 444,357</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,748,578</u>	<u>\$ 13,594,509</u>	<u>\$ 786,653</u>	<u>\$ -</u>	<u>\$ 14,381,162</u>	<u>\$ 14,367,416</u>

**Lawrence Hall**

**Schedule of Fees and Grants from Government Agencies  
Year Ended June 30, 2023 (With Comparative Totals for 2022)**

	Residential Programs				Older Adolescent Programs							
	Institutional Residential Care	SST Institutional Care	Interim Care	Therapeutic Day School	Workforce Development	Independent Living	Youth Village					
							Transitional Living	Independent Living	Transitional Living			
<b>Service fees:</b>												
Illinois Department of Children and Family Services	\$ 4,461,494	\$ 2,776,237	\$ 822,668	\$ 50,828	\$ -	\$ 94,340	\$ 328,913	\$ 1,466,358	\$ 3,719,107			
Chicago Board of Education – Special Education	-	-	-	1,885,869	-	-	-	-	-			
<b>Grants:</b>												
Illinois Department of Children and Family Services	-	-	-	-	253,016	-	-	-	-			
Food grants	17,608	11,739	5,869	43,042	-	-	-	-	-			
Other	-	-	-	-	-	-	-	-	-			
	<u>\$ 4,479,102</u>	<u>\$ 2,787,976</u>	<u>\$ 828,537</u>	<u>\$ 1,979,739</u>	<u>\$ 253,016</u>	<u>\$ 94,340</u>	<u>\$ 328,913</u>	<u>\$ 1,466,358</u>	<u>\$ 3,719,107</u>			

(Continued)

**Lawrence Hall**

**Schedule of Fees and Grants from Government Agencies (Continued)  
Year Ended June 30, 2023 (With Comparative Totals for 2022)**

	Foster Care					Total	
	Relative/ Traditional	Specialized Mental Health	Treatment Family Home	Other Programs	Other Not Allocated*	2023	2022
<b>Service fees:</b>							
Illinois Department of Children and Family Services	\$ 3,344,343	\$ 1,377,434	\$ 10,302	\$ 795,052	\$ (275,000)	\$ 18,972,076	\$ 16,017,050
Chicago Board of Education – Special Education	-	-	-	-	-	1,885,869	1,767,490
<b>Grants:</b>							
Illinois Department of Children and Family Services	-	-	-	87,462	-	340,478	247,310
Food grants	-	-	-	-	-	78,258	81,360
Other	-	-	-	3,094,431	-	3,094,431	2,435,713
	<u>\$ 3,344,343</u>	<u>\$ 1,377,434</u>	<u>\$ 10,302</u>	<u>\$ 3,976,945</u>	<u>\$ (275,000)</u>	<u>\$ 24,371,112</u>	<u>\$ 20,548,923</u>

\*Represents estimated program surpluses potentially refundable to funder, included in other liabilities at June 30, 2023.

**Lawrence Hall**

**Detail of Functional Expenses – Other Programs  
Year Ended June 30, 2023**

	Vocational Program	HOPES	Contact Tracing	Workforce Development	ETV / Youth Summit	DECO	Parenting Ward	One Summer Chicago +	Chicagoability	JJYS	CYSC	JAC
Salaries	\$ 7,083	\$ 64,732	\$ 211,744	\$ 182,969	\$ -	\$ -	\$ -	\$ 5,746	\$ 4,750	\$ 127,505	\$ 108,586	\$ 81,902
Employee health and retirement benefits	469	8,369	25,117	23,113	-	-	-	650	500	16,135	14,251	9,866
Payroll taxes and benefits	393	6,733	20,609	18,785	-	-	-	550	446	13,012	11,427	8,433
	7,945	79,834	257,470	224,867	-	-	-	6,946	5,696	156,652	134,264	100,201
Professional fees and contract service payments	-	-	-	1,015	-	-	-	-	-	1,573	-	-
Supplies	503	2,526	5,727	41,521	87,923	2,480	-	151	90	800	1,306	6,201
Telephone	-	1,164	5,382	3,774	-	-	-	16	189	656	612	1,299
Postage and shipping	99	-	-	14	-	-	-	-	-	-	-	-
Occupancy	11,179	3,731	729	35,816	-	11,529	-	-	-	-	3,592	125
Printing and publications	-	69	99	300	-	-	-	-	-	-	51	500
Local transportation	16	3,579	233	3,587	-	-	-	-	-	436	1,865	2,148
Conferences and training	-	12,870	888	2,607	-	-	-	-	-	1,646	42	-
Subscriptions	-	-	-	-	-	-	-	-	-	-	-	-
Foster care room and board	-	-	-	-	-	-	-	-	-	-	-	-
Specific assistance to clients	(935)	19,343	-	2,116	-	-	28,122	55	11,830	664	317,549	6,090
Membership dues	-	-	-	2	-	-	-	-	-	2	-	-
Minor equipment	508	1,252	218	7,028	-	-	-	-	-	66	-	5
Miscellaneous	-	-	-	-	-	-	-	-	-	1,359	-	-
	19,315	124,368	270,746	322,647	87,923	14,009	28,122	7,168	17,805	163,854	459,281	116,569
Depreciation and amortization	21,769	-	-	11,116	-	-	-	-	-	-	-	-
	\$ 41,084	\$ 124,368	\$ 270,746	\$ 333,763	\$ 87,923	\$ 14,009	\$ 28,122	\$ 7,168	\$ 17,805	\$ 163,854	\$ 459,281	\$ 116,569

(Continued)

Lawrence Hall

Detail of Functional Expenses – Other Programs (Continued)  
Year Ended June 30, 2023

	IYIP	SYEP	WFOA	RAMP	Reporting Center	Reimagine	SCAN	Violence Prevention	Mayor's Mentoring Initiative	UMC Violence Prevention	After School Matters	Adolescent SPEC	LGBTQ Transitional Living	JAC GVP	QUEST	JAC JR	Total Other Programs
Salaries	\$ 226,591	\$ 1,451	\$ 256,703	\$ 36,705	\$ 176,191	\$ 27,565	\$ 110,866	\$ -	\$ 27,812	\$ 3,514	\$ 1,474	\$ -	\$ 52,679	\$ 49,065	\$ 128,811	\$ 2,599	\$ 1,895,043
Employee health and retirement benefits	28,343	142	32,506	4,671	18,077	3,813	14,601	-	3,879	383	109	-	5,140	6,804	16,306	410	233,664
Payroll taxes and benefits	23,219	127	26,380	3,843	14,579	3,019	11,815	-	2,922	328	98	-	3,892	5,334	13,470	317	189,831
	278,163	1,720	315,589	44,219	207,947	34,397	137,282	-	34,613	4,236	1,681	-	61,711	61,203	168,687	3,326	2,318,538
Professional fees and contract service payments	94,801	-	410	-	14,344	9,350	1,080	-	-	-	-	14,295	528	56,420	-	-	193,816
Supplies	9,142	40	3,536	1,160	6,908	3,480	9,918	1,746	2,199	-	-	270	4,507	3,457	1,996	-	197,687
Telephone	4,779	24	4,691	481	263	-	1,231	373	668	-	201	38	909	1,729	1,092	-	29,471
Postage and shipping	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	113
Occupancy	41,033	180	26,718	2,857	6,286	1,796	8,979	12,311	2,146	-	-	1,568	14,832	17,336	-	-	202,743
Printing and publications	237	-	186	6	38	64	-	68	68	-	-	-	-	273	252	-	2,143
Local transportation	1,183	-	786	220	12,772	17	3,175	344	96	1	31	1,966	1,265	41	244	-	33,995
Conferences and training	420	-	919	15	24	-	-	67	12	-	-	-	-	-	-	-	19,510
Subscriptions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foster care room and board	-	-	-	-	-	-	-	-	-	-	-	377,710	-	-	-	-	377,710
Specific assistance to clients	176,019	99,108	25,885	1,836	58,697	3,614	42,019	86	3,356	-	-	5,255	14,726	10,897	-	-	826,332
Membership dues	-	-	1	-	2	-	2	-	-	-	-	-	-	-	-	-	9
Minor equipment	6,546	-	5,933	965	-	-	-	4,157	725	-	-	2,196	265	6,669	-	-	36,532
Miscellaneous	-	-	-	64	-	-	818	-	381	-	-	80	-	-	-	-	2,702
	612,312	101,072	384,754	51,823	307,281	52,718	204,504	19,054	44,164	4,236	1,913	403,368	98,743	158,025	162,171	3,326	4,241,301
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	32,885
	\$ 612,312	\$ 101,072	\$ 384,754	\$ 51,823	\$ 307,281	\$ 52,718	\$ 204,504	\$ 19,054	\$ 44,164	\$ 4,236	\$ 1,913	\$ 403,368	\$ 98,743	\$ 158,025	\$ 162,171	\$ 3,326	\$ 4,274,186

**Lawrence Hall**

**Detail of Functional Expenses – Other Programs  
Year Ended June 30, 2022**

	Vocational Program	HOPES	Contact Tracing	Workforce Development	ETV / Youth Summit	DECO	Parenting Ward	One Summer Chicago +	Chicagoability	JJYS	CYSC	JAC
Salaries	\$ 1,609	\$ 42,043	\$ 588,898	\$ 152,132	\$ -	\$ -	\$ -	\$ 8,188	\$ 3,900	\$ 1,705	\$ 4,563	\$ 32,136
Employee health and retirement benefits	241	5,595	79,891	20,582	-	-	-	1,057	500	233	660	4,374
Payroll taxes and benefits	181	4,685	65,789	16,973	-	-	-	924	440	192	518	3,581
	2,031	52,323	734,578	189,687	-	-	-	10,169	4,840	2,130	5,741	40,091
Professional fees and contract service payments	-	252	43	1,015	-	7,000	-	-	-	128	-	-
Supplies	81	412	26,301	33,728	27,784	23,828	-	81	61	133	-	560
Telephone	2	917	24,185	3,589	-	-	-	2,170	17	71	31	909
Postage and shipping	103	-	-	-	-	-	-	60	-	-	-	-
Occupancy	8,775	5,573	1,015	25,972	-	34,506	-	-	-	48	-	-
Printing and publications	-	43	189	34	-	-	-	-	-	-	-	-
Local transportation	-	707	33	859	-	-	-	434	-	-	-	842
Conferences and training	-	3	13	3,961	-	-	-	252	-	40	-	195
Subscriptions	-	-	-	48	-	-	-	-	-	-	-	-
Foster care room and board	-	-	-	-	-	-	-	-	-	-	-	-
Specific assistance to clients	-	25,898	-	4,109	-	-	20,214	68,617	7,625	-	45,170	6,370
Membership dues	-	88	165	290	-	-	-	-	-	-	-	-
Minor equipment	249	6,784	62,229	5,312	-	-	-	-	-	968	-	1,891
Miscellaneous	-	-	-	13,073	-	-	-	-	-	679	-	4,510
	11,241	93,000	848,751	281,677	27,784	65,334	20,214	81,783	12,543	4,197	50,942	55,368
Depreciation and amortization	22,737	-	-	9,818	-	-	-	-	-	-	-	-
	\$ 33,978	\$ 93,000	\$ 848,751	\$ 291,495	\$ 27,784	\$ 65,334	\$ 20,214	\$ 81,783	\$ 12,543	\$ 4,197	\$ 50,942	\$ 55,368

(Continued)

**Lawrence Hall**

**Detail of Functional Expenses – Other Programs (Continued)  
Year Ended June 30, 2022**

	IYIP	CYEP	SYEP	WIOA	RAMP	Reporting Center	Reimagine	SCAN	Violence Prevention	Mayor's Mentoring Initiative	UMC Violence Prevention	After School Matters	Total Other Programs
Salaries	\$ 195,725	\$ -	\$ 2,442	\$ 130,751	\$ 29,764	\$ 65,444	\$ -	\$ 7,004	\$ 50,173	\$ 23,796	\$ 10,705	\$ -	\$ 1,350,978
Employee health and retirement benefits	26,345	-	345	17,445	3,949	8,100	-	1,078	6,623	3,173	1,470	-	181,661
Payroll taxes and benefits	21,866	-	278	14,619	3,319	6,693	-	789	5,675	2,650	1,187	-	150,359
	243,936	-	3,065	162,815	37,032	80,237	-	8,871	62,471	29,619	13,362	-	1,682,998
Professional fees and contract service payments	1,320	-	-	1,194	193	-	-	-	837	146	-	-	12,128
Supplies	2,336	30	-	3,054	827	3,366	-	-	2,183	2,657	-	-	127,422
Telephone	4,583	-	45	3,926	588	189	-	48	894	493	80	15	42,752
Postage and shipping	-	-	-	112	-	-	-	-	28	-	-	-	303
Occupancy	28,362	-	-	25,751	4,179	-	-	-	19,331	3,140	-	-	156,652
Printing and publications	83	-	-	-	6	80	-	-	-	63	-	-	498
Local transportation	1,334	61	-	1,757	246	2,181	-	124	246	167	-	-	8,991
Conferences and training	225	-	-	118	70	-	-	-	1,526	1	-	-	6,404
Subscriptions	-	-	-	-	1,044	-	-	-	-	-	-	-	1,092
Foster care room and board	-	-	-	-	-	-	-	-	-	-	-	-	-
Specific assistance to clients	176,143	20,485	65,808	24,426	436	9,531	-	4,069	(107)	50	-	-	478,844
Membership dues	1	-	-	-	-	-	-	-	-	4	-	-	295
Minor equipment	461	-	-	417	68	1,770	1,044	3,583	292	51	-	-	16,359
Miscellaneous	20,561	-	-	15,782	362	-	-	-	-	120	-	-	124,100
	479,345	20,576	68,918	239,352	45,051	97,354	1,044	16,695	87,701	36,511	13,442	15	2,658,838
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-	-	-	32,555
	\$ 479,345	\$ 20,576	\$ 68,918	\$ 239,352	\$ 45,051	\$ 97,354	\$ 1,044	\$ 16,695	\$ 87,701	\$ 36,511	\$ 13,442	\$ 15	\$ 2,691,393