

SPECIAL EDUCATION LEGAL FUND, INC.

Financial Statements

**Year Ended June 30, 2024
(with comparative totals for 2023)**

SPECIAL EDUCATION LEGAL FUND, INC.

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Independent Accountant's Review Report

The Board of Directors
Special Education Legal Fund, Inc.
Greenwich, Connecticut

We have reviewed the accompanying financial statements of Special Education Legal Fund, Inc., which comprise the statement of financial position as of June 30, 2024 and the related statements of activities, cash flows and functional expenses for the year then ended, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

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

Accountant's Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Special Education Legal Fund, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

The Board of Directors
Special Education Legal Fund, Inc.
Greenwich, Connecticut

Report on Summarized Comparative Information

We previously reviewed Special Education Legal Fund, Inc.'s June 30, 2023 financial statements and in our report dated October 6, 2023 stated that based on our procedures, we were not aware of any material modifications that should be made to the June 30, 2023 financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America. We are not aware of any material modifications that should be made to the summarized comparative information presented herein as of and for the year ended June 30, 2023 for it to be consistent with the reviewed financial statements from which it has been derived.

Cirone Friedberg, LLP

Shelton, Connecticut
September 13, 2024

SPECIAL EDUCATION LEGAL FUND, INC.

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2024

(with comparative totals for 2023)

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash	\$ 222,662	\$ 128,975
Prepaid Expenses	7,724	7,999
Lease Deposits	1,000	1,000
Right-of-Use Asset - Operating Lease	<u>22,599</u>	<u>9,959</u>
Total Assets	<u>\$ 253,985</u>	<u>\$ 147,933</u>
 LIABILITIES AND NET ASSETS		
<u>Liabilities</u>		
Accrued Expenses	\$ 7,500	\$ 7,200
Operating Lease Liability	<u>22,657</u>	<u>9,876</u>
Total Liabilities	<u>30,157</u>	<u>17,076</u>
<u>Net Assets</u>		
Without Donor Restriction:		
Undesignated - Available for Operations	<u>223,828</u>	<u>130,857</u>
Total Liabilities and Net Assets	<u>\$ 253,985</u>	<u>\$ 147,933</u>

See independent accountant's review report and notes to financial statements.

SPECIAL EDUCATION LEGAL FUND, INC.

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024
(with comparative totals for 2023)

	<u>Without Donor Restriction</u>	<u>With Donor Restriction</u>	<u>2024 Total</u>	<u>2023 Total</u>
Public Support, Investment Income and Other				
Contributions	\$ 86,050	\$ -	\$ 86,050	\$ 63,883
Contributions of Non-Financial Assets:				
Services	4,000	-	4,000	4,000
Goods for Annual Event	3,350	-	3,350	14,335
Annual Event	367,113	-	367,113	203,100
Interest Income	<u>10,068</u>	<u>-</u>	<u>10,068</u>	<u>4,995</u>
 Total Public Support, Investment Income and Other	 <u>470,581</u>	 <u>-</u>	 <u>470,581</u>	 <u>290,313</u>
Expenses				
Program Services	<u>261,199</u>	<u>-</u>	<u>261,199</u>	<u>167,088</u>
Support Services:				
Management and General	27,622	-	27,622	27,453
Fund Raising	<u>37,551</u>	<u>-</u>	<u>37,551</u>	<u>23,209</u>
Total Support Services	<u>65,173</u>	<u>-</u>	<u>65,173</u>	<u>50,662</u>
 Total Functional Expenses	 326,372	 -	 326,372	 217,750
 Cost of Direct Benefit to Donors	 <u>51,238</u>	 <u>-</u>	 <u>51,238</u>	 <u>45,313</u>
 Total Expenses	 <u>377,610</u>	 <u>-</u>	 <u>377,610</u>	 <u>263,063</u>
 Change in Net Assets	 92,971	 -	 92,971	 27,250
 Net Assets - Beginning of Year	 <u>130,857</u>	 <u>-</u>	 <u>130,857</u>	 <u>103,607</u>
 Net Assets - End of Year	 <u>\$ 223,828</u>	 <u>\$ -</u>	 <u>\$ 223,828</u>	 <u>\$ 130,857</u>

See independent accountant's review report and notes to financial statements.

SPECIAL EDUCATION LEGAL FUND, INC.

STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2024
(with comparative totals for 2023)

	<u>2024</u>	<u>2023</u>
Cash Flows from Operating Activities		
Change in Net Assets	\$ 92,971	\$ 27,250
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Amortization of Right-of-Use Asset - Operating Lease	11,919	11,427
Changes in Assets and Liabilities:		
Prepaid Expenses	275	407
Accrued Expenses	300	700
Refundable Advances	-	(6,000)
Operating Lease Liability	(11,778)	(11,510)
Total Adjustments	<u>716</u>	<u>(4,976)</u>
Net Cash Provided by Operating Activities	<u>93,687</u>	<u>22,274</u>
Net Increase in Cash	93,687	22,274
Cash - Beginning of Year	<u>128,975</u>	<u>106,701</u>
Cash - End of Year	<u>\$ 222,662</u>	<u>\$ 128,975</u>

Non-Cash Financing Activities

During the year ended June 30, 2024, S.E.L.F. obtained a \$24,559 right-of-use asset - operating lease in exchange for \$24,559 of an operating lease liability.

See independent accountant's review report and notes to financial statements.

SPECIAL EDUCATION LEGAL FUND, INC.

STATEMENT OF FUNCTIONAL EXPENSES
 YEAR ENDED JUNE 30, 2024
 (with comparative totals for 2023)

	Support Services			Total Expenses 2024	Total Expenses 2023	
	Program Services	Management and General	Fund Raising			Total
Grants	\$ 254,098	\$ -	\$ -	\$ -	\$ 254,098	\$ 161,441
Event	-	-	30,757	30,757	30,757	17,654
Lease Expense	-	12,224	-	12,224	12,224	11,917
Professional Fees	-	7,500	-	7,500	7,500	7,200
Program Marketing	7,101	-	-	-	7,101	5,647
Computer and Internet Fees	-	6,832	-	6,832	6,832	6,783
Credit Card Fees	-	-	6,794	6,794	6,794	5,555
Insurance	-	611	-	611	611	611
Office Expenses	-	355	-	355	355	842
Filing Fees	-	100	-	100	100	100
Total Functional Expenses	\$ 261,199	\$ 27,622	\$ 37,551	\$ 65,173	\$ 326,372	\$ 217,750

See independent accountant's review report and notes to financial statements.

SPECIAL EDUCATION LEGAL FUND, INC.

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(with comparative totals for 2023)**

NOTE 1 - NATURE OF OPERATIONS

The mission of Special Education Legal Fund, Inc. (S.E.L.F.) is to level the playing field for families in need with children in the special education system. S.E.L.F. provides resources, knowledge and empowerment to support families during the advocacy process in Connecticut, New York and the surrounding areas.

S.E.L.F. is a not-for-profit organization incorporated in June 2018 under the Nonstock Corporation Act of the State of Connecticut and is exempt from federal tax under Section (501)(c)(3) of the Internal Revenue Code. S.E.L.F. is also exempt from state income tax.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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

Net Assets Without Donor Restriction

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of S.E.L.F.'s board of directors (Board).

Net Assets With Donor Restriction

Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of S.E.L.F. or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restriction. When a restriction expires or the restricted purpose is satisfied, net assets are reclassified from net assets with donor restriction to net assets without donor restriction in the statement of activities.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

See independent accountant's review report.

SPECIAL EDUCATION LEGAL FUND, INC.

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(with comparative totals for 2023)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Recognition

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

S.E.L.F. recognizes revenue from cost-reimbursable federal, state and non-governmental grants, which are conditioned upon certain performance requirements and/or the incurrence of certain allowable qualifying expenses, when S.E.L.F. has incurred expenditures in compliance with specific grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statement of financial position.

Contributions/Grants Non-Governmental

Contributions received are recorded as net assets without donor restriction or net assets with donor restriction, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restriction if the restriction expires or the restricted purpose is satisfied in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restriction, depending on the nature of the restriction.

Donated Goods and Services

Goods or services have been provided by various organizations and a number of unpaid volunteers have contributed their time. Donated goods and services are recognized as contributions if the goods or services received (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. S.E.L.F. recognizes in-kind contribution revenue and a corresponding expense in an amount approximating estimated fair market value at the time of the donation. Donated goods or services that do not meet the above criteria are not recognized.

See independent accountant's review report.

SPECIAL EDUCATION LEGAL FUND, INC.

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(with comparative totals for 2023)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

S.E.L.F. accounts for leases in accordance with accounting standards codification (ASC) 842, *Leases* (ASC 842). S.E.L.F. is a lessee under an operating lease agreement for office space. Leases are evaluated using the criteria outlined in ASC 842 to determine whether they will be classified as operating leases or finance leases. S.E.L.F. determines if an arrangement is a lease, or contains a lease, at inception of a contract and when terms of an existing contract are changed. S.E.L.F. determines if an arrangement conveys the right to use an identified asset and whether S.E.L.F. obtains substantially all of the economic benefits from and has the ability to direct the use of the asset. S.E.L.F. recognizes a lease liability and a right-of-use (ROU) asset at the commencement date of leases.

ROU Assets

An ROU asset is measured at the commencement date at the amount of the initially measured lease liability plus any lease payments made to the lessor before or after commencement date, minus any lease incentives received, plus any initial direct costs. Unless impaired, the ROU asset is subsequently measured throughout the lease term at the amount of the lease liability (that is the present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received. Lease cost for lease payments is recognized on a straight-line basis over the lease term as lease expense.

Lease Liabilities

A lease liability is measured based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or rate and are measured using the index or rate in effect at the commencement date. Lease payments, including variable payments made based on an index rate, are remeasured when any of the following occur: (1) the lease is modified (and the modification is not accounted for as a separate contract), (2) certain contingencies related to variable lease payments are resolved, or (3) there is a reassessment of any of the following: the lease term, purchase options, or amounts that are probable of being owed under a residual value guarantee. The discount rate is the rate implicit in the lease if it is readily determinable; otherwise, S.E.L.F. uses a risk-free discount rate based on U.S. Treasury instruments for a comparable lease term. S.E.L.F. has elected to use a risk-free discount rate for its leases.

Accounting Policy Election for Short-Term Leases

S.E.L.F. has elected for all underlying classes of assets, to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less, but greater than 1 month at lease commencement, and do not include an option to purchase the underlying asset that S.E.L.F. is reasonably certain to exercise. S.E.L.F. recognizes lease cost associated with their short-term leases on a straight-line basis over the lease term.

See independent accountant's review report.

SPECIAL EDUCATION LEGAL FUND, INC.

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(with comparative totals for 2023)**

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Functional Expenses

The costs of providing program and other activities have been summarized on a functional basis on the accompanying statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. Accordingly, certain costs may be allocated among the programs and supporting services benefited. Such allocations are determined by S.E.L.F. on an equitable basis. There were no allocated costs for the years ended June 30, 2024 and 2023.

Subsequent Events

Management has evaluated events and transactions for potential recognition or disclosure through September 13, 2024, which is the date the financial statements were available to be issued. Through that date there were no material events that would require recognition or additional disclosure in the financial statements.

NOTE 3 - CONCENTRATION OF RISK

Cash

Financial instruments that potentially subject S.E.L.F. to concentrations of credit risk consist principally of cash. S.E.L.F. maintains its cash in one bank account that, at times, may exceed federally insured limits. S.E.L.F.'s cash account has been placed with a high credit quality financial institution. Management of S.E.L.F. does not believe its deposits are subject to significant credit risk.

NOTE 4 - LIQUIDITY

S.E.L.F. regularly monitors liquidity required to meet its annual operating needs and other contractual commitments while also striving to maximize the return on investment of its funds not required for annual operations. As of June 30, 2024 and 2023, the following financial assets are available to meet annual operating needs within one year of the statement of financial position date:

	<u>2024</u>	<u>2023</u>
Financial Assets at Year End:		
Cash	\$222,662	\$128,975
Less: Amounts Not Available to be Used Within One Year	_____ -	_____ -
Financial Assets Available to Meet General Expenditures Over the Next Twelve Months	<u>\$222,662</u>	<u>\$128,975</u>

See independent accountant's review report.

SPECIAL EDUCATION LEGAL FUND, INC.

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(with comparative totals for 2023)**

NOTE 5 - CONTRIBUTIONS OF NON-FINANCIAL ASSETS

S.E.L.F. received the following contributions of nonfinancial assets for the years ended June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Services:		
Video Production and Editing	\$4,000	\$ 4,000
Annual Event:		
Wine	-	2,475
Auction Items	-	11,860
Drawing Items	<u>2,303</u>	<u> -</u>
Total Goods for Annual Event	<u>\$6,303</u>	<u>\$18,335</u>

Services

Contributed video production and editing services are recorded at the estimated fair market value, which is determined using the average hourly rate for similar services provided by the donor. The donated services were used in fundraising activities and the donor did not restrict the use of the donated services.

Annual Event

Contributed wine is recorded at the estimated fair market value, which is determined using the average per bottle retail price multiplied by the number of donated bottles. The wine is included in cost of direct benefit to donors on the statement of activities. There were no donations of wine during the year ended June 30, 2024.

S.E.L.F. receives donated items which are to be sold at its annual auction or given away in a drawing. Contributed auction items are valued at the gross selling price received, which is presumed to be market value. Drawing items are valued at face value of the donated item. Donors contributing auction items have not restricted the proceeds from the sale of the items. There was no auction held at the gala held during the year ended June 30, 2024.

NOTE 6 - LEASE

In May 2022, S.E.L.F. entered into a two-year lease agreement for space in Greenwich, Connecticut, which expired in April 2024. The lease provided for free rent for the first two months, with monthly payments of \$1,000 beginning July 1, 2022. The lease contained one two-year renewal option. The lease also required a security deposit of \$1,000.

See independent accountant's review report.

SPECIAL EDUCATION LEGAL FUND, INC.

**NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2024
(with comparative totals for 2023)**

NOTE 6 - LEASE (CONTINUED)

On May 1, 2024, S.E.L.F exercised the renewal option, which extended the lease to April 30, 2026. Monthly lease payments are \$1,041 through April 30, 2025 and \$1,100 through April 30, 2026. Total lease expense under this operating lease was approximately \$12,200 and \$11,900 for the years ended June 30, 2024 and 2023, respectively.

Future minimum lease payments at June 30, 2024 are as follows:

<u>Years Ending June 30,</u>	<u>Amount</u>
2025	\$12,617
2026	<u>11,000</u>
	23,617
Less: Amounts Representing Interest	<u>(960)</u>
Present Value of Operating Lease Liabilities	<u>\$22,657</u>

A summary of other information is as follows for the year ended June 30, 2024:

Cash Paid for Amounts Included in the Measurement of the Operating Lease Liability	\$12,083
Remaining Lease Term	1.83 years
Discount Rate	4.72%

NOTE 7 - PRIOR YEAR INFORMATION

S.E.L.F.'s financial statements include certain prior year summarized comparative information at June 30, 2023 and for the year then ended in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. GAAP. Accordingly, such information should be read in conjunction with S.E.L.F.'s financial statements for the year ended June 30, 2023, from which the summarized information was derived.

See independent accountant's review report.